

This regulation is within the scope of that authority.

Regulatory Findings

This AD will not have federalism implications under Executive Order 13132. This AD will not have a substantial direct effect 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.

For the reasons discussed above, I certify that this AD:

- (1) Is not a “significant regulatory action” under Executive Order 12866,
- (2) Will not affect intrastate aviation in Alaska, and
- (3) Will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Incorporation by reference, Safety.

Adoption of the Amendment

Accordingly, under the authority delegated to me by the Administrator, the FAA amends 14 CFR part 39 as follows:

PART 39—AIRWORTHINESS DIRECTIVES

- 1. The authority citation for part 39 continues to read as follows:

Authority: 49 U.S.C. 106(g), 40113, 44701.

§ 39.13 [Amended]

- 2. The FAA amends § 39.13 by removing Airworthiness Directive (AD) 2015–17–01, Amendment 39–18234 (80 FR 50554, August 20, 2015), and adding the following new AD:

2015–17–01R1 Airbus Helicopters:
Amendment 39–21246; Docket No. FAA–2020–0463; Product Identifier 2013–SW–041–AD.

(a) Effective Date

This AD is effective September 11, 2020.

(b) Affected ADs

This AD replaces AD 2015–17–01, Amendment 39–18234 (80 FR 50554, August 20, 2015).

(c) Applicability

This AD applies to Airbus Helicopters Model AS350B, AS350BA, AS350B1, AS350B2, AS350B3, AS350C, AS350D, AS350D1, AS355E, AS355F, AS355F1, AS355F2, AS355N, and AS355NP helicopters, certificated in any category, with tail rotor hub pitch horn (pitch horn) assembly, part number (P/N) 350A121368.01,

350A121368.02, 350A121368.03, or 350A121368.04, with a pitch horn, P/N 350A121368.XX, where XX stands for a two-digit dash number, installed. The pitch horn may be marked with either the pitch horn assembly P/N or pitch horn P/N.

(d) Related Information

For more information about this AD, contact Matt Fuller, AD Program Manager, Continued Operational Safety Branch, Airworthiness Products Section, General Aviation and Rotorcraft Unit, FAA, 10101 Hillwood Pkwy., Fort Worth, TX 76177; telephone 817–222–5110; email matthew.fuller@faa.gov.

Issued on September 3, 2020.

Lance T. Gant,

Director, Compliance & Airworthiness Division, Aircraft Certification Service.

[FR Doc. 2020–20001 Filed 9–10–20; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

19 CFR Part 360

[Docket No. 200806–0208]

RIN 0625–AB17

Steel Import Monitoring and Analysis System

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

ACTION: Final rule.

SUMMARY: In this final rule, U.S. Department of Commerce (Commerce) is modifying its regulations pertaining to the Steel Import Monitoring and Analysis (SIMA) system to require steel import license applicants to identify the country where the steel used in the manufacture of the imported steel product was melted and poured (the country of melt and pour); clarify how certain import data collected from the licenses will be aggregated and reported on the public SIMA monitor; harmonize the scope of steel products subject to the SIMA licensing requirement with the scope of steel products subject to Section 232 tariffs; extend the SIMA system indefinitely by eliminating the regulatory provision concerning the duration of the SIMA system; and codify eligibility for use of the low-value license for certain steel entries up to \$5,000. In addition, Commerce is making corresponding changes to the public SIMA monitor that do not require regulatory modifications and amending the steel import license application to include a new field for the country of melt and pour. Finally, Commerce is

modernizing the SIMA system, including both the online license application platform and the public SIMA monitor.

DATES:

Effective date: October 13, 2020.

Applicability date: All licenses requested on or after October 13, 2020, must meet the requirements of this rule and utilize the online license application platform on the new SIMA system website. Licenses requested on or before October 9, 2020, must meet the requirements of the existing SIMA system and utilize the online license application platform on the existing SIMA system website. The existing SIMA system website will no longer be operational beginning on October 10, 2020, and the new SIMA system website will not be operational until October 13, 2020. Therefore, no licenses can be obtained via the online license application platform from October 10 through October 12, 2020. For information on registering for the new SIMA system and obtaining licenses manually from October 10 through 12, 2020, see the **SUPPLEMENTARY INFORMATION**.

ADDRESSES: The existing SIMA system website that will be operational until October 9, 2020 is <https://enforcement.trade.gov/steel/license/>. From October 10–12, 2020, Commerce will accept manual applications in emergency situations identified above to the following email address: steel.license@trade.gov.

The new SIMA system website that will be operational on October 13, 2020 is <https://www.trade.gov/steel>. Through this website, potential license applicants can register for the new online license application platform and apply for licenses. Additionally, the public SIMA monitor is also featured on this website.

More information can be found at <https://www.trade.gov/updates-steel-import-licensing>. To assist with the transition to the modernized SIMA system, Commerce is offering a virtual demonstration of the online license application platform for potential license applicants. Commerce also is offering a demonstration of the new modernized public SIMA monitor, which is available to the general public. Commerce will have a limited number of spots available to participate in the demonstrations, that will occur prior to the effective date of this rule. For specific dates and times of the demonstrations, and to participate in the demonstrations, please visit <https://www.trade.gov/updates-steel-import-licensing>.

FOR FURTHER INFORMATION CONTACT: Julie Al-Saadawi at (202) 482–1930, Brandon Custard (202) 482–1823, or Jessica Link at (202) 482–1411.

SUPPLEMENTARY INFORMATION:

Background

On May 17, 2019, the United States announced joint understandings with Canada and Mexico, respectively, concerning trade in steel covered by the action taken pursuant to Section 232 of the Trade Expansion Act of 1962, as amended. Among other things, the understandings call for the monitoring of steel trade between the United States and Canada and Mexico, respectively. Consistent with the joint understandings, and to enhance U.S. Government monitoring and analysis of steel imports more generally, Commerce published a proposed rule on March 30, 2020 (85 FR 17515), to enhance its existing SIMA system to allow for the effective and timely monitoring of import surges of specific steel products which will aid in the prevention of transshipment of steel products.

The SIMA System

The purpose of the SIMA system is to provide steel producers, steel consumers, importers, and the general public with accurate and timely information on anticipated imports of certain steel products into the United States. Steel import licenses, issued through the online SIMA licensing system, are required by U.S. Customs and Border Protection (CBP or Customs) for filing entry summary documentation for imports of certain steel mill products into the United States.¹ Through the monitoring tool, certain import data collected from the steel licenses are aggregated and reported on the public SIMA monitor website on a monthly basis, and are refreshed each week. The public SIMA monitor provides valuable data regarding certain steel mill imports into the United States as early as possible and makes such data available to the public approximately five weeks in advance of official U.S. import statistics compiled by the United States Census Bureau (Census).

The SIMA system has operated under its current authority since March 11, 2005. Prior to that date, authority for steel import licensing and monitoring was derived from Presidential Proclamation 7529 of March 5, 2002 and accompanying memorandum.² Pursuant

to sections 201 and 203 of the 1974 Trade Act, as amended (19 U.S.C. 2251 and 2253), Proclamation 7529 implemented safeguard measures with respect to certain imported steel products, placing temporary tariffs on these steel imports and requiring the Secretary of Commerce to establish a system of import licensing to facilitate the monitoring of these steel imports. Accordingly, on July 18, 2002, Commerce issued and requested public comment on a proposed rule to establish a steel licensing system requiring all importers of the covered steel products to obtain a license from Commerce prior to completing CBP entry summary documentation.³ This monitoring tool ensured that the effectiveness of the border measure was not undermined by large quantities of imports originating from countries that were excluded from the tariffs. On December 31, 2002, Commerce issued a final rule implementing the Steel Import Licensing and Surge Monitoring program, which was codified at 19 CFR part 360.⁴

Subsequently, Presidential Proclamation 7741 of December 4, 2003 terminated the steel safeguard measures, but directed the Secretary of Commerce to continue the monitoring system until the earlier of March 21, 2005, or such time as the Secretary of Commerce established a replacement program.⁵ On December 9, 2003, Commerce published a notice stating that the system would continue in effect as described in Proclamation 7741 until March 21, 2005.⁶ On August 25, 2004, Commerce published an advanced notice of proposed rulemaking soliciting comments on whether to continue the SIMA system (formerly known as the Steel Import Licensing and Surge Monitoring System) beyond March 21, 2005, and whether the system should be modified.⁷

Commerce determined that there continued to be a need to collect import data, and published an interim final rule revising 19 CFR part 360 to extend the SIMA system for four years under the authority of the Census Act of 1930, as amended (the Census Act) (13 U.S.C.

301(a) and 302), and expand the coverage of the system to include all basic steel mill products, while also removing certain downstream steel products.⁸ Commerce also provided an exception to the requirement for obtaining a unique license for each CBP entry where the total value of the covered steel portion of an entry was less than \$250 (*i.e.*, the low-value license).⁹ Commerce explained that the purpose of the SIMA system is to provide statistical data on steel imports entering the United States seven weeks earlier than is otherwise publicly available, and that the data collected on the licenses are made available to the public in an aggregated form weekly after Commerce review.¹⁰

On December 5, 2005, Commerce published a final rule that did not make any changes to the interim final rule.¹¹ However, in light of certain comments, Commerce agreed to a discrete change to the SIMA system via its public SIMA monitor that did not require regulatory changes.¹²

The SIMA system was subsequently extended several times through the rulemaking process, with the most recent extension of the SIMA system continuing until March 21, 2022.¹³ Therefore, unless further extended, the SIMA system is set to expire on March 21, 2022.¹⁴

Section 232 Tariffs on Steel Imports

Presidential Proclamation 9705 of March 8, 2018, which was issued pursuant to Section 232 of the Trade Expansion Act of 1962, as amended, adjusted imports of steel articles by imposing a 25 percent ad valorem tariff on certain steel articles imported from most countries, to address the threatened impairment to the national security of the United States by such imports from those countries.¹⁵ Presidential Proclamation 9711 of March 22, 2018 amended certain aspects of Presidential Proclamation 9705,

⁸ *Steel Import Monitoring and Analysis System*, Interim Final Rule, 70 FR 12133 (Mar. 11, 2005).

⁹ *Id.*

¹⁰ *Id.*

¹¹ *Steel Import Monitoring and Analysis System*, Final Rule, 70 FR 72373 (Dec. 5, 2005).

¹² *Id.*

¹³ See *Steel Import Monitoring and Analysis System*, Final Rule, 74 FR 11474 (Mar. 18, 2009) (extending the SIMA system to March 21, 2013); *Steel Import Monitoring and Analysis System*, Final Rule, 78 FR 11090 (Feb. 15, 2013) (extending the SIMA system to March 21, 2017); and *Steel Import Monitoring and Analysis System*, Final Rule, 82 FR 1183 (Jan. 5, 2017) (extending the SIMA system to March 21, 2022).

¹⁴ See 19 CFR 360.105.

¹⁵ *Adjusting Imports of Steel into the United States*, Proclamation 9705, 83 FR 11625 (Mar. 15, 2018) (*Proclamation 9705*).

Concerning Certain Steel Products, Memorandum of Commerce, 5, 2002, 67 FR 10593 (Mar. 7, 2002).

³ *Steel Import Licensing and Surge Monitoring*, Proposed Rule, 67 FR 47338 (July 18, 2002).

⁴ *Steel Import Licensing and Surge Monitoring*, Final Rule, 67 FR 79845 (Dec. 31, 2002).

⁵ *To Provide for the Termination of Action Taken with Regard to Imports of Certain Steel Products*, Proclamation 7741, 68 FR 68483 (Dec. 8, 2003).

⁶ *Steel Import Licensing and Surge Monitoring*, 68 FR 68594 (Dec. 9, 2003).

⁷ *Steel Import Monitoring and Analysis System*, Advanced Notice of Proposed Rulemaking, 69 FR 52211 (Aug. 25, 2004).

¹ See 19 CFR 12.145.

² *To Facilitate Positive Adjustment to Competition from Imports of Certain Steel Products*, Proclamation 7529, 67 FR 10553 (Mar. 7, 2002); *Action Under Section 203 of the Trade Act of 1974*

providing for duty exemptions for certain countries, including Canada and Mexico, which were to expire on May 1, 2018, unless agreement was reached with respect to a satisfactory alternative means to address the threatened impairment to the national security of the United States by steel imports from those countries.¹⁶ Presidential Proclamation 9740 of April 30, 2018, further amended certain aspects of the prior proclamations, continuing the duty exemptions for certain countries, including Canada and Mexico, until June 1, 2018.¹⁷ Presidential Proclamation 9759 of May 31, 2018, further amended certain aspects of the prior proclamations, continuing the duty exemptions for certain countries, which did not include Canada and Mexico, on a long-term basis.¹⁸ Presidential Proclamation 9772 of August 10, 2018, Presidential Proclamation 9777 of August 29, 2018, and Presidential Proclamation 9886 of May 16, 2019, further amended certain aspects of prior proclamations.¹⁹

As a result of the aforementioned proclamations, effective June 1, 2018, all steel imports from Canada and Mexico were subject to Section 232 tariffs. However, Presidential Proclamation 9705 provided that any country with which the United States has a security relationship is welcome to discuss with the United States alternative ways to address the threatened impairment of the national security caused by imports of steel articles from that country.²⁰ Subsequently, on May 17, 2019, the United States announced that such discussions had yielded joint understandings with Canada and Mexico, respectively, to remove the Section 232 tariffs for steel imports from those countries.²¹ As part of the joint

understandings, the United States and Canada, and the United States and Mexico, agreed to implement effective measures to prevent the transshipment of steel products made outside of the United States, Canada, and Mexico, among other commitments. Additionally, the joint understandings allow for the countries to establish an agreed-upon process for monitoring steel trade between them, and, further, in monitoring for surges, to treat products made with steel that is melted and poured in North America separately from products that are not. In light of the joint understandings, Presidential Proclamation 9894 of May 19, 2019, provided that a satisfactory alternative means had been agreed upon and, effective May 21, 2019, steel imports from Canada and Mexico would no longer be subject to Section 232 tariffs.²²

Proposed Rule

On March 30, 2020, Commerce published a proposed modification of 19 CFR part 360, which governs the SIMA system.²³ Commerce received 15 comments on the *Proposed Rule*, and we address those comments below. The *Proposed Rule*, comments received, and this final rule can be accessed using the Federal eRulemaking portal at <http://www.regulations.gov/> under Docket Number ITA–2019–0008. After analyzing and carefully considering the comments received, we have adopted the modifications described below and amended Commerce’s regulations accordingly.

Explanation of Regulatory Provisions and Final Modifications

Commerce amends the SIMA system as discussed below.

First, the joint understandings described above provide that, in monitoring for surges of steel imports, the United States, Canada, and Mexico may treat products made with steel that is melted and poured in North America separately from products that are not. As discussed further above, the SIMA system is a critical trade monitoring program which collects timely detailed statistics on anticipated steel imports and provides stakeholders with information about import trends in this

sector in advance of official U.S. import statistics. Under the system, importers of certain steel mill products must apply for a steel import license through the online SIMA licensing system, which requires the name and address of the importer, type of steel product, and country of origin of the steel imports, along with additional information. This information is detailed at 19 CFR 360.103(c). These licenses are required by CBP for filing entry summary documentation for imports of certain steel mill products into the United States. The SIMA system currently does not collect information with regard to the country where the steel used in the manufacture of the imported steel product was melted and poured. Therefore, consistent with the joint understandings, and to enhance U.S. Government monitoring and analysis of steel imports more generally, Commerce is amending the SIMA system to require identification of the country where the steel used in the manufacture of the imported steel product is melted and poured on the license form as an additional requirement to obtain an import license. This is also referred to as the “country of melt and pour.” Commerce is effectuating these changes by amending § 360.103(c) as well as the SIMA import license application. Specifically, consistent with the *Proposed Rule*, paragraph (c)(1)(viii) is amended to include reference to the country of melt and pour.²⁴

Additionally, as explained further below, in light of comments in response to the *Proposed Rule*, Commerce is adopting a definition of “melt and pour” to clarify for license applicants how to complete this new field. As described above, the joint understandings indicate that, in monitoring for surges of steel imports, the United States, Canada, and Mexico may treat products made with steel that is melted and poured in North America separately from products that are not. The joint understandings do not further define country of melt and pour. Although a definition was not featured in the *Proposed Rule*, further defining a term that was first identified in the *Proposed Rule* for purposes of the final rule is a logical outgrowth of the rulemaking process. In addition, several commenters requested that a definition be provided to increase clarity and

¹⁶ *Adjusting Imports of Steel Into the United States*, Proclamation 9711, 83 FR 13361 (Mar. 28, 2018).

¹⁷ *Adjusting Imports of Steel Into the United States*, Proclamation 9740, 83 FR 20683 (May 7, 2018).

¹⁸ *Adjusting Imports of Steel Into the United States*, Proclamation 9759, 83 FR 25857 (June 5, 2018).

¹⁹ *Adjusting Imports of Steel Into the United States*, Proclamation 9772, 83 FR 40429 (Aug. 15, 2018); *Adjusting Imports of Steel Into the United States*, Proclamation 9777, 83 FR 45025 (Sept. 4, 2018); *Adjusting Imports of Steel Into the United States*, Proclamation 9886, 84 FR 23421 (May 21, 2019).

²⁰ See Proclamation 9705, 83 FR at 11626.

²¹ See Joint Statement by the United States and Canada on Section 232 Duties on Steel and Aluminum, dated May 17, 2019, available at https://ustr.gov/sites/default/files/Joint_Statement_by_the_United_States_and_Canada.pdf; Joint Statement by the United States and Mexico on Section 232 Duties on Steel and Aluminum, dated May 17, 2019, available at https://ustr.gov/sites/default/files/Joint_Statement_by_the_United_States_and_Mexico.pdf.

²² *Adjusting Imports of Steel Into the United States*, Proclamation 9894, 84 FR 23987 (May 23, 2019).

²³ *Modification of Regulations Regarding the Steel Import Monitoring and Analysis System*, 85 FR 17515 (March 30, 2020) (*Proposed Rule*). On June 22, 2020, Commerce published a correction to the *Proposed Rule* to clarify CBP requirements for steel imports for entry purposes. See *Modification of Regulations Regarding the Steel Import Monitoring and Analysis System; Correction*, 85 FR 37397 (June 22, 2020).

²⁴ Commerce also has made several non-substantive edits to paragraph (c)(1) as follows: Remove the requirement for the filer to provide a fax number in paragraph (c)(1)(ii); amend paragraphs (c)(1)(iii) and (xiv) to include missing semicolons; amend paragraph (c)(1)(xii) to include Harmonized Tariff Schedule; and redesignate remaining paragraphs as necessary.

consistency for all potentially regulated entities, and the adopted definition relies on the suggested language from commenters. In light of this, we believe it is necessary and appropriate to adopt the definition in the final rule. Existing paragraph (c)(3) is redesignated as paragraph (c)(4), and a newly added paragraph (c)(3) includes the adopted definition. The definition also will be added to the SIMA import license application instructions.

Second, various amendments have been made to § 360.104. As discussed above, pursuant to existing § 360.104, certain information obtained from the steel licenses is aggregated and reported on the public SIMA monitor on a monthly basis and are refreshed each week. Consistent with the *Proposed Rule*, and after further consideration, Commerce is making minor amendments to § 360.104(a) and (b) to align more closely with Commerce's practice of replacing outdated license data with official U.S. import statistics compiled by the Census, where available. Additionally, to avoid confusion, Commerce is amending § 360.104(a) to clarify that aggregate data will be reported, as appropriate, by relevant steel mill product "groupings." This is a generic term meant to cover both steel mill product "categories" (*i.e.*, at a broader level) and steel mill product "groups" (*i.e.*, at a more specific level), as that terminology is currently used in the public SIMA monitor. This differs from the *Proposed Rule*, which misstated the definitions for steel mill product group and steel mill product categories.²⁵ Further, Commerce is clarifying that aggregate data will be reported, as appropriate, by country of melt and pour, consistent with the joint understandings. To avoid confusion, Commerce has streamlined the language from the *Proposed Rule* on this point. Therefore, § 360.104(a) is amended to state that aggregate data will be reported, as appropriate, on a monthly basis by country of origin, country of melt and pour, and relevant steel mill product groupings, etc. This revised language will allow Commerce the flexibility to report aggregate data at a sufficient level of detail to enable the

²⁵ In the *Proposed Rule*, we inadvertently stated that there are five steel mill "product groups" which are further broken down into 52 specific steel mill "product categories" on the public SIMA monitor. See 85 FR at 17517 and 17519. This is incorrect. There are five steel mill "product categories" (*i.e.*, flat, long, pipe and tube, semi-finished, and stainless steel products). Under these categories, there are currently 53 "product groups." In this final rule, as discussed herein, Commerce is increasing the number of product groups to 58 on the public SIMA monitor; the five product groups on the public SIMA monitor are unchanged.

public to monitor trends in import data, including potential surges and transshipment, while allowing for adequate protection of proprietary data. Similarly, § 360.104(b) is also amended to clarify that monthly import license data will be updated weekly, as appropriate, to allow for the adequate protection of proprietary data.

Third, Commerce is expanding the scope of steel products covered by the SIMA system so that it covers all steel products subject to Section 232 tariffs.²⁶ A list of the products covered by the SIMA system by Harmonized Tariff Schedule (HTS) codes can be obtained on the SIMA system website. This will allow for more consistent and complete monitoring for surges and transshipment. Commerce is amending § 360.101(a) to indicate that the products covered by the SIMA system will be listed on the website and identified by HTS codes. The HTS codes, which are maintained by the U.S. International Trade Commission, may be updated periodically to reflect revisions to the codes.

Fourth, Commerce is extending the SIMA system indefinitely by eliminating the regulatory provision, § 360.105, which makes the SIMA system temporary. In the past, Commerce has considered whether to extend the SIMA system every four years, which is done under the authority of the Census Act (13 U.S.C. 301(a) and 302).²⁷ Although the SIMA system is not set to expire until March 21, 2022, Commerce is extending the system indefinitely given that the program is a well-established and important trade monitoring tool that has strong support from the trade community over its near-twenty year history.²⁸ Therefore,

²⁶ See *Proposed Rule*, 85 FR at 17520 (providing the eight additional HTS codes at Appendix I). To clarify, this covers the steel products subject to Section 232 tariffs as announced on March 15, 2018. See *Adjusting Imports of Steel into the United States, Proclamation 9705*, 83 FR 11625 (Mar. 15, 2018). Although Section 232 tariffs were recently imposed on steel derivative products, such products are not covered by the SIMA system. See *Adjusting Imports of Derivative Aluminum Articles and Derivative Steel Articles Into the United States, Proclamation 9980*, 85 FR 5281 (Jan. 29, 2020).

²⁷ See, e.g., *Steel Import Monitoring and Analysis System, Interim Final Rule*, 70 FR 12133, 12134 ("The Department believes that the SIMA system is a critical trade monitoring program and is extending it for another four years under the authority of the Census Act of 1930.") (Mar. 11, 2005); *Steel Import Monitoring and Analysis System, Final Rule*, 74 FR 11474 (Mar. 18, 2009) (extending the SIMA system to March 21, 2013); *Steel Import Monitoring and Analysis System, Final Rule*, 78 FR 11090 (Feb. 15, 2013) (extending the SIMA system to March 21, 2017); and *Steel Import Monitoring and Analysis System, Final Rule*, 82 FR 1183 (Jan. 5, 2017) (extending the SIMA system to March 21, 2022).

²⁸ See *Steel Import Monitoring and Analysis System, Final Rule*, 78 FR at 11091; *Steel Import*

Commerce is removing and reserving § 360.105 as indicated below, and making conforming amendments to § 360.104(a).

Fifth, Commerce is amending § 360.103(f) to codify eligibility for use of the low-value license for certain steel entries from a \$250 value to a \$5,000 value to align with current practice. The low-value license is an optional multiple-use license that allows a company to apply once for a steel import license and use it on multiple occasions for entries of covered steel products with a limited customs value. A re-usable low-value license number can be obtained with respect to an entry for which the portion covered by the steel licensing requirement is less than the limited amount and may be used by those companies listed on the license. The low-value license is processed on the SIMA system website in the same manner as a typical steel license. Commerce's low-value license application form provides that such a license may apply to covered steel products with a value of \$5,000 or less per entry. Accordingly, Commerce is making conforming edits to § 360.103(f) to reflect this requirement.

Beyond the regulatory changes identified above, as a result of the comments discussed below, Commerce also will implement the following sub-regulatory changes to the public SIMA monitor that do not require regulatory modifications: (1) Maintain country of melt and pour license data on the public SIMA monitor for a longer period; (2) separate the "blooms, billets and slabs" product group (for both carbon and alloy and stainless) into two product groups: "slab" and "other semi-finished" product groups; (3) create three new product groups for line pipe corresponding to three different diameters of line pipe; and (4) create a new product group "Other Rails and Railroad Accessories" to reflect the inclusion of certain additional HTS codes subject to Section 232 tariffs. In light of these changes (that are further discussed below), the public SIMA monitor website will reflect the increased number of steel product groups from 53 to 58. We are implementing these changes on the public SIMA monitor at the same time as this final rule.

Finally, Commerce is modernizing the SIMA system, including both the online license application platform and the public SIMA monitor, with updated software when the final rule goes into effect. Registered users on the existing

Monitoring and Analysis System, Final Rule, 82 FR at 1184.

SIMA system must re-register on the new SIMA system to use the new online license application platform. In accordance with 19 CFR 360.107, when the electronic licensing system is unavailable for an extended period of time, parties will be able to obtain licenses manually from Commerce via fax during regular business hours. Because October 10 and 11, 2020, fall over a weekend, and not during regular business hours, and because of the additional resources required to process manual license applications, Commerce will accept manual license applications October 10, 11, and 12 only in emergency situations, *i.e.*, where the CBP entry summary must be filed on those dates and the license applicant has not previously obtained a license number under the existing SIMA system on or before October 9, 2020. Additionally, manual license applications must be sent via email, not fax, to the address identified in the **ADDRESSES** section. These restrictions are intended to address operational considerations due to COVID-19. See the **DATES** and **ADDRESSES** sections above for more information.

Response to Comments Received on the Proposed Rule

Commerce received 15 comments on the proposed rule. Below is a summary of the comments, grouped by issue category, followed by Commerce's response.

1. Whether To Require SIMA License Applicants To Identify the Country Where the Steel Is Melted and Poured

All commenters who provided a view supported Commerce's proposal for adding a field to the license application requiring U.S. importers to identify the country where the steel was melted and poured. Some commenters opposed allowing an "unknown" country option in the melt and pour field in the license application, arguing that an "unknown" option would undermine the utility of the melt and pour data collection, and that steel mill test certificates are easy for importers and traders to obtain because these documents are generated at all stages of the steel supply chain in the normal course of business. In contrast, other commenters asserted that many steel importers purchase products that have been processed multiple times into the supply chain and may not know where the steel they are importing was originally melted and poured.

One commenter requested that Commerce provide a clear definition for the country where the steel is melted and poured to assist importers in filling out the license application. The

commenter also recommended that Commerce use language from the joint understandings in crafting a definition. Another commenter concurs with the need for a precise definition and defines the country where the steel is melted and poured as the country "where raw steel is first produced in a steelmaking furnace and then poured into its first solid shape." This commenter noted that subsequent processing in another country after the melting and pouring stage may be significant enough to change the country of origin for customs purposes to a different country than the one where the steel was first melted and poured. Also, this commenter contends that a field for the country of melt and pour should be included in the licensing program because much of the value-added and investment in the steel manufacturing process takes place in the facilities that melt and pour the steel.

Some commenters requested that the country of melt and pour license data be collected at the 10-digit HTS level and then displayed in the public SIMA monitor at the 6-digit HTS level, to the extent possible, so as to avoid revealing proprietary data but to ensure full traceability and prevent transshipment. These commenters argued that Commerce's concern that reporting further disaggregated data would release proprietary data is "speculative and would likely never come to fruition." These commenters also claimed that publicly available subscription sources already provide bill of lading data on an aggregate basis, making public certain trading patterns, such that release of additional data in the public SIMA monitor reflecting these similar trading patterns serves only as a further aggregation.

One commenter states that, consistent with the joint understandings with Canada and Mexico, and to enhance the SIMA system generally, Commerce should continue to report all license data through the public SIMA monitor by country and product group (currently 53), by country and product category (defined as flat, long, pipe and tube, and semi-finished), and at the 6-digit HTS-level. Further, this commenter argues that, to the extent any license applicant has concerns regarding proprietary information, Commerce should create a means by which that applicant can request that data be aggregated at the next product level.

Response: Given commenters' unanimous support, Commerce will amend the SIMA system to require import license applicants to identify and report the country where the steel is melted and poured as an additional

requirement to obtaining an import license. Commerce is effectuating these changes by amending § 360.103(c) as well as the SIMA import license application. As stated above, Commerce believes collecting information on the country of melt and pour is consistent with the United States' joint understandings with the governments of Canada and Mexico and will enhance monitoring of U.S. steel imports. Collection of this data will allow for the effective and timely monitoring of import surges of specific steel products, which will aid in the prevention of transshipment of steel products. We also agree with commenters that an option for "unknown" in the country of melt and pour field on the license application would defeat the purpose of this new field. Furthermore, Commerce expects that importers will have access to thorough information regarding the product being imported, including the mill test certification (which would indicate country of melt and pour). Specifically, the mill test certification is currently required by CBP for entry purposes, in accordance with 19 CFR 141.89 and 142.6, and Commerce expects that the mill test certification would be included with the standard sales documentation for steel mill imports and therefore would be readily available to the importer. Commerce therefore agrees with commenters that steel mill test certificates are easy for importers and traders to obtain and are generated at all stages of the steel supply chain in the normal course of business. For these reasons, we disagree with the assertion of certain commenters that importers of steel products that have been processed multiple times may not have access to information regarding the country where the steel they are importing was originally melted and poured.

Additionally, Commerce agrees with certain commenters' recommendation that we should provide a clear definition for country of melt and pour and have included this definition in revised § 360.103(c)(3) and the steel license application. We agree that a definition for "country of melt and pour" would provide clarity and certainty to the steel trade community. As discussed above, Commerce expects that the mill test certification (that is currently required by CBP for entry purposes and readily available to the importer) will indicate the country of melt and pour; however, we recognize that mill test certifications come in different forms and may utilize different terminology. Therefore, we would not expect the precise phrase "country of

melt and pour” to be explicitly labeled on the mill test certification. In light of this, a definition is necessary to provide clear guidance to parties as to which information from the mill test certification should be relied upon in identifying the country of melt and pour for purposes of the steel import license application.

In crafting a definition for country of melt and pour, we found useful language in the Protocol of Amendment to the United States-Mexico-Canada Agreement (USMCA):

Notwithstanding any other provision of this Agreement, beginning seven years after entry into force of this Agreement, for steel to be considered as originating under this Article, all steel manufacturing processes must occur in one or more of the Parties, except for metallurgical processes involving the refinement of steel additives. Such processes include the initial melting and mixing and continues through the coating stage. This requirement does not apply to raw materials used in the steel manufacturing process, including steel scrap; iron ore; pig iron; reduced, processed, or pelletized iron ore; or raw alloys.²⁹

We also considered the definition provided by one of the commenters for country of melt and pour, which is the country “where raw steel is first produced in a steelmaking furnace and then poured into its first solid shape.” This definition is consistent with the definition included in the USMCA Protocol of Amendment, as well as our general understanding of the steel industry.³⁰ Specifically, it is our understanding that the steelmaking process generally follows the same pattern, beginning with the initial melting and mixing of the raw steel in a liquid state in a steelmaking furnace, that is then poured into a solid shape. This first solid shape may take the form of a semi-finished product (slab, billet, or ingot) or a finished steel mill product. Subsequent to this initial melting and pouring process, the steel may undergo further processing, including rolling, drawing, otherwise finishing, coating, etc. However, all steel imported into the United States must be accompanied by the mill test certification from the steel mill involved in the initial melt and pour phase. Thus, our adopted definition for country of melt and pour described below takes into account these various processes and establishes a singular definition focusing on the

initial melt and pour phase that will be well-understood by the steel trade community.

In light of the above, we developed a definition for the country where the steel used in the manufacture of the product was melted and poured, as provided in revised § 360.103(c)(3). Specifically, the license applicant is required to identify the original location where the raw steel is (1) first produced in a steel-making furnace in a liquid state, and then (2) poured into its first solid shape. Revised § 360.103(c)(3) also provides that the first solid state can take the form of either a semi-finished product (slab, billets or ingots) or a finished steel mill product, and further explains that the location of melt and pour is customarily identified on mill test certificates that are commonplace in steel production, generated at each stage of the production process, and maintained in the ordinary course of business. Further, revised § 360.103(c)(3) explains that this reporting requirement will not apply to raw materials used in the steel manufacturing process (*i.e.*, steel scrap; iron ore; pig iron; reduced, processed, or pelletized iron ore; or raw alloys). This definition specifically incorporates the language from the Protocol of Amendment to the USMCA and the definition suggested by one of the commenters, as well as our own experience under the SIMA system. No other definitions were proposed by commenters. Additionally, this definition provides clear guidance to parties as to which information from the mill test certification should be relied upon in identifying the country of melt and pour for purposes of the steel import license application.

With respect to the public SIMA monitor, which aggregates and reports certain license data, Commerce will only release or update weekly data on the country of melt and pour for each product group (at the 6-digit HTS level) if there are sufficient observations for the product groups. Commerce releases data on its public SIMA monitor under the authority of the Census Act (13 U.S.C. 301(a) and 302) and must adhere to Census guidance for the release of data, which requires the protection of proprietary data. After collecting the melt and pour data, Commerce will determine whether there are sufficient data observations to report at a 6-digit product group level without disclosing proprietary data. Notably, the public SIMA monitor currently divides license data into 53 different product groups (which, as described in this final rule, will be increased to 58 product groups). In instances where there are few (*i.e.*,

less than three) observations of certain country of origin/product group combinations, Commerce cannot provide this disaggregated data (*i.e.*, product group level) when adding the melt and pour data. Further, as stated in revised § 360.104(a), provision of aggregate data on the public SIMA monitor may be revisited at the sub-regulatory level should concerns arise over the possible release of proprietary data.

As stated above, some commenters assert that certain trading patterns, which might be revealed by reporting data at the 6-digit HTS level on the public SIMA monitor, are already available through publicly available subscription sources, which aggregate bill of lading information. However, these subscription sources, based on CBP import records, do not provide the same level of detail as the public SIMA monitor, based on license data (including country of melt and pour).³¹ Additionally, CBP import records become available much later than the early release of data on the public SIMA monitor. Therefore, as stated above, until we collect and conduct an analysis of the melt and pour data, Commerce cannot determine whether there will be sufficient observations to ensure anonymity to release data at the 6-digit HTS level in all instances. Further, our adoption of these procedures is consistent with the joint understandings and will provide the requisite information needed to monitor for import surges and potential transshipment, while allowing for the protection of proprietary data.

2. Whether To Require SIMA License Applicants To Identify Countries Where the Steel Was Subsequently Processed Prior to Importation

Certain commenters requested that the steel license application require information on each country where the steel was subsequently processed prior to importation. According to the commenters, this information is necessary to prevent evasion and circumvention of trade remedy measures. One commenter argued that “extending the country of origin reporting requirement to all levels of processing would not be unreasonably burdensome.” One commenter, however, asserted that U.S. importers may not know where steel was subsequently processed because these importers are far removed from the part of the supply chain that has knowledge

²⁹ <https://ustr.gov/sites/default/files/files/agreements/FTA/USMCA/Protocol-of-Amendments-to-the-United-States-Mexico-Canada-Agreement.pdf>.

³⁰ This general understanding is informed by years of administering the SIMA program, involving regular contact with the steel industry and other government agencies.

³¹ See, e.g., <https://www.datamyne.com/us-import-data/>.

of the country after the steel is melted and poured.

Response: Commerce, at this time, will not require SIMA license applicants to report information on subsequent processing in the license application. Unlike the country of melt and pour field discussed above, Commerce did not request comments on including a subsequent processing³² field in the *Proposed Rule*³³ and, as a result, the public has not been afforded an opportunity to provide comments on such a change in the license application. However, Commerce has considered the commenters' assertion that collecting data on subsequent processing of steel imports in third countries, prior to importation into the United States, will assist in monitoring potential evasion and circumvention of trade remedy measures.

Accordingly, Commerce may request public comments on the inclusion of a subsequent processing field to SIMA's import license application, at a later date.

3. Increasing the Maximum Threshold for Low-Value Licenses To Codify Current Practice

Several commenters raised concerns that if the maximum threshold for low-value licenses was raised to \$5,000, key data, particularly imports from Canada and Mexico, would not be tracked in the SIMA system and requested that the maximum threshold be reverted to \$250 per shipment. According to these commenters, a \$5,000 limit for low-value licenses might create a transshipment loophole for U.S. steel imports. Specifically, the use of low-value licenses on multiple shipments will incentivize a U.S. importer (or distributor) to obscure the country of origin of steel and also the country where the steel was melted and poured by being shipped into the United States via Canada or Mexico. One commenter also stated that allowing the exemption level to be significantly higher creates loopholes that allow gaming within the SIMA system via multi-load and warehousing schemes that lead to circumvention. As such, commenters recommended that Commerce conform its practice to the existing regulation rather than conforming the regulation to existing practice.

³² According to a commenter, subsequent processing could occur in two countries before importation into the United States. For example, subsequent processing of corrosion resistant steel from Country A could take the following two steps: (1) Cold rolling in Country B; and (2) coating/finishing in Country C before importation into the United States.

³³ 85 FR at 17515.

One commenter recommended that to prevent abuse of the low-value license exemption, Commerce should adopt a "formal entry/formal license" operational paradigm. One commenter also requested that Commerce collect low-value license information on country of melt and pour and all subsequent processing in a third country. This commenter also suggested that Commerce limit the use of low-value licenses to a single entry and that the number of low-value licenses obtained by a single party or affiliates be limited to one per quarter within a calendar year.

Response: As discussed above, Commerce is amending § 360.103(f) to reflect that the low-value license threshold is \$5,000 per steel shipment into the United States, consistent with our existing practice. The low-value license threshold has been set at \$5,000 since 2010, and during this time Commerce has never received any evidence that importers use the low-value license to conceal the actual country of origin or otherwise evade the regular license requirements. The commenters did not provide any such evidence. Increasing the threshold to \$5,000 merely codifies Commerce's longstanding practice.

Additionally, Commerce finds that use of the low-value licenses substantially reduces the burden to importers of steel shipments between \$250 and \$5,000. To determine the potential burden, we examined CBP data for one sample month for steel product entries below \$5,000. This data indicated that there were approximately 8,000 such entries in the sample month (June 2019). Therefore, we estimate that the additional burden of requiring importers of entries between \$250 to \$5,000 to switch to regular (*i.e.*, one-time use) licenses would create roughly 96,000 more regular licenses per year (8,000/month * 12 months = 96,000 more licenses per year) at 10 minutes per license (or 16,000 hours).³⁴ Additionally, based on review of CBP data, we find that there would be little improvement in the quality of the data collection, as the value of entries covered by the low-value licenses (\$5,000 or less) is very small compared to the average monthly value of regular licenses (in May 2020, the average value was \$50,000 per regular license). That said, Commerce will continue to monitor the use of low-value licenses and, if there is evidence that low-value

³⁴ See *Proposed Rule*, 85 FR at 17518 (describing that, for purposes of the Paperwork Reduction Act information collection requirements, Commerce estimates that each regular license application take less than 10 minutes per response).

licenses are being misused, or any other improper activity related to low-value license, we will revisit the threshold maximum of \$5,000, and also consider other action, as appropriate.

Moreover, Commerce does not intend to limit the use of low-value licenses to one per quarter for each importer or to collect information about country of melt and pour on low-value licenses because low-value licenses are, by definition, re-usable licenses. Additionally, we note that adding these restrictions to the low-value licenses would obviate the intended benefit of these licenses. Specifically, the intent of low-value licenses is to reduce the public burden of the steel license requirements by allowing an importer to bring in multiple shipments of steel at a low-value on a single reusable license. If importers were required to create separate, single-use low-value licenses for each low-value shipment, this would increase the public burden of the license system, without a meaningful benefit in terms of data collection.

Finally, Commerce does not intend to adopt a "formal entry/formal license" operational paradigm to prevent abuse of the low-value license exemption, as suggested by one commenter. Specifically, this commenter did not elaborate on how implementing such a paradigm would prevent abuse of the low-value license exemption, and, therefore, we have not further considered this proposal.

4. Maintain License Data on the Steel Monitor for a Longer Period of Time

Certain commenters requested that Commerce maintain information regarding the country of melt and pour on the public SIMA monitor for a longer period of time. One commenter asserted that this would allow stakeholders to analyze longer trends in steel trade including where steel is melted, poured, and processed prior to importation into the United States. Commenters suggested compiling this data in a separate report on the public SIMA monitor, which only includes license data, and requested that Commerce maintain the data indefinitely. One commenter also requested that Commerce provide a "table search" function on the public SIMA monitor to allow the public to construct custom tables specifying country of melt and pour, country of subsequent processing, and country of origin in addition to other data fields.

Response: Currently, Commerce does not maintain license data on the public SIMA monitor once new Census data are released, and license data connected with the monthly Census data are only

available on the public SIMA monitor for two months.³⁵ Given that melt and pour information will not be replicated in the official Census statistics, Commerce will maintain license data regarding the country of melt and pour on the public SIMA monitor for a longer period, as a separate report. Commerce will maintain the monthly license data for the country of melt and pour field up to 12 months and maintain annual data afterwards, to the extent possible. Initially, Commerce may not be able to include country of melt and pour with the other fields for license data on the public SIMA monitor because of concerns regarding proprietary data. As mentioned above, in accordance with the Census guidelines, Commerce needs to have a minimum number of observations to display a piece of data publicly (including the country of melt and pour). Therefore, information indicating the country of melt and pour will only be reported on the public SIMA monitor once we have the minimum observations to display the data publicly without disclosing proprietary data.

5. Additional Modifications Proposed by a Commenter

One commenter proposed modifications to the SIMA licensing system and public SIMA monitor, which Commerce did not include in its *Proposed Rule*.³⁶ Specifically, this commenter requested that the following changes be made to the SIMA system: (1) Reduce the import license validity period from 75 days to 15 days to improve reporting accuracy and prevent skewing of actual U.S. steel import volumes; (2) license holders be required to submit corrections to the data reported on the SIMA import license form within 30 days of the date of importation of steel products; (3) importers be required to maintain their SIMA licenses, both original and corrected, for a period of five years after importation; and (4) all license applications require applicants to identify whether imported steel products are subject to antidumping (AD) and countervailing duty (CVD) orders pursuant to Title VII of the Tariff Act of 1930, as amended.

Response: With respect to the first item, Commerce will not adopt the commenter's proposed 15-day validity period because reducing the validity period from 75 to 15 days would require importers to obtain licenses shortly before the date of importation. Although a shorter validity period might improve

the accuracy of the license information, Commerce finds that reducing the license validity period significantly would defeat SIMA's main purpose, which is to serve as an early-warning system for U.S. imports of steel products. Consistent with this purpose, SIMA currently collects two months of license information to be displayed on our public SIMA monitor for the public to track import trends. If the license validity period was reduced, Commerce would not have the necessary license information to accurately report import trends on its public SIMA monitor as early as has been the case historically. Commerce finds the value of the early data provided in the public SIMA monitor outweighs the slight degree of additional precision possible by a shortened validity period.

With respect to the second item, Commerce will not change existing practice and require users to submit corrections to licenses within 30 days of the date of importation. Under existing practice, corrections to the SIMA license can be made months after importation, typically when CBP performs an audit on individual importers' entries. Thus, Commerce has decided not to modify the regulations for the SIMA licensing system to implement a time limit requirement for making corrections to the license application, to maintain consistency with CBP's audit procedures.

With respect to the third item, Commerce will not implement a requirement for U.S. steel importers to maintain steel licenses for five years. Although Commerce declines to implement this record-keeping requirement for the SIMA system, CBP regulations (*i.e.*, 19 CFR part 163) require that records for entry declarations be maintained for five years. Additionally, Commerce did not request comments on implementing this or any other record-keeping requirement in the *Proposed Rule*,³⁷ and, as a result, interested parties were not given an opportunity to provide public comments on this requirement. However, Commerce may, at a later date, request public comment about implementing this requirement.

With respect to the fourth item, at this time, Commerce is not adding a new field to the license form requiring U.S. importers to identify the steel mill products subject to AD/CVD orders. Commerce does not disagree with the commenter that making such a change may enhance reliability and completeness of the data in the public SIMA monitor, with respect to steel

products covered by AD/CVD orders. Commerce, however, did not request comments on implementing this change to the license application in the *Proposed Rule*,³⁸ and, thus, interested parties did not have an opportunity to provide public comments on this requirement. This is in contrast to the field for country of melt and pour that was first identified in the *Proposed Rule*, discussed above. Accordingly, Commerce will not make this change to the license application for this final rule. Nonetheless, Commerce may, at a later date, request public comment about this requirement.

6. Amendments to Existing Product Groups on the Public SIMA Monitor

Several commenters request that Commerce divide the existing product group for "blooms, billets, and slabs" (also called "semi-finished steel") into at least two separate product groups. The two proposed product groups are for slab and "other semi-finished steel," which certain commenters suggest will allow a better understanding of import trends for these two distinct products. Certain commenters specifically proposed that Commerce include HTS 7207.12.0050, 7207.20.0045, 7224.90.0025, and 7224.90.0055 in the proposed new slab product group.

Response: For the final rule, as suggested by commenters, Commerce will divide the "carbon and alloy blooms, billets, and slabs" product group on the public SIMA monitor into two product groups: "slab (rectangular cross-section with width greater than 4 times the thickness)" and "other semi-finished" product groups. Commerce will make the same change for the "stainless blooms, billets, and slabs" product group. While making this change, Commerce also plans to separate line pipe into three more specific product groups (*i.e.*, line pipe greater than 16 inches in diameter, line pipe less than or equal to 16 inches in diameter, and line pipe not specified), which will harmonize SIMA data with Census data releases. These changes will also help the U.S. industry observe potential evasion or circumvention of AD/CVD orders, which the U.S. domestic producers raised as an underlying concern in their comments.

7. Harmonizing the Products Subject to SIMA With Those Subject to Section 232 Tariffs

In the *Proposed Rule*, Commerce proposed adding to the SIMA system eight additional HTS codes subject to

³⁵ <https://enforcement.trade.gov/steel/license/>.

³⁶ See *Proposed Rule*, 85 FR at 17515.

³⁷ See *Proposed Rule*, 85 FR at 17515.

³⁸ See *id.*

Section 232 tariffs,³⁹ which one commenter supports. However, this commenter suggests the following two options for reporting these new HTS codes in the public SIMA monitor to better account for the rails product group: (1) Create a new product group for the eight HTS codes in an “other” steel product group to ensure continuity of data over time; or (2) incorporate the eight HTS codes in the same product groups where each HTS subheading (at the 6-digit level) is already categorized.

Response: For this final rule, as stated above, Commerce is expanding the scope of steel products covered by the SIMA system so that it covers all steel products subject to Section 232 tariffs, *i.e.*, the eight additional HTS codes. Additionally, Commerce will adopt some of the suggestions raised above for the public SIMA monitor. Specifically, for three of these HTS codes,⁴⁰ because they already fall within existing 6-digit level HTS subheadings under various existing product groups, Commerce intends to include these HTS codes in those existing product groups.

Additionally, four of the HTS codes currently fall within 6-digit level HTS subheadings under the “standard rails” product group. The combined total imports for adding these four HTS codes to the “standard rails” product group would increase 2019 imports of this group by over 25 percent.⁴¹ The final HTS code (7302909000) falls within the 6-digit level HTS subheading under the “railroad accessories” product group. However, the import volume last year for HTS 7302909000 exceeded the total import volume for the “railroad accessories” product group. Therefore, Commerce plans to create a new product group called “Other Rails and Railroad Accessories” in which to place these 5 remaining HTS codes on the public SIMA monitor.

8. Indefinitely Extending the SIMA Program

Most commenters support extending the SIMA licensing program indefinitely. Specifically, commenters requested that the SIMA program become permanent because unfairly traded imports continue to be an ongoing threat to the U.S. industry.

Response: Given the unanimous support by commenters, Commerce will extend the SIMA program indefinitely, as stated above, by removing and reserving § 360.105.

Classifications

Executive Order 12866

The Office of Management and Budget (OMB) has determined that this final rule is significant, but not economically significant, for purposes of Executive Order 12866.

Executive Order 13771

This final rule is not subject to Executive Order 13771 because it imposes *de minimis* costs.

Executive Order 13132

This rule does not contain policies with federalism implications as that term is defined in Executive Order 13132.

Paperwork Reduction Act

This final rule contains collection-of-information requirements that have been submitted to the Office of Management and Budget (OMB) for approval under the Paperwork Reduction Act (PRA) (OMB Control No. 0625–0245; Expiration Date: 07/31/2023). Public reporting for this collection of information is estimated to be less than ten minutes per response, including the time for reviewing instructions and completing and reviewing the collection of information.

The *Proposed Rule* identified two revisions to the public reporting for this collection of information. First, steel import license applicants will need to identify the country of melt and pour as an additional field on the steel import license application. In this final rule, the information collection has been refined to provide the regulatory definition of country of melt and pour (as found in 19 CFR 360.103(c)(3)) in the form instructions. Additionally, commenters agreed with the *Proposed Rule* that this revision will not add any additional burden on the public, because the information needed to identify the country of melt and pour can be found on the mill test certification that is currently required by CBP for entry purposes and readily available to the importer. Second, the licensing requirement will be expanded to apply to all steel products, including eight additional HTS categories in addition to the approximately 780 HTS categories currently covered by the SIMA system. No party raised concerns regarding the burden hour estimates in the *Proposed Rule* for this revision.

Notwithstanding any other provision of law, no person is required to respond to, nor shall any person be subject to a penalty for failure to comply with, a collection of information subject to the Paperwork Reduction Act unless that

collection displays a currently valid OMB Control Number. All currently approved collections of information may be viewed at <https://www.reginfo.gov/public/jsp/PRA/pradashboard.myjsp>.

Regulatory Flexibility Act

The Chief Counsel for Regulation of the Department of Commerce certified to the Chief Counsel for Advocacy of the Small Business Administration at the proposed rule stage, that this rule, if adopted, would not have a significant economic impact on a substantial number of small entities as that term is defined in the Regulatory Flexibility Act, 5 U.S.C. 601 *et seq.* The factual basis for the certification is found in the proposed rule and is repeated below. No comments were received on the certification or the economic impacts of this action. As a result, no final regulatory flexibility analysis is required and none was prepared.

This rule will not have a significant economic impact on a substantial number of small entities. This rule, if implemented, would: (1) Require import license applicants to additionally identify the country where steel used in the manufacture of the imported steel product was melted and poured, as defined in this final rule; (2) harmonize the scope of SIMA’s licensing requirement with the scope of steel products subject to Section 232 tariffs; (3) indefinitely extend the SIMA system; and (4) to modify the regulations regarding low value licenses to align with our current practice. The entities that would be impacted by this rule are importers and brokerage companies that import steel mill products. These entities are already required to provide information, including the name and address of the importer, type of steel product, and country of origin of the steel imports, along with additional information, to obtain steel import licenses through the online SIMA licensing system for filing entry summary documentation required by CBP for U.S. imports of steel mill products. Based on statistics derived from current license applications, of the approximately 562,857 licenses issued each year, Commerce estimates that less than two percent of the license applications (approximately 11,257) would be filed by importers and brokerage companies considered to be small entities.

Based on the current usage of the SIMA system, Commerce does not anticipate that these four changes to the SIMA system required under this proposed rule will have a significant economic impact on a substantial

³⁹ See *Proposed Rule*, 85 FR at 17520 (Appendix I).

⁴⁰ HTS 7217901000, 7222406000, and 7228706000.

⁴¹ <https://www.trade.gov/steel>.

number of small entities. Companies are already familiar with the licensing of certain steel products under the current system. In most cases, brokerage companies will apply for the license on behalf of the steel importers. Most brokerage companies that are currently involved in filing documentation for importing goods into the United States are accustomed to CBP's automated entry filing systems. Today, CBP filings are handled electronically. Although steel import license applicants will need to identify the country of melt and pour as an additional field on the steel import license application pursuant to this final rule, this revision will not add any additional burden, because the information needed to identify the country of melt and pour can be found on the mill test certification that is currently required by CBP for entry purposes and readily available to the importer. Therefore, the proposed modifications to the license application will not be a significant obstacle to any firm. Should an importer or brokerage company need to register for an account or apply for a license non-electronically, a fax/phone option is available at Commerce during regular business hours. There is no cost to register for a company-specific steel license account and no cost to file for the license. Each license form is expected to take less than 10 minutes to complete and collects much of the same information required on the CBP entry summary documentation. The steel import license is the only additional U.S. entry requirement that the importers or their representatives must fulfill in order to import each covered steel product shipment under 19 CFR part 360.

Commerce does not charge fees for licenses. Commerce estimates that the likely aggregate license costs incurred by small entities in terms of the time to apply for licenses as a result of this proposed rule would be less than two percent, or an estimated \$37,523.00, of the estimated total \$1,876,190 cost to all steel importers to process the on-line automatic licenses. These calculations are based on an hourly pay rate of \$20.00 multiplied by the estimated 93,195 total annual burden hours. The average cost of a single license is less than \$3.33 based on the estimate that one license requires less than 10 minutes of the filer's time.

Therefore, the Department certifies that the final rule will not have a significant economic impact on a substantial number of small entities.

List of Subjects in 19 CFR Part 360

Administrative practice and procedure, Business and industry,

Imports, Reporting and recordkeeping requirements, Steel.

Dated: September 1, 2020.

Jeffrey I. Kessler,

Assistant Secretary for Enforcement and Compliance.

For the reasons stated in the preamble, the Department of Commerce amends 19 CFR part 360 as follows:

PART 360—STEEL IMPORT MONITORING AND ANALYSIS SYSTEM

■ 1. The authority citation for 19 CFR part 360 continues to read as follows:

Authority: 13 U.S.C. 301(a) and 302.

■ 2. In § 360.101, revise paragraph (a)(1) to read as follows:

§ 360.101 Steel import licensing.

(a) * * *

(1) All imports of basic steel mill products are subject to the import licensing requirements. These products are listed on the Steel Import Monitoring and Analysis (SIMA) system website (<https://www.trade.gov/steel>). Registered users will be able to obtain steel import licenses on the SIMA system website. This website contains two sections related to import licensing—the online registration system and the automatic steel import license issuance system. Information gathered from these licenses will be aggregated and posted on the import monitoring section of the SIMA system website.

* * * * *

■ 3. In § 360.103:

■ a. Revise paragraphs (c)(1)(ii), (iii), and (xii);

■ b. Redesignate paragraphs (c)(1)(xiii) and (xiv) as paragraphs (c)(1)(xiv) and (xv);

■ c. Add a new paragraph (c)(1)(xiii);

■ d. Revise newly redesignated paragraph (c)(1)(xiv);

■ e. Redesignate paragraph (c)(3) as paragraph (c)(4);

■ f. Add a new paragraph (c)(3); and

■ g. Revise paragraph (f).

The revisions and additions read as follows:

§ 360.103 Automatic issuance of import licenses.

* * * * *

(c) * * *

(1) * * *

(ii) Filer contact name, phone number, and email address;

(iii) Entry type (*i.e.*, Consumption, FTZ);

* * * * *

(xii) Current Harmonized Tariff Schedule (HTS) number (from Chapters 72 or 73);

(xiii) Country where the steel used in the manufacture of the product was melted and poured (see paragraph (c)(3) of this section for further instruction);

(xiv) Quantity (in kilograms); and

* * * * *

(3)(i) The field in the license application requiring identification of the country where the steel used in the manufacture of the product was melted and poured (*see* paragraph (c)(1)(xiii) of this section) applies to the original location where the raw steel is:

(A) First produced in a steel-making furnace in a liquid state; and then

(B) Poured into its first solid shape.

(ii) The first solid state can take the form of either a semi-finished product (slab, billets or ingots) or a finished steel mill product. The location of melt and pour is customarily identified on mill test certificates that are commonplace in steel production, generated at each stage of the production process, and maintained in the ordinary course of business. The reporting requirement in paragraph (c)(1)(xiii) of this section will not apply to raw materials used in the steel manufacturing process (*i.e.*, steel scrap; iron ore; pig iron; reduced, processed, or pelletized iron ore; or raw alloys).

* * * * *

(f) *Low-value licenses.* There is one exception to the requirement for obtaining a unique license for each Customs entry. If the total value of the covered steel portion of an entry is less than \$5,000, applicants may apply to Commerce for a low-value license that can be used in lieu of a single-entry license for low-value entries.

■ 4. Revise § 360.104 to read as follows:

§ 360.104 Steel import monitoring.

(a) Commerce will maintain an import monitoring system on the SIMA system website that will report certain aggregate information on imports of steel mill products obtained from the steel licenses and, where available, from the U.S. Census Bureau. Aggregate data will be reported, as appropriate, on a monthly basis by country of origin, country of melt and pour, and relevant steel mill product groupings, etc. and will include import quantity (metric tons), import Customs value (U.S. \$), and average unit value (\$/metric ton). The website will also contain certain aggregate data at the 6-digit Harmonized Tariff Schedule level and will also present a range of historical data for comparison purposes. Provision of aggregate data on the website may be revisited should concerns arise over the possible release of proprietary data.

(b) Reported monthly import data will be refreshed each week, as appropriate,

with new data on licenses issued during the previous week. This data will also be adjusted periodically for cancelled or unused steel import licenses, as appropriate. Additionally, outdated license data will be replaced, where available, with information from the U.S. Census Bureau.

§ 360.105 [Removed and Reserved]

■ 5. Remove and reserve § 360.105.

[FR Doc. 2020–19753 Filed 9–10–20; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF DEFENSE

Office of the Secretary

32 CFR Part 143

[Docket ID: DOD–2020–OS–0049]

RIN 0790–AK23

DoD Policy on Organizations That Seek To Represent or Organize Members of the Armed Forces in Negotiations or Collective Bargaining

AGENCY: Office of the Under Secretary of Defense for Personnel and Readiness, Department of Defense (DoD).

ACTION: Final rule.

SUMMARY: This final rule removes the DoD’s regulation that prohibits members of the armed forces from being members of a “military labor organization,” which is an organization that engages or attempts to engage in negotiations or bargaining on behalf of service members concerning the terms or conditions of military service. The rule restates statute or otherwise contains internal DoD processes wholly contained within DoD internal guidance. Therefore, this part can be removed from the Code of Federal Regulations (CFR).

DATES: This rule is effective on September 11, 2020.

FOR FURTHER INFORMATION CONTACT: Christa A. Specht, Office of Legal Policy, Office of the Under Secretary of Defense (Personnel and Readiness), (703) 697–3387.

SUPPLEMENTARY INFORMATION: It has been determined that publication of this rule removal for public comment is impracticable, unnecessary, and contrary to public interest because the underlying rule simply restates the law in 10 U.S.C. 976, or otherwise contains internal DoD processes. The only additional language in 32 CFR 143.7 and 143.8 contains internal DoD procedures and guidelines. These provisions are publicly available in DoD Instruction 1354.01, “DoD Policy on Organizations

That Seek to Represent Or Organize Members of the Armed Forces in Negotiation Or Collective Bargaining,” published January 19, 2007 (available at <https://www.esd.whs.mil/Portals/54/Documents/DD/issuances/dodi/135401p.pdf>).

This rule is not significant under Executive Order (E.O.) 12866, “Regulatory Planning and Review.” Therefore, the requirements of E.O. 13771, “Reducing Regulation and Controlling Regulatory Costs,” do not apply. This removal supports a recommendation of the DoD Regulatory Reform Task Force.

List of Subjects in 32 CFR Part 143

Government employees, Labor management relations, Military personnel.

PART 143—[REMOVED]

■ Accordingly, by the authority of 5 U.S.C. 301, 32 CFR part 143 is removed.

Dated: September 8, 2020.

Aaron T. Siegel,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

[FR Doc. 2020–20087 Filed 9–10–20; 8:45 am]

BILLING CODE 5001–06–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 282

[EPA–R03–UST–2020–0205; FRL 10012–34–Region 3]

West Virginia: Final Approval of State Underground Storage Tank Program Revisions, Codification, and Incorporation by Reference

AGENCY: Environmental Protection Agency (EPA).

ACTION: Direct final rule.

SUMMARY: Pursuant to the Solid Waste Disposal Act of 1965, as amended (commonly known as the Resource Conservation and Recovery Act (RCRA)), the Environmental Protection Agency (EPA) is taking direct final action to approve revisions to the State of West Virginia’s Underground Storage Tank (UST) program submitted by West Virginia (West Virginia or State). This action also revises the address of EPA’s Region 3 office. This action also codifies EPA’s approval of West Virginia’s state program and incorporates by reference (IBR) those provisions of West Virginia’s regulations and statutes that we have determined meet the requirements for approval. The provisions will be subject to EPA’s inspection and enforcement

authorities under sections 9005 and 9006 of RCRA Subtitle I and other applicable statutory and regulatory provisions.

DATES: This rule is effective November 10, 2020, unless EPA receives any significant negative comment opposing this action by October 13, 2020. If EPA receives any significant negative comment opposing this action, EPA will publish a timely withdrawal in the **Federal Register** informing the public that the rule will not take effect. The incorporation by reference of certain publications listed in the regulations is approved by the Director of the Federal Register, as of November 10, 2020, in accordance with 5 U.S.C. 552(a) and 1 CFR part 51.

ADDRESSES: Submit your comments by one of the following methods:

1. *Federal eRulemaking Portal:* <https://www.regulations.gov>. Follow the on-line instructions for submitting comments.

2. *Email:* uybarreta.thomas@epa.gov.

3. *Mail:* Thomas UyBarreta, RCRA Programs Branch, Land, Chemicals and Redevelopment Division, EPA Region 3, 1650 Arch Street, (Mail Code 3LD30), Philadelphia, PA 19103–2029.

Instructions: Direct your comments to Docket ID No. EPA–R03–UST–2020–0205. EPA’s policy is that all comments received will be included in the public docket without change and may be available online at <https://www.regulations.gov>, including any personal information provided, unless the comment includes information claimed to be Confidential Business Information (CBI) or other information whose disclosure is restricted by statute. Do not submit information that you consider to be CBI or otherwise protected through <https://www.regulations.gov> or email. The federal website, <https://www.regulations.gov>, is an “anonymous access” system, which means EPA will not know your identity or contact information unless you provide it in the body of your comment. If you send an email comment directly to EPA without going through <https://www.regulations.gov>, your email address will be automatically captured and included as part of the comment that is placed in the public docket and made available on the internet. If you submit an electronic comment, EPA recommends that you include your name and other contact information in the body of your comment. If EPA cannot read your comment due to technical difficulties, and cannot contact you for clarification, EPA may not be able to consider your comment.