

DEPARTMENT OF COMMERCE**Foreign-Trade Zones Board**

[B-58-2020]

Foreign-Trade Zone (FTZ) 134—Chattanooga, Tennessee; Notification of Proposed Production Activity; Volkswagen Group of America Chattanooga Operations, LLC (Passenger Motor Vehicles), Chattanooga, Tennessee

Volkswagen Group of America Chattanooga Operations, LLC (Volkswagen), submitted a notification of proposed production activity to the FTZ Board for its facility in Chattanooga, Tennessee. The notification conforming to the requirements of the regulations of the FTZ Board (15 CFR 400.22) was received on September 18, 2020.

Volkswagen already has authority to produce passenger motor vehicles within FTZ 134. The current request would add finished products and foreign status materials/components to the scope of authority. Pursuant to 15 CFR 400.14(b), additional FTZ authority would be limited to the specific foreign-status materials/components and specific finished products described in the submitted notification (as described below) and subsequently authorized by the FTZ Board.

Production under FTZ procedures could exempt Volkswagen from customs duty payments on the foreign-status materials/components used in export production. On its domestic sales, for the foreign-status materials/components noted below and in the existing scope of authority, Volkswagen would be able to choose the duty rates during customs entry procedures that apply to electric vehicles and electric vehicle batteries (duty rate ranges from 2.5% to 3.4%). Volkswagen would be able to avoid duty on foreign-status components which become scrap/waste. Customs duties also could possibly be deferred or reduced on foreign-status production equipment.

The materials/components sourced from abroad include: Gap fillers (fills the space between the battery modules and battery packs); battery housings; battery housing frames; cross beams; side members; extruded aluminum structural members for battery housings; floor piece assemblies; floor piece cooling systems; crash protection assemblies; battery cover plates; automatic circuit breaker molded cases; relays; electric insulation polymer padding; plastic lids/covers for supporting plates; box assemblies comprised of supporting plates, box

insulation, box protection, fuses and cover assemblies; box cover assemblies made from a mix of nylon polymer and copper alloys; supporting plates (metal construction with a plastic shield that is used to support battery control modules); and, transportation covers used to protect the connectors for battery packs (duty rate ranges from 2.7% to 3.4%). The request indicates that certain materials/components are subject to duties under Section 232 of the Trade Expansion Act of 1962 (Section 232) and Section 301 of the Trade Act of 1974 (Section 301), depending on the country of origin. The applicable Section 232 and Section 301 decisions require subject merchandise to be admitted to FTZs in privileged foreign status (19 CFR 146.41).

Public comment is invited from interested parties. Submissions shall be addressed to the Board's Executive Secretary and sent to: *ftz@trade.gov*. The closing period for their receipt is November 3, 2020.

A copy of the notification will be available for public inspection in the "Reading Room" section of the Board's website, which is accessible via *www.trade.gov/ftz*.

For further information, contact Christopher Wedderburn at *Chris.Wedderburn@trade.gov* or (202) 482-1963.

Dated: September 18, 2020.

Andrew McGilvray,
Executive Secretary.

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of the activity is warranted at this time. The production activity described in the notification was authorized, subject to the FTZ Act and the FTZ Board's regulations, including Section 400.14.

Dated: September 21, 2020.

Andrew McGilvray,
Executive Secretary.

[FR Doc. 2020-21101 Filed 9-23-20; 8:45 am]

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DEPARTMENT OF COMMERCE**Bureau of Industry and Security****Order Denying Export Privileges**

In the Matter of: Walid Chehade, 4855 Hawthorn Lane, Unit 20, Westlake, OH 44145.

On May 8, 2019, in the U.S. District Court for the Western District of Michigan, Walid Chehade ("Chehade"), was convicted of violating 18 U.S.C. 371. Specifically, Chehade was convicted of knowingly and willfully conspiring to export from the United States to Lebanon guns and gun parts designated as defense articles on the United States Munitions List, without first obtaining the required licenses from the U.S. Department of State. Chehade was sentenced to time served, one year of supervised release, a \$5,000 fine, and a \$100 special assessment.

Pursuant to Section 1760(e) of the Export Control Reform Act ("ECRA"),² the export privileges of any person who has been convicted of certain offenses, including, but not limited to, 18 U.S.C. 371, may be denied for a period of up to ten (10) years from the date of his/her conviction. 50 U.S.C. 4819(e) (Prior Convictions). In addition, any BIS licenses or other authorizations issued under ECRA in which the person had an interest at the time of the conviction may be revoked. *Id.*

BIS received notice of Chehade's conviction for violating 18 U.S.C. 371, and has provided notice and opportunity for Chehade to make a written submission to BIS, as provided in Section 766.25 of the Export Administration Regulations ("EAR" or the "Regulations"). 15 CFR 766.25.³ BIS

² ECRA was enacted as part of the John S. McCain National Defense Authorization Act for Fiscal Year 2019, and as amended is codified at 50 U.S.C. 4801-4852. Chehade's conviction post-dates ECRA's enactment on August 13, 2018.

³ The Regulations are currently codified in the Code of Federal Regulations at 15 CFR parts 730-774 (2020). The Regulations originally issued under the Export Administration Act of 1979, as amended, 50 U.S.C. 4601-4623 (Supp. III 2015) ("EAA"), which lapsed on August 21, 2001. The President, through Executive Order 13,222 of August 17, 2001

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DEPARTMENT OF COMMERCE**Foreign-Trade Zones Board**

[B-33-2020]

Foreign-Trade Zone (FTZ) 137—Washington Dulles International Airport, Virginia; Authorization of Production Activity; FN America, LLC (Disassembly of Machine Guns), Dulles, Virginia

On May 22, 2020, CDS Air Freight Inc., an operator within FTZ 137, submitted a notification of proposed production activity to the FTZ Board on behalf of FN America, LLC, within FTZ 137, in Dulles, Virginia.

The notification was processed in accordance with the regulations of the FTZ Board (15 CFR part 400), including notice in the **Federal Register** inviting public comment (85 FR 33622, June 2, 2020). On September 21, 2020, the applicant was notified of the FTZ Board's decision that no further review

has received a written submission from Chehade.

Based upon my review of the record, including Chehade's written submission from Counsel, and consultations with BIS's Office of Export Enforcement, including its Director, and the facts available to BIS, I have decided to deny Chehade's export privileges under the Regulations for a period of seven years from the date of Chehade's conviction. I have also decided to revoke any BIS-issued licenses in which Chehade had an interest at the time of his conviction.

Accordingly, it is hereby *ordered*:

First, from the date of this Order until May 8, 2026, Walid Chehade, with a last known address of 4855 Hawthorn Lane, Unit 20, Westlake, OH 44145, and when acting for or on his behalf, his successors, assigns, employees, agents or representatives ("the Denied Person"), may not directly or indirectly participate in any way in any transaction involving any commodity, software or technology (hereinafter collectively referred to as "item") exported or to be exported from the United States that is subject to the Regulations, including, but not limited to:

A. Applying for, obtaining, or using any license, license exception, or export control document;

B. Carrying on negotiations concerning, or ordering, buying, receiving, using, selling, delivering, storing, disposing of, forwarding, transporting, financing, or otherwise servicing in any way, any transaction involving any item exported or to be exported from the United States that is subject to the Regulations, or engaging in any other activity subject to the Regulations; or

C. Benefiting in any way from any transaction involving any item exported or to be exported from the United States that is subject to the Regulations, or from any other activity subject to the Regulations.

Second, no person may, directly or indirectly, do any of the following:

A. Export or reexport to or on behalf of the Denied Person any item subject to the Regulations;

(3 CFR, 2001 Comp. 783 (2002)), which was extended by successive Presidential Notices, continued the Regulations in full force and effect under the International Emergency Economic Powers Act, 50 U.S.C. 1701, *et seq.* (2012) ("IEEPA"). Section 1768 of ECRA, 50 U.S.C. 4826, provides in pertinent part that all rules and regulations that were made or issued under the EAA, including as continued in effect pursuant to IEEPA, and were in effect as of ECRA's date of enactment (August 13, 2018), shall continue in effect according to their terms until modified, superseded, set aside, or revoked through action undertaken pursuant to the authority provided under ECRA. *See note 1, supra.*

B. Take any action that facilitates the acquisition or attempted acquisition by the Denied Person of the ownership, possession, or control of any item subject to the Regulations that has been or will be exported from the United States, including financing or other support activities related to a transaction whereby the Denied Person acquires or attempts to acquire such ownership, possession or control;

C. Take any action to acquire from or to facilitate the acquisition or attempted acquisition from the Denied Person of any item subject to the Regulations that has been exported from the United States;

D. Obtain from the Denied Person in the United States any item subject to the Regulations with knowledge or reason to know that the item will be, or is intended to be, exported from the United States; or

E. Engage in any transaction to service any item subject to the Regulations that has been or will be exported from the United States and which is owned, possessed or controlled by the Denied Person, or service any item, of whatever origin, that is owned, possessed or controlled by the Denied Person if such service involves the use of any item subject to the Regulations that has been or will be exported from the United States. For purposes of this paragraph, servicing means installation, maintenance, repair, modification or testing.

Third, pursuant to Section 1760(e) of the Export Control Reform Act (50 U.S.C. 819(e) and Sections 766.23 and 766.25 of the Regulations, any other person, firm, corporation, or business organization related to Chehade by ownership, control, position of responsibility, affiliation, or other connection in the conduct of trade or business may also be made subject to the provisions of this Order in order to prevent evasion of this Order.

Fourth, in accordance with Part 756 of the Regulations, Chehade may file an appeal of this Order with the Under Secretary of Commerce for Industry and Security. The appeal must be filed within 45 days from the date of this Order and must comply with the provisions of Part 756 of the Regulations.

Fifth, a copy of this Order shall be delivered to Chehade and shall be published in the **Federal Register**.

Sixth, this Order is effective immediately and shall remain in effect until May 8, 2026.

Issued this 21st day of September, 2020.

Karen H. Nies-Vogel,

Director, Office of Exporter Services.

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DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

RIN 0648-BI59

Atlantic Highly Migratory Species; Amendment 14 to the 2006 Consolidated Atlantic Highly Migratory Species Fishery Management Plan

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Notice of availability; request for comments.

SUMMARY: NMFS announces the availability of Draft Amendment 14 to the 2006 Consolidated Atlantic Highly Migratory Species (HMS) Fishery Management Plan (FMP). Draft Amendment 14 is being undertaken to revise the mechanism or "framework" used in establishing quotas and related management measures for Atlantic shark fisheries. The current framework was established in Amendment 3 to the 2006 Consolidated Atlantic HMS FMP. The revised framework would modify the procedures followed in establishing the acceptable biological catch (ABC) and annual catch limits (ACLs) for Atlantic sharks and the process used to account for carryover or underharvests of quotas. It would also allow the option to phase-in ABC catch control rules and to adopt multi-year overfishing status determination criteria in some circumstances. Amendment 14 will not make changes to the current quotas or other management measures. Such changes would be adopted through subsequent rulemaking.

DATES: Written comments must be received by December 31, 2020. NMFS will hold two operator-assisted public hearings via conference calls and webinars on Draft Amendment 14 in October and November 2020. For specific dates and times, see the **SUPPLEMENTARY INFORMATION** section of this document.

ADDRESSES: Electronic copies of Draft Amendment 14 to the 2006 Consolidated HMS FMP may be obtained on the internet at: <https://www.fisheries.noaa.gov/action/amendment-14-2006-consolidated-hms-fishery-management-plan-shark-quota-management>.