exemption for 1986 by $0.2 million to $2.6 million.

As a result, the effect of these amendments is to modify the low reserve tranche (which is $31.7 million, effective January 1, 1986) to apply a zero percent reserve requirement on the first $2.6 million of transaction accounts (effective January 1, 1986) and a three percent reserve requirement on the remainder of the low reserve tranche. Any excess of this zero percent reserve requirement tranche remaining after applying it to transaction accounts will then be applied to nonpersonal time deposits with maturities of less than 1½ years or to Eurocurrency liabilities, both of which are subject to a reserve requirement ratio of three percent.

The tranche adjustment and the reservable liabilities exemption adjustment for weekly reporting institutions will be effective starting with the reserve computation period beginning on December 31, 1985, and with the corresponding reserve maintenance periods beginning January 2, 1986, for net transaction accounts, and on January 30, 1986, for other reservable liabilities. For institutions that report quarterly, the tranche adjustment and the exemption will be effective with the computation period beginning on December 17, 1985, and with the reserve maintenance period beginning January 16, 1986. In addition, all entities currently submitting Form FR 2900 will continue to submit reports to the Federal Reserve under current reporting procedures.

In order to reduce the reporting burden for small institutions, the Board established a deposit reporting cutoff level (currently $25 million in "total deposits") to determine deposit reporting frequency. In March of 1985, the Board decided to index this reporting cutoff level equal to 80 percent of the annual rate of increase of "total deposits" at all depository institutions. Institutions are screened during the second quarter of each year to determine reporting frequency beginning the following September.

All U.S. branches and agencies of foreign banks and all Edge and Agreement Corporations, regardless of size, and all other institutions with reservable liabilities in excess of the exemption level amount prescribed by section 19(b)(11) of the Federal Reserve Act and with at least $25 million in "total deposits" are required to file weekly the Report of Transaction Accounts, Other Deposits and Vault Cash (FR 2900). Depository institutions with reservable liabilities in excess of the exemption level amount but with "total deposits" less than $25 million may file the FR 2900 quarterly. Institutions that obtain funds from non-U.S. sources or that have foreign branches or international banking facilities are required to file the Report of Certain Eurocurrency Transactions (FR 2950) on the same frequency. The reporting cutoff level is also used to determine whether an institution with reservable liabilities at or below the exemption level amount must file the Quarterly Report of Selected Deposits, Vault Cash, and Reservable Liabilities (FR 2910q) or the Annual Report of Total Deposits and Reservable Liabilities (FR 2910a).

In order to ensure accurate reporting of reservable nondeposit liabilities, the Board has determined that the reporting cutoff level will be based on "total deposits" *plus* "other reservable liabilities." Thus, beginning with the screening in the second quarter of 1986, the cuttoff level of $25 million (indexed annually) will be measured by "total deposits" (which is the sum of gross transaction deposits, savings accounts, and time deposits) plus "other reservable liabilities" (which is the sum of reservable obligations of affiliates, ineligible acceptance liabilities, and net Eurocurrency liabilities).

Finally, the Board may require a depository institution to report on a weekly basis, regardless of the cutoff level, if the institution manipulates its "total deposits and other reservable liabilities" in order to qualify for quarterly reporting. Similarly, any depository institution that reports quarterly may be required to report weekly and to maintain appropriate reserve balances with its Reserve Bank if, during its computation period, it understates its usual reservable liabilities or it overstates the deductions allowed in computing required reserve balances.

The provisions of 5 U.S.C. 553(b) relating to notice and public participation have not been followed in connection with the adoption of these amendments because the amendments involve adjustments prescribed by statute and an interpretative statement reaffirming the Board's policy concerning reporting practices. Accordingly, the Board believes that notice and public participation is unnecessary and contrary to the public interest.

List of Subjects in 12 CFR Part 204

Banks, Banking; Currency; Federal Reserve System; Penalties and reporting requirements.

PART 204—[AMENDED]

Effective December 31, 1985, pursuant to the Board's authority under section 19 of the Federal Reserve Act, 12 U.S.C. 461 *et seq.*, 12 CFR Part 204 is amended by revising paragraph (a) of § 204.9 to read as follows:

§ 204.9 Reserve requirement ratios.

(a)(1) *Reserve percentages.* The following reserve ratios are prescribed for all depository institutions, Edge and Agreement Corporations, and United States branches and agencies of foreign banks:

Category: Net transaction accounts	Reserve requirement
$0 to $31.7 million	3 percent of amount.
Over $31.7 million	$951,000 plus 12 percent of amount over $31.7 million.

Nonpersonal time deposits

By original maturity (or notice period):
Less than 1½ years (percent) ... 3
1½ years or more (percent) ... 0
Eurocurrency liabilities (percent) ... 3

(2) *Exemption from reserve requirements.* Each depository institution, Edge or Agreement Corporation, and U.S. branch or agency of a foreign bank is subject to a zero percent reserve requirement on an amount of its transaction accounts suject to the low reserve tranche in paragraph (a)(1), nonpersonal time deposits, or Eurocurrency liabilities or any combination thereof not in excess of $2.6 million determined in accordance with section 204.3(a)(3) of this Part.

* * * * *

By order of the Board of Governors of the Federal Reserve System, December 4, 1985.

William W. Wiles,

Secretary of the Board.

[FR Doc. 85-29185 Filed 12-9-85; 8:45 am]

BILLING CODE 6210-01-M

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 71

[Airspace Docket No. 85-AGL-21]

Establishment of Transition Area; Pickneyville, IL

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: The nature of this action is to establish the Pickneyville, Illinois, transition area to accommodate a new NDB Runway 18 instrument approach

procedure to Pickneyville-DuQuoin Airport.

The intended effect of this action is to ensure segregation of the aircraft using approach procedures in instrument conditions from other aircraft operating under visual weather conditions in controlled airspace.

EFFECTIVE DATE: 0901 G.m.t., March 13, 1986.

FOR FURTHER INFORMATION CONTACT: Edward R. Heaps, Airspace, Procedures, and Automation Branch, Air Traffic Division, AGL-530, Federal Aviation Administration, 2300 East Devon Avenue, Des Plaines, Illinois 60018, telephone (312) 694-7360.

SUPPLEMENTARY INFORMATION:

History

On Friday, October 4, 1985, the Federal Aviation Administration (FAA) proposed to amend Part 71 of the Federal Aviation Regulations (14 CFR Part 71) to establish the Pickneyville, Illinois, transition area (50 FR 40564).

Interested parties were invited to participate in this rulemaking proceeding by submitting written comments on the proposal to the FAA. No comments objecting to the proposal were received.

Except for editorial changes, this amendment is the same as that proposed in the notice. Section 71.181 of Part 71 of the Federal Aviation Regulations was republished in Handbook 7400.6 dated January 2, 1985.

The Rule

This amendment to Part 71 of the Federal Aviation Regulations establishes the Pickneyville, Illinois, transition area to accommodate a new NDB Runway 18 instrument approach procedure to Pickneyville-DuQuoin Airport.

The FAA has determined that this regulation only involves an established body of technical regulations for which frequent and routine amendments are necessary to keep them operationally current. It, therefore: (1) Is not a "major rule" under Executive Order 12291; (2) is not a "significant rule" under DOT Regulatory Policies and Procedures (44 FR 11034; February 26, 1979); and (3) does not warrant preparation of a regulatory evaluation as the anticipated impact is so minimal. Since this is a routine matter that will only affect air traffic procedures and air navigation, it is certified that this rule will not have a significant economic impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act

List of Subjects in 14 CFR Part 71

Aviation safety, Transition areas.

Adoption of the Amendment

Accordingly, pursuant to the authority delegated to me, the Federal Aviation Administration (FAA) proposes to amend Part 71 of the FAR (14 CFR Part 71) as follows:

PART 71—[AMENDED]

1. The authority citation for Part 71 continues to read as follows:

Authority: 49 U.S.C. 1348(a), 1354(a), 1510; Executive Order 10854; 49 U.S.C. 106(g) (Revised Pub. L. 97-449, January 12, 1983); 14 CFR 11.69.

§ 71.181 [Amended]

2. By amending § 71.181 as follows:

Pickneyville, Illinois [New]

That airspace extending upward from 700 feet above the surface, within a 5 mile radius of Pickneyville-DuQuoin Airport (lat. 37°58'39" N., long. 89°21'31" W.) and within 3 miles each side of the Pickneyville NDB 006° bearing extending from the 5 mile radius area to 8.5 miles north of the airport.

Issued in Des Plaines, Illinois, on November 26, 1985.

Monte R. Belger,

Acting Director, Great Lakes Region.

[FR Doc. 85-29172 Filed 12-9-85; 8:45 am]

BILLING CODE 4910-13-M

SECURITIES AND EXCHANGE COMMISSION

17 CFR Part 200

[Release No. 34-22684]

Freedom of Information Act; Public Reference Facilities in Regional Offices of the Commission

AGENCY: Securities and Exchange Commission.

ACTION: Adoption of Rule Amendments.

SUMMARY: The Commission is adopting amendments to the rule which requires certain categories of records to be maintained on file for reference by members of the public in regional offices other than New York and Chicago. Because of the increasing availability of information through private sector services, Commission resource limitations and changes in the needs of the public for information, certain filings will no longer be maintained for public use in these offices. Various reference materials generated by the agency concerning Commission activities will continue to be available.

EFFECTIVE DATE: December 10, 1985.

FOR FURTHER INFORMATION CONTACT: Jonathan G. Katz, (202) 272-7440, Director, Office of Consumer Affairs and Information Services, Securities and Exchange Commission, 450 5th Street, N.W., Washington, D.C. 20549.

SUPPLEMENTARY INFORMATION: The Commission is adopting amendments to rule 80(c)(1)(ii) of the Commission's regulations regarding information and requests (17 CFR 200.80(c)(1)(ii)), by which regional offices other than those in New York and Chicago would no longer be required to maintain certain regional firm information. The Commission's regional offices in New York and Chicago have public reference facilities containing microform records of all public filings made with the Commission. Present Commission regulations (*See* 17 CFR 200.80(c)(1)(ii)) also require regional offices to maintain certain documents on file and available for public reference, principally the public filings of all registered companies headquartered in the region, broker/dealer and investment adviser applications and Regulation A filings by firms within each respective region.

Most regional offices other than New York and Chicago do not have adequate staff resources or facilities to accommodate public access to these records. Some of the items are no longer available in all regional offices or are maintained for very limited periods of time. There is not significant public interest in reference facilities which specialize only in information on companies headquartered in a given region.

For these reasons, regional offices other than those in New York and Chicago will no longer be required to maintain for public access the reports by entities headquartered in the region. Such records will be available through the Commission's Public Reference Branch in Washington, DC, or through any of a number of private firms offering such information to the public. The Commission believes that these changes will have no significant impact on any substantial number of small entities. It seems that there is little or no utilization of those services proposed to be eliminated. The *SEC Docket, SEC News Digest* and other Commission publications will be made available for public access in the regional offices. Availability of other reference materials in the regional offices will be left to the discretion of each regional administrator.

The amendment does not affect the maintenance of microform records at the New York and Chicago regional offices which will continue to make available copies of all filings with the Commission, nor does the amendment affect the availability of records through the Commission's Public Reference Branch in Washington, D.C. The Commission will simultaneously update its regulations to reflect the closing of public reference facilities at the Los Angeles Regional Office. The proposing release indicated that the Commission intended to delete references to the Los Angeles facilities contained at 200.80(c)(1) and 200.80(c)(1)(iii). In addition to these references the Commission is also deleting similar references at 200.80(c)(1)(i) and 200.310. No additional notice or comment is necessary because these deletions fall within the scope of the proposing release. The original amendments were proposed in Securities Exchange Act Release No. 34-22243 [50 FR 30858 (July 30, 1985)]. No coments on the proposed amendments were received during the prescribed thirty day comment period. All of these amendments are designed to reflect current information access practices in the regional offices. Therefore, the Commission finds good cause for making the changes effective upon publication.

Regulatory Flexibility Certification

Pursuant to section 605(b) of the Regulatory Flexibility Act (5 U.S.C. 605(b)), the Chairman of the Commission has previously certified that the proposed amendments to Rule 80(c)(1)(ii) of the Commission's regulations regarding information and requests (17 CFR 200.80(c)(1)(ii)) will not, if adopted, have a significant economic impact on a substantial number of small entities. No comments were received on the certification. The amendments to Rule 80(c)(1)(i) and Rule 310, not mentioned in the proposing release, do not affect the basis or scope of the certification.

Lists of Subjects in 17 CFR Part 200

Administrative practice and procedure, Freedom of Information, Privacy, Securities.

Statutory Basis and Text of Amendment

PART 200—ORGANIZATION; CONDUCT AND ETHICS; AND INFORMATION AND REQUESTS

Pursuant to the Securities Exchange Act and particularly section 23(a) thereof, 15 U.S.C. 78w(a), the Commission is amending Part 200 of Title 17, Chapter II, of the Code of Federal Regulations as follows:

1. The authority citation for Part 200 Subpart D continues to read as follows:

Authority: 80 Stat. 383, as amended, 31 Stat. 54, secs. 19, 23, 48 Stat. 85, 901, as amended, sec. 20, 49 Stat. 833, sec. 319, 53 Stat. 1173, secs. 38, 211, 54 Stat. 841, 855; 5 U.S.C. 552, 15 U.S.C. 77s 78w, 79t, 77sss, 80a-37, 80b-11.

Section 200.80 also issued under 5 U.S.C. 78d-1 78d-2; Pub. L. 93-502; Pub. L. 93-579; 15 U.S.C. 78a et. seq., as amended by Pub. L. 84-29 and by secs. 11a, 15, 19 and 23 of Pub. L. 98-38 (15 U.S.C. 78k-l, 78o, 78s and 78w); 11 U.S.C. 901, 1109(a).

2. In §200.80 by revising the second sentence of paragraph (c)(1), introductory text; the second sentence of paragraph (c)(1)(i); paragraph (c)(1)(ii); and paragraph (c)(1)(iii), introductory text, as indicated.

§ 200.80 Commission records and information.

* * * * *

(c)(1) * * * Coin-operated machines, which are available to requesters on a self-service basis, can be used to make immediate copies up to 8½ by 14 inches in size of materials that are available for inspection in the Washington, D.C., New York and Chicago offices.

(i) * * * In addition, upon request, such records will be sent to the Commission's regional offices in New York or Chicago for inspection in the public reference facilities at those offices, if the records are not needed by the Commission or the staff in connection with the performance of official duties.

* * * * *

(ii) All regional offices of the Commission have available for public examination the materials set forth in paragraph (a)(2) of this section and the *SEC Docket, SEC News Digest* and other SEC publications. Blank forms as well as other general information about the operations of the Commission described in paragraph (a)(1) of this section may also be available at particular regional offices.

(iii) In the New York and Chicago regional offices, microfiche of all recent registration statements filed pursuant to the Securities Act of 1933, registration statements and periodic reports filed pursuant to the Investment Company Act from 1969 to date are available for inspection and reproduction.

* * * * *

3. In § 200.310 by revising the fourth sentence in paragraph (a) to read as follows:

§ 200.310 Fees.

(a) * * * In addition, copying machines are provided for public reference facilities in the Commission's Washington, DC, New York and Chicago Offices.

* * * * *

By the Commission.

John Wheeler,

Secretary.

December 4, 1985.

[FR Doc. 85-29275 Filed 12-9-85; 8:45 am]

BILLING CODE 8010-01-M

DEPARTMENT OF THE TREASURY

Customs Service

19 CFR Parts 162 and 171

[T.D. 85-195]

Fines; Penalties; Forfeiture Procedures

AGENCY: U.S. Customs Service, Treasury.

ACTION: Final rule.

SUMMARY: This document amends the Customs Regulations relating to the disposal of property seized and forfeited for violations of the Customs laws. The document results from provisons of the Comprehensive Crime Control Act of 1984 and the Tariff and Trade Act of 1984, which made changes to the Tariff Act of 1930 concerning the disposition of seized property. The amendments include revisions to both the administrative petitioning process and the summary forfeiture process.

EFFECTIVE DATE: January 9, 1986.

FOR FURTHER INFORMATION CONTACT: James S. Demb, Entry Procedures and Penalties Division, U.S. Customs Service, 1301 Constitution Avenue, NW., Washington, DC 20229 (202-556-5746).

SUPPLEMENTARY INFORMATION:

Background

Sections 311-323 and 2304 of the Comprehensive Crime Control Act of 1984 (Pub. L. 98-473) and section 213 of the Tariff and Trade Act of 1984 (Pub. L. 98-573), made various changes to the Tariff Act of 1930 with regard to the forfeiture and disposition of property seized by Customs. These changes include the expanded use of administrative forfeiture proceedings to permit the Government to perfect title to seized property more quickly, without having to resort to lengthy judicial proceedings; the transfer of forfeited property to other federal agencies and state or local law enforcement agencies which participated in the seizure of the property; and more expedited procedures for the disposition of seized property. These changes are intended to reduce Customs costs for seizure and storage of seized property and the processing of penalty and forfeiture cases resulting from the seizure of the property.

To aid in the expeditious processing of these cases, this document amends Parts 162 and 171, Customs Reguations (19 CFR Parts 162, 171), to reduce the amount of time property is held in Customs custody, thus reducing the costs of seizure and storage. Specific changes include: (1) Reducing the petitioning time in seizure cases from 60 days to 30 days; (2) authorizing expedied destruction or other disposition of low-value property under seizure when cost of storage of the property are disproportionate to its value; (3) changing requirements for publication of administrative forfeiture notices so as to reduce seizure costs; (4) further restricting the granting of extensions of time to file petitions for relief; and (5) increasing the district director's authority to accept payment of the appraised value of seized property from $50,000 to $100,000, inclusive.

These changes were proposed in a notice published in the **Federal Register** on June 27, 1985 (50 FR 26588). Nine comments were received in response to the notice. A discussion of these comments and our responses follow.

Discussion of Comments

Comments: Several commenters opposed reducing the petition filing time from 60 days to 30 days in both property seizure and foreiture cases and in non-foreiture cases. They also object to restricting the allowance of extensions of time to file petitions for relief. They contend that the combination of both reducing the petition filing time and limiting the district director's authority to grant extensions would work substantial administrative injustice and hardship for petitioners.

One commenter states that, in the context of a property seizure case, these changes would result in many administrative or judicial forfeiture proceedings when the matter should properly be resolved by release of the property upon payment of its appraised value and/or administrative remission or mitigation under section 618, Tariff Act of 1930, as amended (19 U.S.C. 1618). Another commenter believes that these amendments will be interpreted by Customs officers as authority for the wholesale institution of administrative forfeitures or referrals to the U.S. attorney even if a petition is under consideration.

Response: Customs believes that these changes are necessary to allow for the institution of summary forfeiture proceedings in cases involving conveyances either carrying or facilitating the transportation of controlled substances. In such cases, a transporting conveyance would not be released to a petitioner but would instead be summarily forfeited. However, in certain cases, a petitioner could be awarded the proceeds from the sale of a conveyance following its forfeiture.

Comment: One commenter argues that, in a non-seizure case, the events triggering the penalty notice may have occurred two or three years before and consulting stored records and gathering information in light of personnel changes would be difficult to accomplish in 30 days. This commenter suggests that the time to respond be increased to 90 days. Another commenter believes that large corporate importers and exporters will suffer the greatest harm due to the changes because it takes two to three weeks from the time a penalty notice is mailed from Customs for it to be routed to the proper party responsible for handling such matters. This would leave only one or two weeks to draft and submit a responsive petition.

Most commenters feel that the proposed reduction in time to respond to Customs notices would cause substantial difficulties in those cases involving complicated facts, legal issues and/or numerous entries. The commenters indicate that cases of this nature often require substantial research and investigation in order to meaningfully respond to Customs allegations. Consequently, they are opposed to reducing the time to respond in these complex cases, and are generally opposed to limiting the authority of Customs personnel to grant extensions of time to respond. One commenter indicates that he believes a general rule should be promulgated which would permit an automatic extension in the event new counsel is retained by the petitioner during the response period. Another commenter is of the opinion that in cases where less than 180 days remain before the statute of limitations may be asserted as a defense, the minimum response time should be not less than 14 days from the date of receipt of the notice, rather than the current 7-day minimum.

Response: Customs is of the opinion that in the vast majority of cases, 30 days from the mailing date of the violation penalty notice is a reasonable period of time to respond with a petition. Customs does not agree that extensions of time to petition are warranted in every case where new counsel is retained or in cases where internal corporate structure precludes immediate delivery of the violation notice. Further, it has been legally established in the case of *U.S. v. Ross*, 574 F. Supp. 1067 (1983) that a 7-day response period is not unreasonable in cases where the statute of limitations may be asserted as a defense in less than 180 days.

However, Customs recognizes that certain cases may require more time in order to adequately respond to the violation/penalty notice. Consequently, the proposed language of § 171.15, Customs Regulations, has been revised to afford the district director the discretion to grant the alleged violator a 60-day response period (i.e., 60 days from the mailing date of the violation notice) in such cases. In the event the alleged violator disagrees with the district director's determination that the violation notice response period is limited to 30 days, amended § 171.15 provides for a direct appeal to the Director, Entry Procedures and Penalties Division, Customs Headquarters, within 7 days from the mailing date of the violation/penalty notice (a copy of the appeal must be sent to the district director). Section 171.15 states that this appeal does not automatically operate to extend the period specified by the district director, and that the appeal is submitted at the risk of the alleged violator. If the Director, Entry Procedures and Penalties Division, denies the appeal, the alleged violator must submit his petition within the original time period required by the district director. In any seizure case involving or related to controlled substances, however, Customs believes that no extension should be granted absent a demonstration of extraordinary circumstances justifying additional time beyond the required 30 days. Both § 162.32(a) and § 171.12, Customs Regulations, have been amended to cross reference § 171.15 regarding cases where additional time to respond is afforded the alleged violator.

Comment: One commenter states that clerks should not be used to decide legal questions, especially when the decision results in a sizeable penalty. Instead, the commenter suggests that decisions of this nature should be made by attorneys if matters of law are raised.

Response: Although this suggestion is beyond the scope of these regulatory amendments, Customs notes that district personnel are provided extensive training with respect to the issuance of notices of fines, penalties and forfeitures, and that in cases where sizeable penalties are assessed, the mitigation decisions issued by Customs are made by attorneys.

Comment: One commenter disagrees with raising the value of property that must be forfeited by newspaper publication from $250 to $2,500. This commenter believes that $2,500 is too high a figure because Customs is not always aware of all the claimants. Therefore, the amount should be $1,000; the same as the limit for an informal entry.

Response: Customs has determined that raising the limit from $250 to $2,500 will provide great savings in publication costs without jeopardizing claimants' interests in goods subject to forfeiture. Customs believes that the posting of a list of goods subject to forfeiture (valued at under $2,500) at the local customhouse will provide sufficient notice to those interested claimants.

Comment: One commenter suggests that Customs should provide more information in both the prepenalty and penalty processes such as copies of audit reports, reports of investigation, baggage declarations and Customs entries instead of forcing a respondent to make Freedom of Information requests.

Response: This matter, although beyond the scope of these regulatory changes, is presently under consideration and instructions will be sent to Customs field officers in the near future to allow petitioners greater access to information.

Comment: One commenter recommended the following three specific changes in § 162.32: (1) Exempting penalties associated with a seizure from the "required collection action" and referring the matters simultaneously if judicial forfeiture is required; (2) replacing the words "mailing date" with "date of the notice"; and (3) omitting the word "is" from the italicized heading to § 162.32(c).

Response: We do not agree with the commenter's second recommendation. Maintaining the mailing date as the date from which the 30-day response period is determined is advantageous to petitioners since it allows them more time in which to prepare a response.

Customs agrees with the commenter's first and third suggestions and will incorporate these changes in § 162.32.

After consideration of all the comments received in response to the notice and further review of the matter, it has been determined to adopt the proposal with the modifications discussed.

Executive Order 12291

This regulation is not a "major rule" as defined by section 1(b) of E.O. 12291. Accordingly, a regulatory impact analysis is not required.

Regulatory Flexibility Act

The provisions of the Regulatory Flexibility Act relating to an initial and final regulatory flexibility analysis (5 U.S.C. 603, 604) are not applicable to this document because the amendments will not have a significant economic impact on a substantial number of small entities. Accordingly, it is certified that the amendments are not subject to the regulatory analysis or other requirements of 5 U.S.C. 603 and 604.

Drafting Information

The principal author of this document was Susan Terranova, Regulations Control Branch, U.S. Customs Service. However, personnel from other Customs offices participated in its development.

List of Subjects in 19 CFR Parts 162 and 171

Administrative practice and procedure, Penalties, Seizures and forfeitures.

Amendments to the Regulations

Parts 162 and 171, Customs Regulations (19 CFR Parts 162 and 171), are amended as set forth below.

PART 162—RECORDKEEPING, INSPECTION, SEARCH, AND SEIZURE

1. The authority citation for Part 162 continues to read as follows:

Authority: 5 U.S.C. 301, 19 U.S.C. 66, 1624.

Section 162.32 also issued under 19 U.S.C. 1603, 1610.

Section 162.44 also issued under 19 U.S.C. 1614.

Section 162.46 also issued under 19 U.S.C. 1609, 1611.

2. Section 162.32 is revised to read as follows:

§ 162.32 Where petition for relief not filed.

(a) *Fines, penalties and forfeitures.* If any person who is liable for a fine, penalty, or claim for a monetary amount, or who has an interest in property subject to forfeiture, fails to petition for relief as set forth in Part 171 of this chapter, or fails to pay the fine or penalty within 30 days from the mailing date of the violation/penalty notice provided in § 162.31 (unless additional time is authorized for filing a petition, as set forth in Part 171 of this chapter) the district director, shall, after any required collection action is complete, refer any fine or penalty case promptly to the U.S. attorney, or the Department of Justice if the penalty was assessed under section 592, Tariff Act of 1930, as amended (19 U.S.C. 1592). In the case of property subject to forfeiture, the district director, where appropriate, shall complete administrative forfeiture proceedings or shall refer the matter promptly to the U.S. attorney, or the Department of Justice if the case arose under section 592, in accordance with the provisions of subparagraph (c) below, unless the Commissioner of Customs expressly authorizes other action.

(b) *Institution of forefeiture proceedings before completion of administrative procedures.* Nothing in these regulations is intended to prevent the institution of forfeiture proceedings before completion of the administrative remission or mitigation procedures pursuant to section 618, Tariff Act of 1930, as amended (19 U.S.C. 1618).

(c) *Seized property not eligible for administrative forfeiture.* If the seized property is not eligible for administrative forfeiture, and neither a petition for relief in accordance with Part 171 of this chapter, nor an offer to pay the domestic value as provided for in section 162.44, is made within 30 days (unless additional time has been authorized under Part 171 of this chapter), the district director shall refer the case promptly to the U.S. attorney for the judicial district in which the seizure was made, or the Department of Justice if the penalty was assessed under section 592.

3. Section 162.44 is amended by revising paragraph (a) and (b)(1)(i) to read as follows:

§ 162.44 Release on payment of appraised value.

(a) *Value exceeding $100,000.* Any offer to pay the appraised domestic value of seized property in order to obtain the immediate release of the property which was seized under the Customs laws or laws administered by Customs and exceeding $100,000 in appraised domestic value, or which was seized under the navigation laws, shall be in writing, addressed to the Commissioner of Customs, and signed by the claimant or his attorney. It shall be submitted in duplicate to the district director for the district in which the property was seized. Proof of ownership shall be submitted with the application if the facts in the case make such action necessary.

(b) *Value not over $100,000—(1) Authority to accept offer.* The district director is authorized to accept a written offer pursuant to § 614, Tariff Act of 1930, as amended (19 U.S.C. 1614), to pay the appraised domestic value of property seized under the Customs laws and to release such property if:

(i) The appraised domestic value of the seized property does not exceed $100,000.

* * * * *

4. The heading and paragraphs (b)(1) and (c) of § 162.45 are revised to read as follows:

§ 162.45 Summary forfeiture: Property other than Schedule 1 controlled substances. Notice of seizure and sale.

* * * * *

(b) *Publication.* (1) If the appraised value of any property in one seizure from one person other than Schedule 1 controlled substances (as defined in 21 U.S.C. 802(6) and 812) exceeds $2,500, the notice shall be published in a newspaper in the Customs district and the judicial district in which the property was seized for at least three successive weeks. All known parties-in-interest shall be notified of the newspaper and expected dates of publication of such notice.

* * * * *

(c) *Delay of publication.* Publication of the notice of seizure and intent to summarily forfeit and dispose of property eligible for such treatment may be delayed for a period not to exceed 30 days in those cases where the district director has reason to believe that a petition for administrative relief in accord with Part 171 of this chapter will be filed.

5. The heading and paragraph (d) of § 162.46 are revised to read as follows:

§ 162.46 Summary forfeiture: Disposition of goods.

* * * * *

(d) *Destruction.* (1) If, after summary forfeiture of property is completed, it appears that the net proceeds of sale will not be sufficient to pay the costs of sale, the district director may order destruction of the property. Any vessel or vehicle summarily forfeited for violation of any law respecting the Customs revenue may be destroyed in lieu of the sale thereof when such destruction is authorized by the Commissioner of Customs to protect the revenue.

(2) If the expense of keeping any vessel, vehicle, aircraft, merchandise or baggage is disproportionate to the value thereof, and such value is less than $1,000, destruction or other appropriate disposition of such property may proceed forthwith.

* * * * *

6. The heading and first sentence of § 162.48 are revised to read as follows:

§ 162.48 Summary sale of perishable and other property.

Seized property which is perishable or otherwise enumerated in section 612, Tariff Act of 1930, as amended (19 U.S.C. 1612), and is covered by the provisions of section 607, Tariff Act of 1930, as amended (19 U.S.C. 1607), shall be advertised for sale and sold at public auction at the earliest possible date. * * *

7. Paragraph (b) of § 162.78 is revised to read as follows:

§ 162.78 Presentations responding to prepenalty notice.

(a) * * *

(b) *Extensions.* If at least 1 year remains before the statute of limitations may be asserted as a defense, the district director, upon written request, may extend the time for filing a written presentation, or making an oral presentation, or both, for any of the reasons given in Part 171 of this chapter (except for the reason described in § 171.15(a)(4)), relating to extensions of time for filing petitions for relief. In addition, an extension may be granted if, upon the request of the alleged violator, the Commissioner of Customs determines that the case involves an issue which is a proper matter for submission to Customs Headquarters under the internal advice procedures of § 177.11(b)(2) of this chapter. Other extensions may be authorized only by Headquarters.

* * * * *

Part 171, Customs Regulations (19 CFR Part 171), is amended as set forth below.

PART 171—FINES, PENALTIES AND FORFEITURES

1. The authority citation for Part 171 continues to read as follows:

Authority: 19 U.S.C. 66, 1592, 1618, 1624.

2. Section 171.12 is revised to read as follows:

§ 171.12 Filing of Petition.

(a) *Where filed.* A petition for relief shall be filed with the district director for the district in which the property was seized or the fine or penalty imposed.

(b) *When filed.* Unless additional time has been authorized as provided in § 171.15, petitions for relief shall be filed within 30 days from the date of the mailing of the notice of fine, penalty, or forfeiture incurred.

(c) *Number of copies.* The petition shall be filed in triplicate.

(d) *Exception for certain cases.* If a penalty is assessed under section 592, Tariff Act of 1930, as amended (19 U.S.C. 1592), and fewer than 180 days remain from the date of the penalty notice before the statute of limitations may be asserted as a defense, the district director may specify in the notice a reasonable period of time shorter than 30 days but not less than 7 days, for the filing of a petition for relief.

3. Section 171.15 is added to read as follows:

§ 171.15 Extensions of time for filing petition.

(a) *Extension of time for filing petition or supplemental petition for relief.* If there is at least 1 year before the statute of limitations may be asserted as a defense, a district director may extend the time for filing a petition (or establish a 60-day response period pursuant to subparagraph (4) below) or supplemental petition, upon the request of a person who is or may be liable for a fine or penalty, or who has an interest in property subject to forfeiture, in the following situations:

(1) The person is incapacitated and unable to prepare or to assist in the preparation of a petition.

(2) The person is absent from the U.S. for 20 days or more during the specified period for filing the petition for relief.

(3) Evidence necessary to file an effective petition is not immediately available. Evidence is not immediately available if, for example, it:

(i) Is in the possession of a foreign source and must be procured from same.

(ii) Requires that a request of any Government agency be complied with, provided that any such request is not frivolous and is made in accordance with law.

(4) The case involves a complex legal or factual problem. Examples of the type of problem are the need to examine voluminous records (e.g., Customs entries, purchase orders, invoices and the like) to learn the facts on which to base a petition, or the need to determine legal responsibilities in a case involving numerous parties or numerous violations. In such cases, the district director, on his own initiative, may specify in the violation/penalty notice that a 60-day response period from the date of the mailing of the notice is warranted. If, in such cases, the district director concludes that only a 30-day response period is warranted and so indicates in the violation/penalty notice the person charged with responding shall have 7 days from the date of the mailing of the notice to appeal the decision of the district director to the Director, Entry Procedures and Penalties Division, Customs Headquarters. If an appeal is taken, a copy of the appeal must be furnished to the district director who issued the notice, and the original forwarded to the Director, Entry Procedures and Penalties Division, U.S. Customs Service, 1301 Constitution Ave., NW., Washington, DC 20229. Such appeals should clearly set forth the reasons why the particular case

warrants an extension beyond the 30-day period. If the appeal is granted, the Director, Entry Procedures and Penalties Division, will notify both the district director and the person charged with responding of the time period allotted for response. In no case will the filing of an appeal under this paragraph toll the 30-day period of time specified by the district director in the violation/penalty notice.

(5) There is an occurrence of some act of God which makes compliance with petitioning time limits impossible.

(6) In any seizure case involved or related to controlled substances, no extensions of time to respond shall be granted absent a demonstration of extraordinary circumstances justifying additional time beyond the 30-day period.

(7) Any other situation in which the district director determines that an extension of time for filing a petition is justified.

(b) *Retention of new counsel insufficient reason to grant extension.* As a general rule, the mere fact that counsel has just been retained, or new counsel appointed or selected, without another enumerated reason, will be insufficient reason to grant an extension of petitioning time.

4. Paragraphs (a) and (c)(2) of § 171.33 are revised to read as follows:

§ 171.33 Supplemental petitions for relief.

(a) *Time and place of filing.* If the petitioner is not satisfied with a decision of the district director or the Commissioner of Customs, a supplemental petition may be filed with the district director. Such a petition shall be filed either:

(1) Within 30 days from the date of notice to the petitioner of the decision from which further relief is requested if no effective period is prescribed in the decision; or

(2) Within the time prescribed in the decision from which further relief is requested as the effective period of the decision.

* * * * *

(c) *Second supplemental petition.*

(1) * * *

(2) A second supplemental petition will not be considered except in one of the following circumstances:

(i) If it is filed within 2 years from the date of notice to the petitioner of the decision on the first supplemental petition;

(ii) If it is filed within 30 days following an administrative or judicial decision with respect to the entries involved in the penalty case which reduces the loss of duties upon which the mitigated penalty amount was based; or

(iii) If the deciding official in his discretion determines that the acceptance of a second supplemental petition is warranted.

William von Raab,

Commissioner of Customs.

Approved: November 18, 1985.

David D. Queen,

Assistant Secretary of the Treasury.

[FR Doc. 85-29138 Filed 12-9-85; 8:45 am]

BILLING CODE 4820-02-M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

21 CFR Part 520

Oral Dosage Form New Animal Drugs Not Subject to Certification; Oxfendazole and Trichlorfon Paste

AGENCY: Food and Drug Administration; HHS.

ACTION: Final rule.

SUMMARY: The Food and Drug Administration (FDA) is amending the animal drug regulations to reflect approval of a new animal drug application (NADA) filed by Syntex Agribusiness, Inc., providing for safe and effective oral use of a paste containing oxfendazole and trichlorfon as an anthelmintic and boticide in horses.

EFFECTIVE DATE: December 10, 1985.

FOR FURTHER INFORMATION CONTACT: Sandra K. Woods, Center for Veterinary Medicine (HFV-114), Food and Drug Administration, 5600 Fishers Lane, Rockville, MD 20857, 301-443-3420.

SUPPLEMENTARY INFORMATION: Syntex Agribusiness, Inc., 3401 Hillview Ave., Palo Alto, CA 94304, filed NADA 136-740 providing for oral administration to horses by dose syringe of a paste containing fenbendazole and trichlorfon. The Combination drug is indicated for removal of certain large roundworms, pinworms, large and small strongyles, and bots. The NADA is approved, and the regulations are amended to reflect the approval. The basis for approval is discussed in the freedom of information summary.

In accordance with the freedom of information provisions of Part 20 (21 CFR Part 20) and § 514.11(e)(2)(ii) (21 CFR 514.11(e)(2)(ii)), a summary of safety and effectiveness data and information submitted to support approval of this application may be seen in the Dockets Management Branch (HFA-305), Food and Drug Administration, Rm. 4-62, 5600 Fishers Lane, Rockville, MD 20857, from 9 a.m. to 4 p.m., Monday through Friday.

The agency has determined under 21 CFR 25.24(d)(1)(ii) (April 26, 1985; 50 FR 16636) that this action is of a type that does not individually or cumulatively have a significant effect on the human environment. Therefore, neither an environmental assessment nor an environment impact statement is required.

List of Subjects in 21 CFR Part 520

Animal drugs.

Therefore, under the Federal Food, Drug, and Cosmetic Act and under authority delegated to the Commissioner of Food and Drugs and redelegated to the Center for Veterinary Medicine, Part 520 is amended as follows:

PART 520—ORAL DOSAGE FORM NEW ANIMAL DRUGS NOT SUBJECT TO CERTIFICATION

1. The authority citation for 21 CFR Part 520 continues to read as follows:

Authority: Sec. 512(i), 82 Stat. 347 (21 U.S.C. 360b(i)); 21 CFR 5.10 and 5.83.

2. By adding new § 520.1631 to read as follows:

§ 520.1631 Oxfendazole and trichlorfon paste.

(a) *Specifications.* Each gram of paste contains 28.5 milligrams oxfendazole and 454.5 milligrams trichlorfon.

(b) *Sponsor.* See 000033 in § 510.600(c) of this chapter.

(c) *Conditions of use*—(1) *Amount.* 2.5 milligrams of oxfendazole and 40 milligrams of trichlorfon per kilogram of body weight.

(2) *Indications for use.* The drug is used in horses for removal of bots (*Gasterophilus intestinalis*, 2nd and 3rd instars; *G. nasalis*, 3rd instar) and the following gastrointestinal worms: Large roundworms (*Parascaris equorum*), pinworms (*Oxyuris equi*), adult and 4th stage larvae; large strongyles (*Strongylue edentatus*, *S. vulgaris*, and *S. equinus*); and small strongyles.

(3) *Limitations.* Horses maintained on premises where reinfection is likely to occur should be retreated in 6 to 8 weeks. Withholding feed or water before use is unnecessary. Administer with caution to sick or debilitated horses. Not for use in horses intended for food. Do not administer to mares during the last month of pregnancy. Trichlorfon is a cholinesterase inhibitor. Do not use this product in animals simultaneously with, or within a few days before or after treatment with or exposure to, cholinesterase-inhibiting