

FDP “infringe[s] on the window of circadian low” for the purposes of § 117.27 if any portion of that FDP takes place during the WOCL.

Thus, an operation that begins during the WOCL would “infringe on the window of circadian low” and be subject to § 117.27 because a portion of that operation would be conducted during the WOCL. An operation that remains entirely free of the WOCL would not “infringe on the window of circadian low” for the purposes of § 117.27 because no portion of that operation would be conducted during the WOCL.

#### iii. How Often the Mid-Duty Break Must Be Provided

ALPA asked whether the two-hour mid duty rest break must be given on the day a pilot first reports for duty if he or she is scheduled for five days of flight that infringe on the WOCL.

Section 117.27 requires that, in order to exceed three consecutive nighttime FDPs, the two-hour mid-duty rest break be given “during each of the consecutive nighttime duty periods” that infringe on the WOCL. Accordingly, if a pilot is scheduled for five consecutive FDPs that infringe on the WOCL, that pilot must be provided with a two-hour mid-duty break during each of those FDPs. This would include the first FDP in the series that infringes on the WOCL.

#### iv. Whether Reserve Triggers § 117.27

SWAPA asked whether a RAP that infringes on the WOCL would trigger the requirements of § 117.27. Horizon and RAA asked whether a pilot can be scheduled for more than 3 consecutive airport reserve periods that infringe on the WOCL.

Section 117.27 only applies to “flight duty periods that infringe on the window of circadian low.” Because a reserve availability period is not a flight duty period, a RAP does not trigger the requirements of § 117.27. However, if a flightcrew member on short-call reserve is assigned an FDP at least a portion of which takes place during the WOCL, that FDP would infringe on the WOCL for purposes of § 117.27.

Turning to airport/standby reserve, § 117.21(a) states that “[f]or airport/standby reserve, all time spent in a reserve status is part of the flightcrew member’s flight duty period.” Because time spent in airport/standby reserve is considered to be part of an FDP, consecutive airport reserve periods that infringe on the WOCL would trigger the requirements of § 117.27.

#### O. Applicability to Flight Attendants

Alaska Air asked whether flight attendants operating under part 117 must comply with the fatigue education and awareness training program provisions of § 117.9. Alaska Air also asked whether these flight attendants must declare their fitness for duty pursuant to the provisions of § 117.5.

If a flight attendant operates under part 117, that flight attendant must comply with the provisions of part 117 that apply to flightcrew members. Flightcrew members are required to declare their fitness for duty pursuant to § 117.5(d) and go through fatigue education and awareness training pursuant to § 117.9. Accordingly, these requirements would also extend to flight attendants operating under part 117.

Issued in Washington, DC, on February 28, 2013.

**Mark Bury,**

*Acting Assistant Chief Counsel for International Law, Legislation, and Regulations Division, AGC-200.*

[FR Doc. 2013-05083 Filed 3-4-13; 8:45 am]

**BILLING CODE 4910-13-P**

## SECURITIES AND EXCHANGE COMMISSION

### 17 CFR Part 201

[Release Nos. 33-9387; 34-68994; IA-3557; IC-30408]

#### Adjustments to Civil Monetary Penalty Amounts

**AGENCY:** Securities and Exchange Commission.

**ACTION:** Final rule.

**SUMMARY:** This rule implements the Federal Civil Penalties Inflation Adjustment Act of 1990, as amended by the Debt Collection Improvement Act of 1996. The Commission is adopting a rule adjusting for inflation the maximum amount of civil monetary penalties under the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Company Act of 1940, the Investment Advisers Act of 1940, and certain penalties under the Sarbanes-Oxley Act of 2002.

**DATES:** *Effective Date:* March 5, 2013.

**FOR FURTHER INFORMATION CONTACT:** James A. Cappoli, Senior Special Counsel, Office of the General Counsel, at (202) 551-7923, or Miles S. Treakle, Senior Counsel, Office of the General Counsel, at (202) 551-3609.

**SUPPLEMENTARY INFORMATION:**

#### I. Background

This rule implements the Debt Collection Improvement Act of 1996 (“DCIA”).<sup>1</sup> The DCIA amended the Federal Civil Penalties Inflation Adjustment Act of 1990 (“FCPIAA”)<sup>2</sup> to require each federal agency to adopt regulations at least once every four years that adjust for inflation the maximum amount of the civil monetary penalties (“CMPs”) under the statutes administered by the agency.<sup>3</sup>

A civil monetary penalty (“CMP”) is defined in relevant part as any penalty, fine, or other sanction that: (1) Is for a specific amount, or has a maximum amount, as provided by federal law; and (2) is assessed or enforced by an agency in an administrative proceeding or by a federal court pursuant to federal law.<sup>4</sup> This definition covers the monetary penalty provisions contained in the statutes administered by the Commission. In addition, this definition encompasses the civil monetary penalties that may be imposed by the Public Company Accounting Oversight Board (the “PCAOB”) in its disciplinary proceedings pursuant to 15 U.S.C. 7215(c)(4)(D).<sup>5</sup>

The DCIA requires that the penalties be adjusted by the cost-of-living adjustment set forth in Section 5 of the FCPIAA.<sup>6</sup> The cost-of-living adjustment is defined in the FCPIAA as the percentage by which the U.S. Department of Labor’s Consumer Price Index for all-urban consumers (“CPI-U”)<sup>7</sup> for the month of June for the year preceding the adjustment exceeds the CPI-U for the month of June for the year in which the amount of the penalty was last set or adjusted pursuant to law.<sup>8</sup> The statute contains specific rules for rounding each increase based on the size of the penalty.<sup>9</sup> Agencies do not have discretion over whether to adjust a maximum CMP, or the method used

<sup>1</sup> Public Law 104-134, 110 Stat. 1321-373 (1996) (codified at 28 U.S.C. 2461 note).

<sup>2</sup> 28 U.S.C. 2461 note.

<sup>3</sup> Increased CMPs apply only to violations that occur after the increase takes effect.

<sup>4</sup> 28 U.S.C. 2461 note (3)(2).

<sup>5</sup> The Commission may by order affirm, modify, remand, or set aside sanctions, including civil monetary penalties, imposed by the PCAOB. See Section 107(c) of the Sarbanes-Oxley Act of 2002, 15 U.S.C. 7217. The Commission may enforce such orders in federal district court pursuant to Section 21(e) of the Securities Exchange Act of 1934. As a result, penalties assessed by the PCAOB in its disciplinary proceedings are penalties “enforced” by the Commission for purposes of the Act. See *Adjustments to Civil Monetary Penalty Amounts*, Release No. 33-8530 (Feb. 4, 2005) [70 FR 7606 (Feb. 14, 2005)].

<sup>6</sup> 28 U.S.C. 2461 note (5).

<sup>7</sup> 28 U.S.C. 2461 note (3)(3).

<sup>8</sup> 28 U.S.C. 2461 note (5)(b).

<sup>9</sup> 28 U.S.C. 2461 note (5)(a)(1)-(6).

to determine the adjustment. Although the DCIA imposes a 10 percent maximum increase for each penalty for the first adjustment pursuant thereto, that limitation does not apply to subsequent adjustments.

The Commission administers four statutes that provide for civil monetary penalties: The Securities Act of 1933; the Securities Exchange Act of 1934; the Investment Company Act of 1940; and the Investment Advisers Act of 1940. In addition, the Sarbanes-Oxley Act of 2002 provides the PCAOB (over which the Commission has jurisdiction) authority to levy civil monetary penalties in its disciplinary proceedings.<sup>10</sup> Penalties administered by the Commission were last adjusted by rules effective March 3, 2009.<sup>11</sup> The DCIA requires the civil monetary penalties to be adjusted for inflation at least once every four years. The Commission is therefore obligated by statute to increase the maximum amount of each penalty by the appropriate formulated amount.

Accordingly, the Commission is adopting an amendment to 17 CFR part 201 to add § 201.1005 and Table V to Subpart E, increasing the amount of each civil monetary penalty authorized by the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Company Act of 1940, the Investment Advisers Act of 1940, and certain penalties under the Sarbanes-Oxley Act of 2002.<sup>12</sup> The adjustments set forth in the amendment apply to violations occurring after the effective date of the amendment.

## II. Summary of the Calculation

To explain the inflation adjustment calculation for CMP amounts that were last adjusted in 2009, we will use the following example. Under the current provisions, the Commission may impose a maximum CMP of \$1,425,000 for certain insider trading violations by a controlling person. To determine the new CMP amounts under the amendment, first we determine the appropriate CPI-U for June of the calendar year preceding the year of adjustment. Because we are adjusting CMPs in 2013, we use the CPI-U for June of 2012, which was 229.478. We must also determine the CPI-U for June of the year the CMP was last adjusted

for inflation. Because the Commission last adjusted this CMP in 2009, we use the CPI-U for June of 2009, which was 215.693.

Second, we calculate the cost-of-living adjustment or inflation factor. To do this we divide the CPI for June of 2012 (229.478) by the CPI for June of 2009 (215.693). Our result is 1.0639.

Third, we calculate the raw inflation adjustment (the inflation adjustment before rounding). To do this, we multiply the maximum penalty amounts by the inflation factor. In our example, \$1,425,000 multiplied by the inflation factor of 1.0639 equals \$1,516,058.

Fourth, we round the raw inflation amounts according to the rounding rules in Section 5(a) of the FCPIAA. Since we round only the increase amount, we calculate the increased amount by subtracting the current maximum penalty amounts from the raw maximum inflation adjustments. Accordingly, the increase amount for the maximum penalty in our example is \$91,072 (*i.e.*, \$1,516,058 less \$1,425,000). Under the rounding rules, if the *penalty* is greater than \$200,000, we round the *increase* to the nearest multiple of \$25,000. Therefore, the maximum penalty increase in our example is \$100,000.

Fifth, we add the rounded increase to the maximum penalty amount last set or adjusted. In our example, \$1,425,000 plus \$100,000 yields a maximum inflation adjustment penalty amount of \$1,525,000.<sup>13</sup>

## III. Related Matters

### *Administrative Procedure Act—Immediate Effectiveness of Final Rule*

Under the Administrative Procedure Act (“APA”), a final rule may be issued without public notice and comment if the agency finds good cause that notice and comment are impractical, unnecessary, or contrary to public interest.<sup>14</sup> Because the Commission is required by statute to adjust the civil monetary penalties within its jurisdiction by the cost-of-living adjustment formula set forth in Section 5 of the FCPIAA, the Commission finds that good cause exists to dispense with public notice and comment pursuant to

the notice and comment provisions of the APA.<sup>15</sup> Specifically, the Commission finds that because the adjustment is mandated by Congress and does not involve the exercise of Commission discretion or any policy judgments, public notice and comment is unnecessary.<sup>16</sup>

Under the DCIA, agencies must make the required inflation adjustment to civil monetary penalties: (1) According to a very specific formula in the statute; and (2) within four years of the last inflation adjustment. Agencies have no discretion as to the amount of the adjustment and have limited discretion as to the timing of the adjustment, in that agencies are required to make the adjustment at least once every four years. The regulation discussed herein is ministerial, technical, and noncontroversial. Furthermore, because the regulation concerns penalties for conduct that is already illegal under existing law, there is no need for affected parties to have thirty days prior to the effectiveness of the regulation and amendments to adjust their conduct. Accordingly, the Commission believes that there is good cause to make this regulation effective immediately upon publication.<sup>17</sup>

### *A. Economic Analysis*

The Commission is sensitive to the costs and benefits that result from its rules. This regulation merely adjusts civil monetary penalties in accordance with inflation as required by the DCIA, and has no impact on disclosure or compliance costs. The Commission notes that the civil monetary penalties ordered in SEC proceedings in fiscal year 2012 totaled approximately \$1,021.0 million. Assuming that the Commission is successful in obtaining civil monetary penalties in fiscal years subsequent to the enactment of the new regulation in similar proportion to that obtained in fiscal year 2012, the inflationary adjustment pursuant to the new regulation would result in a maximum increase in the civil monetary penalties ordered of approximately 6.4%, or \$65.3 million. This figure assumes that the Commission would obtain a civil monetary penalty equal to the maximum statutory amount in each

<sup>10</sup> 15 U.S.C. 7215(c)(4)(D).

<sup>11</sup> See 17 CFR 201.1004.

<sup>12</sup> The Commission also is adopting technical corrections to Table I, Table II, Table III, and Table IV of 17 CFR Part 201. 17 CFR 201.1001–1004. Each of these tables referenced 15 U.S.C. 78ff(c)(2)(C), rather than 15 U.S.C. 78ff(c)(2)(B). The technical corrections will amend each table to refer to the correct paragraph.

<sup>13</sup> The adjustments in Table V to Subpart E of Part 201 reflect that the operation of the statutorily mandated computation, together with rounding rules, does not result in any adjustment to ten penalties. These particular penalties will be subject to slightly different treatment when calculating the next adjustment. Under the statute, when we next adjust these penalties, we will be required to use the CPI-U for June of the year when these particular penalties were “last adjusted,” rather than the CPI-U for 2013.

<sup>14</sup> 5 U.S.C. 553(b)(3)(B).

<sup>15</sup> 5 U.S.C. 553(b)(3)(B).

<sup>16</sup> A regulatory flexibility analysis under the Regulatory Flexibility Act (“RFA”) is required only when an agency must publish a general notice of proposed rulemaking for notice and comment. See 5 U.S.C. 603. As noted above, notice and comment are not required for this final rule. Therefore, the RFA does not apply.

<sup>17</sup> Additionally, this finding satisfies the requirements for immediate effectiveness under the Small Business Regulatory Enforcement Fairness Act. See 5 U.S.C. 808(2); see also *id.* 801(a)(4).

case, which clearly overstates the effect of the adjustment to the penalties. The Commission further notes that, in many cases in which it has obtained large civil monetary penalties, such penalties were calculated on the basis of the gross pecuniary gain rather than the maximum penalty dollar amount set by statute that will be adjusted by this rule.<sup>18</sup> In addition, the Commission notes that this figure includes penalties imposed for insider trading, for which the statutory maximum is stated as an amount not to exceed three times the profit gained or loss avoided as a result of the violation, rather than by reference to a statutory dollar amount that is affected by this regulation.<sup>19</sup> Therefore, the Commission does not believe that adjusting civil monetary penalties will significantly affect the amount of penalties it obtains.

The benefit provided by the inflationary adjustment to the maximum civil monetary penalties is that of maintaining the level of deterrence effectuated by the civil monetary penalties, and not allowing such deterrent effect to be diminished by inflation. The costs of implementing this rule should be negligible, because the only change from the current, baseline situation is determining potential penalties using a new maximum dollar amount. Furthermore, Congress, in mandating the inflationary adjustments, has already determined that any possible increase in costs is justified by the overall benefits of such adjustments.

**B. Paperwork Reduction Act**

This rule does not contain any collection of information requirements as defined by the Paperwork Reduction Act of 1995 as amended.<sup>20</sup>

**C. Statutory Basis**

The Commission is adopting these amendments to 17 CFR Part 201, Subpart E pursuant to the directives and authority of the DCIA, Pub. L. No. 104–134, 110 Stat. 1321–373 (1996).

**List of Subjects in 17 CFR Part 201**

Administrative practice and procedure, Claims, Confidential business information, Lawyers, Securities.

**Text of Amendment**

For the reasons set forth in the preamble, part 201, title 17, chapter II of the Code of Federal Regulations is amended as follows:

**PART 201—RULES OF PRACTICE**

**Subpart E—Adjustment of Civil Monetary Penalties**

■ 1. The authority citation for part 201, Subpart E, continues to read as follows:

**Authority:** 28 U.S.C. 2461 note.

**§ 201.1001 [Amended]**

■ 2. Section 201.1001 is amended in Table 1 in the first column labeled “U.S. code citation” by removing the reference “15 U.S.C. 78ff(c)(2)(C) \* \* \*” and adding in its place “15 U.S.C. 78ff(c)(2)(B) \* \* \*”.

**§ 201.1002 [Amended]**

■ 3. Section 201.1002 is amended in Table II in the first column labeled “U.S. code citation” by removing the reference “15 U.S.C. 78ff(c)(2)(C) \* \* \*” and adding in its place “15 U.S.C. 78ff(c)(2)(B) \* \* \*”.

**§ 201.1003 [Amended]**

■ 4. Section 201.1003 is amended in Table III in the first column labeled “U.S. code citation” by removing the reference “15 U.S.C. 78ff(c)(2)(C) \* \* \*” and adding in its place “15 U.S.C. 78ff(c)(2)(B) \* \* \*”.

**§ 201.1004 [Amended]**

■ 5. Section 201.1004 is amended in Table IV in the first column labeled “U.S. code citation” by removing the reference “15 U.S.C. 78ff(c)(2)(C) \* \* \*” and adding in its place “15 U.S.C. 78ff(c)(2)(B) \* \* \*”.

■ 6. Section 201.1005 and Table V to Subpart E are added to read as follows:

**§ 201.1005 Adjustment of civil monetary penalties—2013.**

As required by the Debt Collection Improvement Act of 1996, the maximum amounts of all civil monetary penalties under the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Company Act of 1940, the Investment Advisers Act of 1940, and certain penalties under the Sarbanes-Oxley Act of 2002 are adjusted for inflation in accordance with Table V to this subpart. The adjustments set forth in Table V apply to violations occurring after March 5, 2013.

Table V to subpart E	Civil monetary penalty inflation adjustments	Year penalty amount was last adjusted	Maximum penalty amount pursuant to last adjustment	Adjusted maximum penalty amount	
U.S. Code citation	Civil monetary penalty description				
Securities and Exchange Commission: 15 U.S.C. 77h–1(g) .....	For natural person .....	2010	\$7,500	\$7,500	
	For any other person .....	2010	75,000	80,000	
	For natural person/fraud .....	2010	75,000	80,000	
	For any other person/fraud .....	2010	375,000	400,000	
	For natural person/substantial losses or risk of losses to others.	2010	150,000	160,000	
	For any other person/substantial losses or risk of losses to others.	2010	725,000	775,000	
	15 U.S.C. 77t(d) .....	For natural person .....	2009	7,500	7,500
		For any other person .....	2009	75,000	80,000
		For natural person/fraud .....	2009	75,000	80,000
		For any other person/fraud .....	2009	375,000	400,000
		For natural person/substantial losses or risk of losses to others.	2009	150,000	160,000
		For any other person/substantial losses or risk of losses to others.	2009	725,000	775,000

<sup>18</sup>For example, 15 U.S.C. 77t(d)(2)(A), after adjusting for inflation as required by the DCIA, provides that “the amount of the penalty shall not exceed the greater of (i) [\$7,500] for a natural person

or [\$80,000] for any other person, or (ii) the gross amount of pecuniary gain to such defendant as a result of the violation.”

<sup>19</sup>15 U.S.C. 78u–1(a)(2). In fiscal year 2012, penalties imposed under this provision totaled over \$140 million.

<sup>20</sup>44 U.S.C. 3501 *et seq.*

Table V to subpart E	Civil monetary penalty inflation adjustments	Year penalty amount was last adjusted	Maximum penalty amount pursuant to last adjustment	Adjusted maximum penalty amount
U.S. Code citation	Civil monetary penalty description			
15 U.S.C. 78ff(b) .....	Exchange Act/failure to file information documents, reports.	1996	110	210
15 U.S.C. 78ff(c)(1)(B) .....	Foreign Corrupt Practices—any issuer ...	2009	16,000	16,000
15 U.S.C. 78ff(c)(2)(B) .....	Foreign Corrupt Practices—any agent or stockholder acting on behalf of issuer.	2009	16,000	16,000
15 U.S.C. 78u-1(a)(3) .....	Insider Trading—controlling person .....	2009	1,425,000	1,525,000
15 U.S.C. 78u-2 .....	For natural person .....	2009	7,500	7,500
	For any other person .....	2009	75,000	80,000
	For natural person/fraud .....	2009	75,000	80,000
	For any other person/fraud .....	2009	375,000	400,000
	For natural person/substantial losses to others/gains to self.	2009	150,000	160,000
	For any other person/substantial losses to others/gain to self.	2009	725,000	775,000
15 U.S.C. 78u(d)(3) .....	For natural person .....	2009	7,500	7,500
	For any other person .....	2009	75,000	80,000
	For natural person/fraud .....	2009	75,000	80,000
	For any other person/fraud .....	2009	375,000	400,000
	For natural person/substantial losses or risk of losses to others.	2009	150,000	160,000
	For any other person/substantial losses or risk of losses to others.	2009	725,000	775,000
15 U.S.C. 80a-9(d) .....	For natural person .....	2009	7,500	7,500
	For any other person .....	2009	75,000	80,000
	For natural person/fraud .....	2009	75,000	80,000
	For any other person/fraud .....	2009	375,000	400,000
	For natural person/substantial losses to others/gains to self.	2009	150,000	160,000
	For any other person/substantial losses to others/gain to self.	2009	725,000	775,000
15 U.S.C. 80a-41(e) .....	For natural person .....	2009	7,500	7,500
	For any other person .....	2009	75,000	80,000
	For natural person/fraud .....	2009	75,000	80,000
	For any other person/fraud .....	2009	375,000	400,000
	For natural person/substantial losses or risk of losses to others.	2009	150,000	160,000
	For any other person/substantial losses or risk of losses to others.	2009	725,000	775,000
15 U.S.C. 80b-3(i) .....	For natural person .....	2009	7,500	7,500
	For any other person .....	2009	75,000	80,000
	For natural person/fraud .....	2009	75,000	80,000
	For any other person/fraud .....	2009	375,000	400,000
	For natural person/substantial losses to others/gains to self.	2009	150,000	160,000
	For any other person/substantial losses to others/gain to self.	2009	725,000	775,000
15 U.S.C. 80b-9(e) .....	For natural person .....	2009	7,500	7,500
	For any other person .....	2009	75,000	80,000
	For natural person/fraud .....	2009	75,000	80,000
	For any other person/fraud .....	2009	375,000	400,000
	For natural person/substantial losses or risk of losses to others.	2009	150,000	160,000
	For any other person/substantial losses or risk of losses to others.	2009	725,000	775,000
15 U.S.C. 7215(c)(4)(D)(i) .....	For natural person .....	2009	120,000	130,000
	For any other person .....	2009	2,375,000	2,525,000
15 U.S.C. 7215(c)(4)(D)(ii) .....	For natural person .....	2009	900,000	950,000
	For any other person .....	2009	17,800,000	18,925,000

Dated: February 27, 2013.

By the Commission.

**Elizabeth M. Murphy,**  
*Secretary.*

[FR Doc. 2013-04931 Filed 3-4-13; 8:45 am]

BILLING CODE 8011-01-P

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## DEPARTMENT OF HOMELAND SECURITY

### U.S. Customs and Border Protection

## DEPARTMENT OF THE TREASURY

### 19 CFR Part 12

[CBP Dec. 13-05]

RIN 1515-AD94

### Import Restrictions Imposed on Certain Archaeological Material From Belize

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

**ACTION:** Final rule.

**SUMMARY:** This final rule amends the U.S. Customs and Border Protection (CBP) regulations to reflect the imposition of import restrictions on certain archaeological material from Belize. These restrictions are being imposed pursuant to an agreement between the United States and Belize that has been entered into under the authority of the Convention on Cultural Property Implementation Act in accordance with the 1970 United Nations Educational, Scientific and Cultural Organization (UNESCO) Convention on the Means of Prohibiting and Preventing the Illicit Import, Export and Transfer of Ownership of Cultural Property. The final rule amends CBP regulations by adding Belize to the list of countries for which a bilateral agreement has been entered into for imposing cultural property import restrictions. The final rule also contains the designated list that describes the types of archaeological material to which the restrictions apply.

**DATES:** *Effective Date:* March 5, 2013.

**FOR FURTHER INFORMATION CONTACT:** For legal aspects, George Frederick McCray, Chief, Cargo Security, Carriers and Restricted Merchandise Branch, Regulations and Rulings, Office of International Trade, (202) 325-0082. For operational aspects: Virginia McPherson, Chief, Interagency Requirements Branch, Trade Policy and Programs, Office of International Trade, (202) 863-6563.

**SUPPLEMENTARY INFORMATION:**

## Background

The value of cultural property is immeasurable. Such items often constitute the very essence of a society and convey important information concerning a people's origin, history, and traditional setting. The importance and popularity of such items regrettably makes them targets of theft, encourages clandestine looting of archaeological sites, and results in their illegal export and import.

The United States shares in the international concern for the need to protect endangered cultural property. The appearance in the United States of stolen or illegally exported artifacts from other countries where there has been pillage has, on occasion, strained our foreign and cultural relations. This situation, combined with the concerns of museum, archaeological, and scholarly communities, was recognized by the President and Congress. It became apparent that it was in the national interest for the United States to join with other countries to control illegal trafficking of such articles in international commerce.

The United States joined international efforts and actively participated in deliberations resulting in the 1970 United Nations Educational, Scientific and Cultural Organization (UNESCO) Convention on the Means of Prohibiting and Preventing the Illicit Import, Export and Transfer of Ownership of Cultural Property (823 U.N.T.S. 231 (1972)). U.S. acceptance of the 1970 UNESCO Convention was codified into U.S. law as the "Convention on Cultural Property Implementation Act" (Pub. L. 97-446, 19 U.S.C. 2601 *et seq.*) (the Act). This was done to promote U.S. leadership in achieving greater international cooperation towards preserving cultural treasures that are of importance to the nations from where they originate and contribute to greater international understanding of our common heritage.

Since the Act entered into force, import restrictions have been imposed on the archaeological materials of a number of State Parties to the 1970 UNESCO Convention. These restrictions have been imposed as a result of requests for protection received from those nations. More information on import restrictions can be found on the Cultural Property Protection Web site (<http://exchanges.state.gov/heritage/culprop.html>).

This document announces that import restrictions are now being imposed on certain archaeological material from Belize.

## Determinations

Under 19 U.S.C. 2602(a)(1), the United States must make certain determinations before entering into an agreement to impose import restrictions under 19 U.S.C. 2602(a)(2). On September 19, 2012, the Assistant Secretary for Educational and Cultural Affairs, U.S. Department of State, made the determinations required under the statute with respect to certain archaeological material originating in Belize that are described in the designated list set forth below in this document. These determinations include the following: (1) That the cultural patrimony of Belize is in jeopardy from the pillage of archaeological material originating in Belize from approximately 9000 B.C. up to 250 years old representing the Pre-Columbian era through the Early and Late Colonial Periods (19 U.S.C. 2602(a)(1)(A)); (2) that the Government of Belize has taken measures consistent with the Convention to protect its cultural patrimony (19 U.S.C. 2602(a)(1)(B)); (3) that import restrictions imposed by the United States would be of substantial benefit in deterring a serious situation of pillage, and remedies less drastic are not available (19 U.S.C. 2602(a)(1)(C)); and (4) that the application of import restrictions as set forth in this final rule is consistent with the general interests of the international community in the interchange of cultural property among nations for scientific, cultural, and educational purposes (19 U.S.C. 2602(a)(1)(D)). The Assistant Secretary also found that the material described in the determinations meet the statutory definitions of "archaeological material of the state party" (19 U.S.C. 2601(2)).

## The Agreement

On February 27, 2013, the United States and Belize entered into a bilateral agreement pursuant to the provisions of 19 U.S.C. 2602(a)(2). The agreement enables the promulgation of import restrictions on categories of archaeological material representing Belize's cultural heritage that is at least 250 years old, dating from the Pre-Ceramic (from approximately 9000 B.C.), Pre-Classic, Classic, and Post-Classic Periods of the Pre-Columbian era through the Early and Late Colonial Periods. A list of the categories of archaeological material subject to the import restrictions is set forth later in this document.