PART 111—CUSTOMS BROKERS

1. The authority citation for part 111 continues to read as follows:

Authority: 19 U.S.C. 64, 192 [General Note 8, Harmonized Tariff Schedule of the United States], 1624, 1641, unless otherwise noted.

Section 111.96 also issued under 31 U.S.C. 9701.

2. It is proposed to amend §111.12 by adding text to the end of paragraph (a) to read as follows:

§111.12 Application for license.
(a) Fingerprint of an applicant may be required on Standard Form 87 at the time of filing the application, or after the applicant obtains a passing score on the broker examination.

3. It is proposed to amend §111.96(a) by revising the paragraph heading and adding a sentence at the end to read as follows:

§111.96 Fees.
(a) License fee; fingerprint fee. Applicants receiving notice that they achieved a passing score on an examination are then liable for payment of a fingerprint fee. The district director will inform the applicant of the current Federal Bureau of Investigation user fee for conducting fingerprint checks and the Customs administrative processing fee, the total of which must be paid to Customs before further processing of the application will occur.

PART 112—CARRIERS, CARTMEN, AND LIGHTERMEN

1. The authority citation for Part 112 continues to read as follows:


2. It is proposed to revise §112.42 to read as follows:

§112.42 Application for identification card.

An application for an identification card required pursuant to §112.41 of this chapter, shall be filed personally by the applicant with the district director on Customs Form 3078 together with two 1 1/4” x 1 1/4” color photographs of the applicant. The fingerprints of the applicant shall also be required on Standard Form 87 at the time of filing the application. The district director will inform the applicant of the current Federal Bureau of Investigation user fee for conducting fingerprint checks and the Customs administrative processing fee, the total of which must be tendered with the application. The application may be referred for investigation and report concerning the character of the applicant.

PART 122—AIR COMMERCE REGULATIONS

1. The authority citation for part 122 continues to read as follows:


2. It is proposed to amend §122.182 by revising the fifth sentence of paragraph (d) and adding a sentence immediately thereafter. The remainder of the paragraph is unchanged. The revised paragraph would read in pertinent part as follows:

§122.182 Security provisions.

(d) The fingerprints of the applicant will be required on fingerprint card form FD-258 at the time of filing the application. The district director will inform the applicant of the current Federal Bureau of Investigation user fee for conducting fingerprint checks and the Customs administrative processing fee, the total of which must be tendered with the application.

PART 146—FOREIGN TRADE ZONES

1. The general authority citation for Part 146 continues to read as follows:


2. It is proposed to amend §146.8 by adding the following text to the end of paragraph (a):

§146.8 Procedure for activation.

(a) Application. The district director may also require the operator or grantee to submit fingerprints on Standard Form 87 at the time of filing the application. If the operator is an individual, that individual's fingerprints may be required. If the operator or grantee is a business entity, fingerprints of all officers and managing officials may be required.
catalysts or reagents in the clandestine manufacture of controlled substances. 21 U.S.C. 802 (39)[A][iii] allows the Attorney General by regulation to exclude categories of transactions deemed unnecessary for the enforcement of the CDTA. Authority for both of these actions has been delegated to the Administrator of the DEA by Department of Justice Regulations [28 CFR 0.10].

The clandestine manufacture of cocaine requires significant amounts of sulfuric acid and hydrochloric acid. Sulfuric acid is used during the processing of coca leaves to coca paste and during the production of cocaine base from cocaine paste. Hydrochloric acid is used to produce cocaine hydrochloride from cocaine base. Both of these chemicals are critical to the production of cocaine hydrochloride, which is the form of cocaine smuggled into the U.S. from cocaine producing countries. Large quantities of both hydrochloric acid and sulfuric acid are produced in and exported from the United States.

The extensive use of hydrochloric acid and sulfuric acid for cocaine production is indicated by the large number and size of seizures in South America for the period 1988-1990.

During this time, at least 236,000 liters (62,351 gallons) of hydrochloric acid were seized in Bolivia and Colombia. Over 1.2 million liters (311,683 gallons) of sulfuric acid were seized in Bolivia, Colombia and Peru. Limited 1991 information indicates significant seizures are continuing.

In July 1990, the heads of state of the seven major industrialized nations met in Houston, Texas for the Sixteenth Annual Economic Summit. An outcome of this summit was the formation of the C-7 Chemical Action Task Force (CATF) under the chairmanship of the U.S. Department of Justice. This task force was charged with addressing the problem of diversion of chemicals which can be used in the clandestine manufacture of cocaine, heroin and synthetic drugs.

During a series of meetings held between October 1990 and April 1991 in Washington, D.C., the CATF identified the chemicals most important to the production of illicit drugs and recommended 10 of them for international control. Specifically, the CATF recommended adding hydrochloric acid and sulfuric acid to the United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances for the purpose of imposing controls on exports intended for targeted areas in which cocaine is illicitly manufactured. The group concluded that the principal countries of illicit cocaine production are in the Andean Region of South America and the chemicals used for making cocaine are manufactured predominantly in North America, Europe, some South American countries, and, to some extent, Asia. The CATF urged that countries take immediate action to implement these recommendations.

Consistent with the recommendations of the C-7 CATF and based on data available to the DEA regarding the importance and use of hydrochloric acid and sulfuric acid in the clandestine manufacture of cocaine, the DEA purposes to add hydrochloric acid and sulfuric acid to the "listed essential chemicals" section of the CDTA for the purpose of imposing controls on exports of these chemicals to designated countries. Designated countries are those in which illicit cocaine production has been identified and also some neighboring countries.

A review of U.S. export data for 1990 identified approximately 300 export transactions of hydrochloric acid and sulfuric acid to the proposed designated countries. The proposed thresholds for exports of hydrochloric acid and sulfuric acid to these countries resulted from an analysis of this export data. The list of designated countries is based on information from the CATF and other sources available to the DEA.

Based on available data, the CATF concluded that only those controls necessary for the effective control of international transactions of hydrochloric acid and sulfuric acid should be applied. The DEA agrees with this conclusion and proposes to exclude domestic, import and export transactions to non-drug producing countries from the definition of regulated transactions under the CDTA.

A foreign export customer must meet the established business and fixed street address requirements as listed in 21 CFR 1313.02(j). A person or business which functions as a broker or intermediary does not meet these requirements and is not considered a customer for purposes of the application of the CDTA. Therefore, exports through brokers or intermediaries in non-designated countries are not excluded if the ultimate destination of the export is a designated country.

The Administrator of the DEA hereby certifies that this proposed rule will have no significant impact upon entities whose interests must be considered under the Regulatory Flexibility Act, 5 U.S.C. 601 et seq. This proposed rule is not a major rule for purposes of Executive Order (E.O.) 12291 of February 17, 1981.

Pursuant to section 3(c)(3) and 3(e)(3)(C) of Executive Order 12291, this propose action has been submitted for review to the Office of Management and Budget.

This action has been analyzed in accordance with the principles and criteria contained in Executive Order 12612 and has been determined the proposed rule has no implications which would warrant the preparation of a Federalism Assessment.

List of Subjects in 21 CFR Part 1310

Drug Enforcement Administration, Drug traffic control, Reporting and record keeping requirements.

For reasons set out above, 21 CFR part 1310 is proposed to be amended as follows:

PART 1310—[AMENDED]

1. The authority citation for part 1310 continues to read as follows:


2. Section 1310.02 is amended by adding paragraphs (b)(8) and (b)(9) to read as follows:

§ 1310.02 Substances covered.

(b) Listed Essential Chemicals

(8) Hydrochloric acid

(9) Sulfuric acid

3. Section 1310.04 is amended by adding paragraph (f)(2)(iv) to read as follows:

§ 1310.04 Maintenance of records.

(f) * * * * * (iv) Exports to Designated Countries

<table>
<thead>
<tr>
<th>Chemical</th>
<th>Threshold by volume (gal)</th>
<th>Threshold by weight (kg)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hydrochloric acid</td>
<td>10</td>
<td>44.4</td>
</tr>
<tr>
<td>Sulfuric acid</td>
<td>25</td>
<td>174.0</td>
</tr>
</tbody>
</table>

4. A new § 1310.08 is added to read as follows:

§ 1310.08 Excluded transactions.

(a) Domestic and import transactions of hydrochloric acid and sulfuric acid are excluded by the Administrator from the definition of "regulated transaction" in 21 U.S.C. 802(39)[A], 21 CFR 1313.01(f) and 21 CFR 1313.02(d), and therefore are excluded from the application of sections 830 and 971 of the Controlled Substances Act and §§ 1310.03 through
1310.07 and 1313.12 through 1313.15 of
title 21 of the Code of Federal
Regulations.

(b) Export transactions of
hydrochloric acid and sulfuric acid to all
countries except the following are
excluded by the Administrator from the
definition of "regulated transaction" in
21 U.S.C. 802(39) and 21 CFR 1310.01(f)
and 21 CFR 1313.02(d), and therefore are
excluded from the application of
sections 830 and 971 of the Controlled
Substances Act and §§ 1310.03 through
1310.07 and §§ 1313.21 through 1313.41
of title 21 of the Code of Federal
Regulations:

(1) Argentina.
(2) Bolivia.
(3) Brazil.
(4) Chile.
(5) Colombia.
(6) Ecuador.
(7) French Guiana.
(8) Guyana.
(9) Panama.
(10) Paraguay.
(11) Peru.
(12) Surinam.
(13) Uruguay.
(14) Venezuela.


Robert C. Bonner,
Administrator of Drug Enforcement.

[FR Doc. 91-12957 Filed 12-10-91; 8:45 am]

DEPARTMENT OF THE TREASURY
Bureau of Alcohol, Tobacco and
Firearms

27 CFR Parts 4 and 5

[Notice No. 732; RIN: Notice Nos. 710, 727]

RIN 1512-AA88 and AA87

Definition of "Brand Label" for Wine,
and; Standard Wine Containers
(91F006P and 80F275P)

AGENCY: Bureau of Alcohol, Tobacco
and Firearms (ATF), Department of
Treasury.

ACTION: Proposed rule; extension of
comment period.

SUMMARY: This document extends the
comment period for Notice No. 727, a
notice of proposed rulemaking (NPRM),
published in the Federal Register on
September 12, 1991 (56 FR 46393). ATF
has received a request to extend the
comment period in order to provide
sufficient time for all interested parties
to respond to the complex issues
addressed in the NPRM.

DATES: Written comments must be
received on or before January 10, 1992.

ADDRESSES: Send written comments to:
Chief, Wine and Beer Branch; Bureau of
Alcohol, Tobacco and Firearms; P.O.
Box 50221; Washington, DC 20091-0221;
ATTN: Notice No. 732.

FOR FURTHER INFORMATION CONTACT:
James P. Fiscareta, Wine and Beer
Branch, Bureau of Alcohol, Tobacco and
Firearms, 650 Massachusetts Avenue,
NW., Washington, DC 20220 (202-827-
6230).

SUPPLEMENTARY INFORMATION:

Background

On September 12, 1991, ATF published
Notice No. 727 in the Federal Register
(56 FR 46393) proposing to amend the
definition of "brand label" in 27 CFR
4.10 for wine containers. In addition, the
Bureau amended its earlier proposal
regarding standrd wine containers, as
set forth in Notice No. 710 (February 6,
1991; 56 FR 4770), and proposed an
amendment to the regulations
concerning the design of standard liquor
bottles in 27 CFR 5.46.

The comment period for Notice No.
727 was scheduled to close on December
11, 1991. Prior to the close of the
comment period ATF received a request
to extend the comment period. The
commenter, the National Association of
Beverage Importers, Inc. (NABI),
consists of U.S. corporations that are
responsible for over 90 percent of the
alcoholic beverages imported into this
country each year. NABI stated that the
association needed additional time to

prepare exhibits and coordinate member
company views for submission to ATF.

Because of the intervention of the
upcoming holiday season, NABI
requested an extension of 60 days.

ATF finds an extension of the
comment period is warranted. However,
the Bureau believes that an extension of
an additional 30 days is sufficient and is,
therefore, extending the comment
period until January 10, 1992.

Drafting Information

The author of this document is James
P. Fiscareta, Wine and Beer Branch,
Bureau of Alcohol, Tobacco and
Firearms.

List of Subjects

27 CFR Part 4

Advertising, Consumer protection,
Customs duties and inspection, Imports,
Labeling, Packaging and containers, and
Wine.

27 CFR Part 5

Advertising, Consumer protection,
Customs duties and inspection, Imports,
Labeling, Liquors and, Packaging and
containers.

Authority and Issuance

This notice is issued under the


Daniel R. Black,
Acting Director.

[FR Doc. 91-12975 Filed 12-10-91; 8:45 am]