Marks and numbers	Description of products and of processing	Alcoholic content of products; alcoholic content (%) attributable to rum [1]
.....	.....	.....

[1] The production records must establish, for each lot of beverage produced, the quantity of rum the growth, product or manufacture of a CBI beneficiary country or of the U.S. Virgin Islands under 19 U.S.C. 2703(a)(6) that is used in producing the finished beverage; the alcoholic content by volume of the finished beverage; and the alcoholic content by volume of the finished beverage, expressed as a percentage, that is attributable to the qualifying rum. If rum from two or more qualifying sources (*e.g.,* rum the growth, product or manufacture of a CBI beneficiary country or of the U.S. Virgin Islands and other rum the growth, product or manufacture of another CBI country) are used in processing the beverage, the alcoholic content requirement may be met by aggregating the alcoholic content of the finished beverage that is attributable to rum from each of the qualifying sources used in processing the finished beverage, as reflected in the production records.

Date _____
Address _____
Signature _____
Title _____

(2) *Availability of supporting documents.* The information, including any supporting documents and records, necessary for the preparation of the declaration, as described in paragraph (f)(1) of this section, must be available for submission to the port director, if requested. The declaration and any supporting evidence may be subject to such verification as deemed necessary by the port director. The specific documentary evidence necessary to support the declaration consists of those documents and records which satisfactorily establish:

(i) The receipt of the rum by the Canadian processor, including the date of receipt and the name and address of the party from whom the rum was received (the owner or exporter in the beneficiary country or the U.S. Virgin Islands); and

(ii) For each lot of beverage produced and included in the declaration, the specific identification of the production lot(s) involved; the quantity of qualifying rum that is used in producing the finished beverage, including a description of the processing and of the finished products; the alcoholic content by volume of the finished beverage; and the alcoholic content by volume of the finished beverage, expressed as a percentage, that is attributable to the qualifying rum.

(g) *Importer system for review of necessary recordkeeping.* The importer will establish and implement a system of internal controls which demonstrate that reasonable care was exercised in its claim for duty-free treatment under the CBI. These controls should include tests to assure the accuracy and availability of records that establish:

(1) The origin of the rum;

(2) The direct shipment of the rum from a beneficiary country or from the U.S. Virgin Islands to Canada;

(3) The alcohol content of the finished beverage imported from Canada; and

(4) The direct shipment of the finished beverage from Canada to the United States.

(h) *Submission of documents to Customs.* The importer must be prepared to submit directly to the port director, if requested, those documents and/or supporting records as described in paragraphs (d), (e) and (f) of this section, for a period of 5 years from the date of entry of the related spirituous beverages under section 213(a)(6) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2703(a)(6)), as provided in § 163.4(a) of this chapter. If requested, the importer must submit such documents and/or supporting records to the port director within 60 calendar days of the date of the request or such additional period as the port director may allow for good cause shown.

PART 163—RECORDKEEPING

1. The authority citation for part 163 continues to read as follows:

Authority: 5 U.S.C. 301; 19 U.S.C. 66, 1484, 1508, 1509, 1510, 1624.

2. The Appendix to part 163 is amended by revising the listing for § 10.199 under section IV to read as follows:

Appendix to Part 163—Interim (a)(1)(a) List

* * * * *

IV. * * *

§ 10.199 Documents, etc. required for duty-free entry of spirituous beverages produced in Canada from CBI rum, declaration of Canadian processor (plus supporting information).

* * * * *

Robert C. Bonner,

Commissioner of Customs.

Approved: October 3, 2002.

Timothy E. Skud,

Deputy Assistant Secretary of the Treasury.

[FR Doc. 02–25654 Filed 10–8–02; 8:45 am]

BILLING CODE 4820–02–P

DEPARTMENT OF STATE

22 CFR Part 22

[Public Notice 4160]

Schedule of Fees for Consular Services, Department of State and Overseas Embassies and Consulates

AGENCY: Department of State.

ACTION: Interim final rule; request for comments.

SUMMARY: This rule amends the Schedule of Fees for Consular Services. Specifically, it raises from $65 to $100 the fee charged for the processing of an application for a nonimmigrant visa (MRV) or a combined nonimmigrant visa and border crossing card (BCC). The Department of State is raising the fee as an emergency measure to ensure that sufficient resources are available to meet the costs of processing nonimmigrant visas, the demand for which has dropped at the same time that the processing of nonimmigrant visa applications has become more labor intensive because of the increased security screening of visa applicants in the aftermath of the September 11, 2001 attacks on New York and Washington and in Pennsylvania. This rule further corrects the item listed as the ''border crossing card'' for minors under age 15 by deleting reference to a 5-year period of validity.

DATES: *Effective date:* This interim rule is effective on November 1, 2002.

Comment period: The Department of State will accept written comments from interested persons up to November 8, 2002.

ADDRESSES: Written comments may be submitted to the Office of the Executive Director, Bureau of Consular Affairs, U.S. Department of State, Suite H1004, 2401 E Street NW., Washington, DC 20520, or by e-mail to *fees@state.gov*.

FOR FURTHER INFORMATION CONTACT: Susan Abeyta, Office of the Executive Director, Bureau of Consular Affairs, Department of State; phone: 202–663–2505, telefax: 202–663–2499; e-mail: *fees@state.gov*.

SUPPLEMENTARY INFORMATION:

Background

What Is the Authority for This Action?

The majority of the Department of State's consular fees are established pursuant to the general user charges statute, 31 U.S.C. 9701 (which directs that certain government services be self-sustaining to the extent possible), and/or U.S.C. 4219, which as implemented through Executive Order 10718 of June

27, 1957, authorizes the Secretary of State to establish fees to be charged for official services provided by U.S. embassies and consulates. In addition, a number of statutes address specific fees. A cost-based, nonimmigrant visa processing fee for the machine readable visa (MRV) and for a combined border crossing and nonimmigrant visa card (BCC) (22 CFR 41.32) is authorized by section 140(a) of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995, Public Law 103–236 (April 30, 1994), as amended. In addition, aliens under 15 are in certain circumstances entitled to a combined MRV/BCC for a statutorily established fee of $13, which is below the full cost of service, pursuant to section 410 of title III of the Commerce, Justice, State Appropriations Act enacted as part of the Omnibus FY 1999 Appropriations Act, Public Law 105–277 (Oct. 21, 1998). Various statutes permit the Department to retain some of the consular fees it collects, including the MRV and MRV/BCC fees. Section 103 of the Enhanced Border Security and Visa Entry Reform Act of 2002, Public Law 107–173 (May 14, 2002), amended section 140(a) of Public Law 103–235 (which authorizes the MRV fee) to permit the Department to retain all MRV fees until they are expended.

Consistent with OMB Circular A–25 guidelines, the Department conducted a cost-of-service study from September 1999 to October 2001 to update the Schedule of Fees for Consular Services. The results of that study were the foundation of the current Schedule, which was published as a final rule on May 16, 2002, at Volume 67, No. 95 FR 34831. The Schedule went into effect on June 1, 2002.

Why Is the Department Raising the MRV and BCC Application Processing Fee to $100 at This Time?

The $65 MRV/BCC fee that went into effect on June 1, 2002 was based on worldwide nonimmigrant visa operations' total costs distributed over an anticipated applicant level of approximately 10.5 million per year. It is now clear, however, that the estimate of the number of nonimmigrant visa applicants was too high. Visa demand worldwide has dropped by approximately 19.6% overall for the current fiscal year, which has been affected by international economic conditions and the events of September 11, 2001. The trend is continuing downward: nonimmigrant visa demand was down 26% during the normally peak season of June 1 to August 31. In August 2002, visa demand was down 32.9%. There has been no corresponding decline in the Department's costs of administering nonimmigrant visa services; such costs have remained the same in part because the processing of each application has become more time consuming and labor intensive as a result of enhanced security screening requirements for applicants instituted since September 11, 2001. Thus, the Department is facing a critical revenue shortfall because its nonimmigrant visa application processing costs can no longer be recovered by MRV revenues generated by the MRV fee when set at $65. Taking the 2001 Cost of Service Study's figures as a baseline, but now distributing the costs of nonimmigrant visa application processing services over a smaller number of applicants, based on the smaller number of applicants that the Department has seen in the current fiscal year, the Department has determined that an MRV fee of $100 will be required to recover the full cost of processing nonimmigrant visa applications during the anticipated period of the current Schedule of Fees. Given the uncertainty with respect to when the applicant volume will recover, it is reasonable and appropriate to raise the fee now. Failing to do so could jeopardize the Department's ability to continue critical programs, including enhanced border security measures recently undertaken.

Regulatory Findings

Administrative Procedure Act

The Department is publishing this rule as an interim rule, with a provision for post-promulgation comments, based on the ''good cause'' exceptions set forth at 5 U.S.C. 553(b)(3)(B) and 553(d)(3). The rule will not take effect, however, until November 1, 2002. Publishing the rule in this way, with a post-promulgation opportunity for comment, will allow the Department to make the rule effective at the earliest reasonable opportunity. Allowing a full 30-day comment period followed by a publication of the final rule with a further 30 days before its effective date is not practicable or in the public interest. That process would delay imposition of the new fee notwithstanding the critical need for the Department to recover its costs and to have sufficient resources to conduct activities that are dependent on MRV fee revenues, including the enhanced security screening of visa applicants and other measures being taken in the aftermath of the September 11, 2001 terrorist attacks on the United States. By setting the new fee through an interim final rule, the Department will have sufficient time to make necessary provisions to implement the new fee as early in Fiscal Year 2003 as is feasible. Comments received before the end of the comment period will be addressed in a subsequent final rule.

Regulatory Flexibility Act

The Department of State, in accordance with the Regulatory Flexibility Act (5 U.S.C. 605(b)), has reviewed this regulation and, by approving it, certifies that this rule will not have a significant economic impact on a substantial number of small entities.

Unfunded Mandates Act of 1995

This rule will not result in the expenditure by State, local and tribal governments, in the aggregate, or by the private sector, of $1 million or more in any year and it will not significantly or uniquely affect small governments. Therefore, no actions were deemed necessary under the provisions of the Unfunded Mandates Reform Act of 1995.

Small Business Regulatory Enforcement Fairness Act of 1996

This rule is not a major rule as defined by section 804 of the Small Business Regulatory Enforcement Act of 1996. This rule will not result in an annual effect on the economy of $100 million or more; a major increase in costs or prices; or significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based companies to compete with foreign based companies in domestic and import markets.

Executive Order 12866

The Department of State does not consider this rule to be a ''significant regulatory action'' under Executive Order 12866, section 3(f), Regulatory Planning and Review. In addition, the Department is exempt from Executive Order 12866 except to the extent that it is promulgating regulations in conjunction with a domestic agency that are significant regulatory actions. The Department has nevertheless reviewed the regulation to ensure its consistency with the regulatory philosophy and principles set forth in that Executive Order.

Executive Order 13132

This regulation will not have substantial direct effects 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. Therefore, in accordance with section 6 of Executive Order 13132, it is determined that this rule does not have sufficient federalism implications to require consultations or warrant the preparation of a federalism summary impact statement.

Paperwork Reduction Act

This rule does not impose any new reporting or record-keeping requirements. It will affect OMB collection number 1405—by increasing the public cost burden.

List of Subjects in 22 CFR Part 22

Consular services, Fees, Passports and visas.

Accordingly, 22 CFR part 22 is amended as follows:

PART 22—[AMENDED]

1. The authority citation for part 22 continues to read as follows:

Authority: 8 U.S.C. 1153 note, 1351, 1351 note; 10 U.S.C. 2602 (c); 22 U.S.C. 214, 2504(a), 4201, 4206, 4215, 4219; 31 U.S.C. 9701; Pub. L. 105–277, 112 Stat. 2681 *et seq.*; E.O. 10718, 22 FR 4632, 3 CFR, 1954–1958 Comp., p. 382; E.O. 11295, 31 FR 10603, 3 CFR, 1966–1970 Comp., p. 570.

2. Section 22.1 is amended by revising item No. 21(a), (b), and (c), to read as follows:

§ 22.1 Schedule of fees.

Item No.	Fee
* * * * * * *	
21. Nonimmigrant visa application and border crossing card processing fees (per person):	
(a) Nonimmigrant visa [21–MRV Processing]	$100
(b) Border crossing card—10 year (age 15 and over) [22–BCC 10 Year]	100
(c) Border crossing card—(under age 15). For Mexican citizen if parent has or is applying for a border crossing card (23–BCC Child)	13
* * * * * * *	

Dated: September 27, 2002.

Grant S. Green, Jr.,

Under Secretary of State for Management, Department of State.

[FR Doc. 02–25692 Filed 10–4–02; 2:59 pm]

BILLING CODE 4710–06–P

DEPARTMENT OF THE TREASURY

31 CFR Part 1

Privacy Act, Implementation

AGENCY: Internal Revenue Service, Treasury.

ACTION: Final rule.

SUMMARY: In accordance with the requirements of the Privacy Act of 1974, as amended, the Department of the Treasury gives notice of a final rule to exempt an Internal Revenue Service system of records entitled ''Employee Complaint and Allegation Referral Records—Treasury/IRS 00.007'' from certain provisions of the Privacy Act.

EFFECTIVE DATE: October 9, 2002.

FOR FURTHER INFORMATION CONTACT: Jim D'Elia, Commissioner's Complaint Processing and Analysis Group, N:ADC:C , 1111 Constitution Avenue, NW., Washington, DC 20224, Phone 202–622–5212.

SUPPLEMENTARY INFORMATION: The Department of the Treasury published a notice of a proposed rule exempting a system of records from certain provisions of the Privacy Act of 1974, as amended. The Internal Revenue Service (IRS) published the system notice in its entirety at 67 FR 36963–36964 (May 28, 2002), and the proposed rule at 67 FR 40253–40254 (June 12, 2002).

Under 5 U.S.C. 552a(k)(2), the head of an agency may promulgate rules to exempt any system of records within the agency from certain provisions of the Privacy Act of 1974, as amended, if the system is investigatory material compiled for law enforcement purposes. The ''Employee Complaint and Allegation Referral Records—Treasury/IRS 00.007'', contains investigatory material compiled for law enforcement purposes.

The proposed rule requested that public comments be sent to the Director, Commissioner's Processing and Analysis Group, Internal Revenue Service, 1111 Constitution Ave., N:ADC:C, NW., Washington, DC 20224, no later than July 12, 2002.

The IRS did not receive comments on the proposed rule. Accordingly, the Department of the Treasury is hereby giving notice that the system of records entitled ''Employee Complaint and Allegation Referral Records—Treasury/IRS 00.007'', is exempt from certain provisions of the Privacy Act.

The provisions of the Privacy Act from which the system of records is exempt pursuant to 5 U.S.C. 552a(k)(2) are as follows: 5 U.S.C. 552a(c)(3), (d), (e)(1), (e)(4)(G), (e)(4)(H) and (e)(4)(I), and (f).

As required by Executive Order 12866, it has been determined that this proposed rule is not a significant regulatory action, and therefore, does not require a regulatory impact analysis.

The regulation will not have a substantial direct effect on the States, on the relationship between the Federal Government and the States, or on the distribution of power and responsibilities among the various levels of government. Therefore, it is determined that this final rule does not have federalism implications under Executive Order 13132.

Pursuant to the requirements of the Regulatory Flexibility Act, 5 U.S.C. 601–612, it is hereby certified that these regulations will not significantly affect a substantial number of small entities. The final rule imposes no duties or obligations on small entities.

In accordance with the provisions of the Paperwork Reduction Act of 1995, the Department of the Treasury has determined that this final rule would not impose new record keeping, application, reporting, or other types of information collection requirements.

List of Subjects in 31 CFR Part 1

Privacy.

Part 1, Subpart C of title 31 of the Code of Federal Regulations is amended as follows:

PART 1—[AMENDED]

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

Authority: 5 U.S.C. 301 and 31 U.S.C. 321. Subpart A also issued under 5 U.S.C. 552 as amended. Subpart C also issued under 5 U.S.C. 552a.

2. Section 1.36 paragraph (g)(1)(viii) is amended by adding the following text to the table in numerical order.