DEPARTMENT OF COMMERCE
Bureau of Industry and Security

15 CFR Part 760

[FR Doc. 2016–24889 Filed 10–13–16; 8:45 am]
BILLING CODE 4910–13–P

SUMMARY: In this rule, the Bureau of Industry and Security (BIS) amends the Export Administration Regulations (EAR) to permit electronic submission as an additional method available to United States persons for reporting requests they receive to take certain actions in furtherance or support of an unsanctioned foreign boycott, as required under the restrictive trade practices or boycotts provisions of the EAR. These amendments are administrative changes to those provisions’ reporting requirements, which currently permit reporting of such requests solely by mail. BIS is making these amendments consistent with U.S. Government policy to modernize regulatory requirements and promote efficiency. This rule also makes conforming regulatory changes.

DATES: This rule is effective October 14, 2016.

FOR FURTHER INFORMATION CONTACT: Cathleen Ryan, Director, Office of Antiboycott Compliance, by telephone at (202) 482–0520 or by email at Cathleen.Ryan@bis.doc.gov.

SUPPLEMENTARY INFORMATION:

Restrictive Trade Practices or Boycotts

Part 760 of the Export Administration Regulations (EAR) is entitled “RESTRICTIVE TRADE PRACTICES OR BOYCOTTS,” otherwise referred to as the antiboycott provisions of the EAR. These provisions apply to, and may prohibit, certain activities in the interstate or foreign commerce of the United States undertaken by United States persons (defined in § 760.1(b)) with intent to comply with, further or support an unsanctioned foreign boycott (see § 760.1(o)). In addition, § 760.5(a)(1), Scope of Reporting Requirements, requires United States persons to report to the Department of Commerce (Department) certain requests they receive to take any “action which has the effect of furthering or supporting a restrictive trade practice or boycott fostered or imposed by a foreign country against a country friendly to the United States or against any United States person.” (boycott-related requests). Section 760.5(b), Manner of Reporting, specifies the required reporting procedures; specifically, § 760.5(b)(4)–(b)(7) prescribe the manner of submission of the report to the Department. Failure to report such boycott-related requests in the manner prescribed may constitute a violation of the EAR.

Prior to this rule, § 760.5(b)(4) and (5) of the EAR required United States persons to prepare reports of boycott-related requests on form BIS 621–P (single transaction) or on form BIS 6051–P (multiple transactions), both available on-line through the Office of Antiboycott Compliance (OAC) page of the BIS Web site (OAC Web page) in a fillable PDF format, and to submit the reports in duplicate paper copy to OAC postmarked by the last day of the month following the calendar quarter in which the request was received (or, if received outside the United States, by the last day of the second month following the calendar quarter in which the request was received).

As an administrative change, BIS is amending the form of reporting of boycott-related requests, allowing United States persons to submit reports of such requests electronically, either via OAC Web page directly, or via other means of submission as determined by BIS. BIS is making this change to further promote efficiency and modernize regulatory requirements and promote efficiency. These amendments are administrative changes to those restrictive trade practices or boycott provisions’ reporting requirements, which currently permit reporting of such requests solely by mail. BIS is making these amendments consistent with U.S. Government policy to modernize regulatory requirements and promote efficiency. The rule also makes conforming regulatory changes.
Electronic Submission of Report of Request for Restrictive Trade Practice or Boycott

While United States persons may continue to submit paper reports by mail consistent with § 760.5(b)(4)—(b)(7), this final rule amends the EAR to allow submission of reports electronically, with the same deadlines, through the OAC Web page. These revisions amend only the manner of reporting by offering an alternative method of submitting the report; in all other respects, the reporting requirements remain unchanged. Electronic filing offers the recipient of a boycott-related request a faster and less burdensome method to fulfill the regulatory reporting requirement than paper submission by mail. This action is consistent with the Administration’s ongoing efforts to modernize regulatory requirements. Information on paper and electronic submissions is available through the OAC Web page at http://bis.doc.gov/index.php/enforcement/oac?id=300.

United States persons who choose to submit reports electronically may access the electronic form via a link on the OAC Web page. Once all required fields are completed and the report has been submitted electronically, an electronic “Submission Confirmation” notification, confirming the date and time of receipt of the submission by OAC, will automatically be displayed on the reporting person’s screen. Additional guidance on accessing and completing electronic reports is available on the OAC Web page or by contacting OAC at 202.482.2448.

Amendments to Part 760 of the EAR to Establish the Electronic Filing Option for Report of Request for Restrictive Trade Practice or Boycott

In this rule, BIS amends § 760.5 (Reporting Requirements) by revising paragraph (b) to provide United States persons with the option to submit reports of boycott-related requests electronically through the OAC Web page, as described above. Specifically, in this rule, BIS authorizes the electronic reporting option by amending paragraphs (b)(4), (b)(5), (b)(6) and (b)(7) of § 760.5 of the EAR.

Export Administration Act of 1979


Rulemaking Requirements

1. 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, distributive impacts, and equity). Executive Order 13563 emphasizes the importance of quantifying both costs and benefits, reducing costs, harmonizing rules, and promoting flexibility. This rule has been determined to be not significant for purposes of Executive Order 12866.
2. This rule involves a collection previously approved by the Office of Management and Budget (OMB) under Control Number 0094–0012, “Report of Requests for Restrictive Trade Practice or Boycott—Single or Multiple Transactions,” which carries a burden hour estimate of 71 minutes to prepare and submit. Total burden hours associated with the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 et seq.) (PRA) and the aforementioned OMB Control Number are expected to decrease slightly as a result of the addition of an electronic method to submit required reports of boycott requests through the OAC Web page pursuant to § 760.5 (Reporting Requirements) of the EAR. Notwithstanding any other provisions of law, no person is required to respond to, or may be subject to a penalty for failure to comply with, a collection of information subject to the requirements of the PRA, unless that collection of information displays a currently valid OMB Control Number.
3. This rule does not contain policies with Federalism implications as that term is defined under Executive Order 13132.
4. Pursuant to the Administrative Procedure Act (APA), 5 U.S.C. 553(b), BIS finds that publication of this rule in other than final form is unnecessary because the amendments in this rule are administrative changes. They are provided to notify the public that an electronic filing option is available as a result of the technical update of the capabilities of OAC’s information technology system. These administrative changes will not affect the rights of the public to continue to use the report filing option that existed prior to these changes. They do not change the existing regulatory requirement that United States persons report requests they receive to take certain actions in support of restrictive trade practices or boycotts. They only offer an option to use a second method, electronic reporting, as an alternative to reporting by mail. Offering this second method may facilitate compliance with the reporting requirements.

Section 553(d)(3) of the APA generally provides that rules may not take effect earlier than thirty (30) days after they are published in the Federal Register. BIS finds good cause to waive the 30-day delay in effectiveness under 5 U.S.C. 553(d)(3) because the delay would be contrary to the public interest. The delay in effectiveness delays the availability to the public of the new report filing option and, therefore, less burdensome.

No other law requires that a notice of proposed rulemaking and an opportunity for public comment be given for this final rule. Because a notice of proposed rulemaking is not required under the APA or by any other law, the requirements of the Regulatory Flexibility Act (5 U.S.C. 601 et seq.) are not applicable. As a result, no final regulatory flexibility analysis is required, and none has been prepared.

List of Subjects in 15 CFR Part 760

Boycotts, Exports, Reporting and recordkeeping requirements.

Accordingly, part 760 of the Export Administration Regulations (15 CFR parts 730–774) is amended as follows:

PART 760—[AMENDED]

1. The authority citation for part 760 continues to read as follows:


2. Section 760.5 is amended by revising paragraphs (b)(4) through (7) to read as follows:

§ 760.5 Reporting requirements.
* * * * *
(b) * * *
(4) Reports may be submitted by mail or electronically. Mailed paper reports must be submitted in duplicate to: Report Processing Staff, Office of Antiboycott Compliance, U.S. Department of Commerce, Room 6098, Washington, DC 20230. Electronic reports must be submitted in duplicate, by following the prompts on the screen, through the Office of Antiboycott Compliance Web page of the BIS Web site, http://bis.doc.gov/index.php/enforcement/oac?id=300. Each submission, whether paper or electronic, must be made in accordance with the following requirements:
(i) Where the person receiving the request is a United States person located outside the United States, each report of requests must be postmarked or electronically date-stamped by the last day of the month following the calendar quarter in which the request was received (e.g., April 30 for the quarter consisting of January, February, and March).

(ii) Where the person receiving the request is a United States person located outside the United States, each report of requests must be postmarked or electronically date-stamped by the last day of the second month following the calendar quarter in which the request was received (e.g., May 31 for the quarter consisting of January, February, and March).

(5) Mailed paper reports may, at the reporting person’s option, be submitted on either a single transaction form (Form BIS–621P, Report of Request for Restrictive Trade Practice or Boycott, Single Transaction, (revised 10–89)) or on a multiple transaction form (Form BIS–6051P, Report of Request for Restrictive Trade Practice or Boycott, Multiple Transactions, (revised 10–89)).

Electronic reports may be submitted only on the single transaction form, which will electronically reproduce the reporting person’s identifying information to facilitate reporting of multiple transactions.

(6) Reports, whether submitted on the paper single transaction form or on the paper multiple transaction form, or submitted electronically, must contain entries for every applicable item on the form, including whether the reporting person intends to take or has taken the action requested. If the reporting person has not decided what action he will take by the time the report is required to be filed, he must later report the action he decides to take within 10 business days after deciding. In addition, anyone filing a report on behalf of another must so indicate and identify that other person.

(7) Each report of a boycott request, whether submitted by mail or electronically, must be accompanied by two copies of the relevant page(s) of any document(s) in which the request appears (see, paragraph (c)(2) of this section). For mail submissions, the relevant pages shall be attached in paper format to the report form; for electronic submissions, the relevant pages shall be attached in PDF format to the electronic submission. Reports, whether paper or electronic, may also be accompanied by any additional information relating to the request as the reporting person desires to provide concerning his response to the request. For electronic submissions, such additional information should be provided as a PDF attachment.

* * * * *

Dated: October 7, 2016.

Matthew S. Borman,
Deputy Assistant Secretary for Export Administration.

[FPR Doc. 2016–24831 Filed 10–13–16; 8:45 am]
BILLING CODE 3510–33–P

FEDERAL TRADE COMMISSION
16 CFR Part 304
RIN 3084–AB34

Rules and Regulations Under the Hobby Protection Act

AGENCY: Federal Trade Commission.

ACTION: Final rule.

SUMMARY: As part of its regular review of all its Rules and Guides, and in response to Congressional amendments to the Hobby Protection Act (“Hobby Act” or “Act”), the Federal Trade Commission (“Commission”) amends its Rules and Regulations under the Hobby Protection Act (“Rules”).

DATES: This rule is effective November 16, 2016.

FOR FURTHER INFORMATION CONTACT:
Joshua S. Millard, (202) 326–2454.

SUPPLEMENTARY INFORMATION:

I. Introduction

As part of its ongoing regulatory review program, the Commission published a Federal Register Notice in 2014 seeking comment on the costs, benefits, and overall impact of the Rules. After the comment period closed, in December 2014, Congress enacted amendments to the Hobby Act. In response, the Commission published a Notice of Proposed Rulemaking (“NPRM”) earlier this year addressing the comments it received, proposing amendments to the Rules to track Congress’ changes to the Hobby Act, and posing additional questions. The NPRM asked, in particular, whether the proposed amendments would appropriately implement Congressional changes to the Act, and what regulatory burden the proposed amendments might impose. The Commission did not receive substantive comments in response to this NPRM, and the record supports amending the Rules as proposed. Accordingly, this Notice describes the background of the Commission’s regulatory review, summarizes the record, and explains the grounds for amendments to the Rules. Additionally, it provides analyses required by the Regulatory Flexibility and Paperwork Reduction Acts and sets forth the amended Rules provision.

II. Background

On November 29, 1973, President Nixon signed the Hobby Protection Act, 15 U.S.C. 2101–2106. The Hobby Act requires manufacturers and importers of “imitation political items” to “plainly and permanently” mark them with the “calendar year” the items were manufactured. Id. 2101(a). The Hobby Act also requires manufacturers and importers of “imitation numismatic items” to “plainly and permanently” mark these items with the word “copy.” Id. 2101(b). The Act further directed the Commission to promulgate regulations for determining the “manner and form” that imitation political items and imitation numismatic items are to be permanently marked with the calendar year of manufacture or the word “copy.” Id. 2101(c).

In 1975, the Commission issued Rules and Regulations Under the Hobby Protection Act, 16 CFR part 304. The Rules track the definitions used in the

281 FR 23219 (Apr. 20, 2016).
3 An imitation political item is “an item which purports to be, but in fact is not, an original political item, or which is a reproduction, copy, or counterfeit of an original political item.” 15 U.S.C. 2106(2). The Hobby Act defines original political items as being any political button, poster, literature, sticker or any advertisement produced for use in any political cause. Id. 2106(1).
4 An imitation numismatic item is “an item which purports to be, but in fact is not, an original numismatic item or which is a reproduction, copy, or counterfeit of an original numismatic item.” 15 U.S.C. 2106(4). The Hobby Act defines original numismatic items to include coins, tokens, paper money, and commemorative medals which have been part of a coinage or issue used in exchange or used to commemorate a person or event. Id. 2106(3).
5 40 FR 5459 (Feb. 6, 1975).

79 FR 40691 (July 14, 2014).