

Alternative Methods of Compliance

(e) An alternative method of compliance or adjustment of the compliance time that provides an acceptable level of safety may be used if approved by the Manager, Los Angeles Aircraft Certification Office (ACO), FAA, Transport Airplane Directorate. Operators shall submit their requests through an appropriate FAA Principal Maintenance Inspector, who may add comments and then send it to the Manager, Los Angeles ACO.

Note 5: Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the Los Angeles ACO.

Special Flight Permits

(f) Special flight permits may be issued in accordance with sections 21.197 and 21.199 of the Federal Aviation Regulations (14 CFR 21.197 and 21.199) to operate the airplane to a location where the requirements of this AD can be accomplished.

Issued in Renton, Washington, on November 10, 1999.

D.L. Riggins,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 99-30058 Filed 11-16-99; 8:45 am]

BILLING CODE 4910-13-U

DEPARTMENT OF THE TREASURY

Customs Service

19 CFR Part 12

RIN 1515-AC36

Forced or Indentured Child Labor

AGENCY: U.S. Customs Service, Department of the Treasury.

ACTION: Proposed rule.

SUMMARY: This document proposes to amend the Customs Regulations to provide for the seizure and forfeiture of merchandise that is found to be a prohibited importation under applicable Customs law concerning products of convict labor, forced labor, or indentured labor under penal sanctions. Furthermore, this document proposes to amend the Customs Regulations to make clear that nothing in those regulations precludes Customs from seizing for forfeiture merchandise imported in violation of applicable Federal criminal law dealing with prison-labor goods. The proposed amendments are intended to stop illegal shipments of products of forced or indentured child labor and to punish violators.

DATES: Comments must be received on or before January 18, 2000.

ADDRESSES: Written comments may be addressed to and inspected at the Regulations Branch, U.S. Customs Service, 1300 Pennsylvania Avenue, NW, 3rd Floor, Washington, DC 20229.

FOR FURTHER INFORMATION CONTACT: Glen E. Vereb, Office of Regulations and Rulings, 202-927-2320.

SUPPLEMENTARY INFORMATION:

Background

Section 307 of the Tariff Act of 1930 (19 U.S.C. 1307), generally prohibits the importation of goods, wares, articles, and merchandise mined, produced, or manufactured wholly or in part in any foreign country by convict labor or/and forced labor or/and indentured labor under penal sanctions. Such prohibitions are enforced by Customs under §§ 12.42-12.44 of the Customs Regulations (19 CFR 12.42-12.44).

If Customs finds, on the basis of information presented and investigated under the procedures described in § 12.42(a)-(e), that a class of merchandise is subject to the prohibition under section 307, the Commissioner of Customs, with the approval of the Secretary of the Treasury, will publish a finding to this effect in the weekly issue of the Customs Bulletin and in the **Federal Register**, as prescribed in § 12.42(f).

Under § 12.43, an importer is afforded the opportunity to furnish proof within 3 months after importation in order to establish the admissibility of particular imported merchandise detained by Customs under § 12.42(e) or covered by a finding under § 12.42(f), that the particular merchandise being imported is not itself produced with the use of a type of labor specified in section 307.

Section 12.44 deals with the disposition of merchandise determined to be inadmissible under section 307. Currently, § 12.44 provides in pertinent part that such merchandise (1) may be exported at any time within the 3-month period after importation or (2) if not so exported and if no proof of admissibility has been provided, the importer is advised in writing that the merchandise is excluded from entry and, 60 days thereafter, the merchandise is deemed abandoned and will be destroyed unless a protest is filed under 19 U.S.C. 1514.

Forced or Indentured Child Labor

A general provision in the Fiscal Year (FY) 1998 Treasury Appropriations Act made clear what is implicit in the law: that merchandise manufactured with the use of forced or indentured child labor falls within the prohibition of section 1307. This Act requires that Customs not use any of the appropriation to permit the importation into the United States of such merchandise.

Following the enactment of the FY 1998 appropriations amendment regarding forced or indentured child

labor, both the Treasury Department and the National Economic Council chaired in-depth interagency discussions aimed at strengthening the capability of the Executive Branch to enforce the prohibition on forced or indentured child labor imports.

To this end, the Treasury Department, by a document published in the **Federal Register** on June 5, 1998 (63 FR 30813), proposed the establishment of a Treasury Advisory Committee on International Child Labor Enforcement, whose ultimate purpose is to support a vigorous law enforcement initiative to stop illegal shipments of products of forced or indentured child labor and to punish violators.

Proposed Amendment

Accordingly, as part of the foregoing initiative, Customs proposes to amend § 12.44 regarding the disposition to be accorded merchandise that is a prohibited importation under section 307.

Specifically, under the proposed amendment, in the case of merchandise covered by a finding under § 12.42(f), if the Commissioner of Customs advises the port director that the proof furnished under § 12.43 does not establish the admissibility of a particular importation of such merchandise, or if no proof is furnished in this regard, the merchandise will then be seized and subject to the commencement of forfeiture proceedings under subpart E of part 162 of the Customs Regulations (19 CFR part 162, subpart E). Currently, such merchandise is permitted to be exported at any time before it is deemed to have been abandoned.

Also, Customs further proposes to amend § 12.44 to state expressly that nothing in the Customs Regulations (19 CFR Chapter I) precludes Customs from seizing for forfeiture merchandise imported in violation of applicable Federal criminal law (18 U.S.C. 1761-1762) dealing with prison-labor goods.

Comments

Before adopting this proposal as a final rule, consideration will be given to any written comments that are timely submitted to Customs. Comments submitted will be available for public inspection in accordance with the Freedom of Information Act (5 U.S.C. 552), § 1.4, Treasury Department Regulations (31 CFR 1.4), and § 103.11(b), Customs Regulations (19 CFR 103.11(b)), on regular business days between the hours of 9:00 a.m. and 4:30 p.m. at the Regulations Branch, U.S. Customs Service, 1300 Pennsylvania

Avenue, NW, 3rd Floor, Washington, DC.

Regulatory Flexibility Act and Executive Order 12866

Because the importation of goods, wares, articles, and merchandise mined, produced or manufactured wholly or in part in any foreign country by forced labor is prohibited, Customs anticipates that there will not be a substantial number of small entities that would become involved in a prohibited importation. The rule applies to products subject to a "finding" that the class of merchandise was produced with forced or indentured child labor, a more formal Customs action with a higher burden of proof than simple Customs detention of merchandise based on reasonable suspicion. Also the range of countries and products which are likely to be implicated in forced or indentured child labor findings is likely to be fairly narrow. Accordingly, it is certified, in accordance with the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) that, if adopted, the proposed rule will not have a significant economic impact on a substantial number of small entities. Nor does the document meet the criteria for a "significant regulatory action" as specified in E.O. 12866.

List of Subjects in 19 CFR Part 12

Customs duties and inspection, Entry of merchandise, Imports, Prohibited merchandise, Restricted merchandise, Seizure and forfeiture.

Proposed Amendments to the Regulations

It is proposed to amend part 12, Customs Regulations (19 CFR part 12), as set forth below.

PART 12—SPECIAL CLASSES OF MERCHANDISE

1. The general authority citation for part 12 would continue to read as follows, and the relevant specific sectional authority would be revised to read as follows:

Authority: 5 U.S.C. 301; 19 U.S.C. 66, 1202 (General Note 20, Harmonized Tariff Schedule of the United States (HTSUS)), 1624;

* * * * *

Sections 12.42 through 12.44 also issued under 19 U.S.C. 1307 and Pub. L. 105-61 (111 Stat. 1272);

* * * * *

2. It is proposed to amend § 12.42 by revising the first sentence of paragraph (a) to read as follows:

§ 12.42 Findings of Commissioner of Customs.

(a) If any port director or other principal Customs officer has reason to believe that any class of merchandise which is being, or is likely to be, imported into the United States is being produced, whether by mining, manufacture, or other means, in any foreign locality with the use of convict labor, forced labor, or indentured labor under penal sanctions, including forced or indentured child labor, so as to come within the purview of section 307, Tariff Act of 1930, he shall communicate his belief to the Commissioner of Customs.

* * *

* * * * *

3. It is proposed to revise § 12.44 to read as follows:

§ 12.44 Disposition.

(a) *Seizure and summary forfeiture.* In the case of merchandise covered by a finding under § 12.42(f), if the Commissioner of Customs advises the port director that the proof furnished under § 12.43 does not establish the admissibility of the merchandise, or if no proof has been furnished, the port director shall seize the merchandise for violation of 19 U.S.C. 1307 and commence forfeiture proceedings pursuant to part 162, subpart E, of this chapter.

(b) *Prison-labor goods.* Nothing in this chapter precludes Customs from seizing for forfeiture merchandise imported in violation of 18 U.S.C. 1761 and 1762 concerning prison-labor goods.

Approved: August 12, 1999.

Raymond W. Kelly,
Commissioner of Customs.

John P. Simpson,
Deputy Assistant Secretary of the Treasury.
[FR Doc. 99-29928 Filed 11-16-99; 8:45 am]
BILLING CODE 4820-02-P

DEPARTMENT OF THE TREASURY

Customs Service

19 CFR Part 24

RIN 1515-AC48

Endorsement of Checks Deposited by the U.S. Customs Service

AGENCY: U.S. Customs Service, Department of the Treasury.

ACTION: Notice of proposed rulemaking.

SUMMARY: This document proposes to amend the Customs Regulations to reflect that Customs employees authorized to accept certain monetary instruments (such as checks) in

payment of Customs duties, taxes, and other charges are no longer required to place their names and badge numbers on the instrument and that certain other information must be placed on the face (front) side of the instrument, rather than the reverse side of the instrument. The proposed changes are designed to avoid a conflict with Federal Reserve System regulations that govern the endorsement of checks by banks.

DATES: Comments must be received on or before January 18, 2000.

ADDRESSES: Written comments (preferably in triplicate), regarding both the substantive aspects of the proposed rule and how it may be made easier to understand, may be submitted to and inspected at the Regulations Branch, Office of Regulations and Rulings, U.S. Customs Service, 1300 Pennsylvania Avenue, NW, 3rd Floor, Washington, DC 20229.

FOR FURTHER INFORMATION CONTACT: Ms. Jo Cohen, Acting Director, Financial Management Division, Office of Finance (202-927-6140).

SUPPLEMENTARY INFORMATION:

Background

Under § 24.1 of the Customs Regulations (19 CFR 24.1), procedures for the collection of Customs duties, taxes, and other charges and fees are set forth. Currently, under § 24.1(b), applicable to noncommercial importations at piers, terminals, bridges, airports, and other similar places, Customs employees authorized to collect payments may accept a personal check and shall ensure that certain information is recorded on the check. Under § 24.1(b)(1), with respect to personal checks received under § 24.1(b) and certain other checks and money orders received under § 24.1(a), Customs employees shall show their name, badge number, and the serial or other identification number from the collection voucher on the reverse side of the check.

Requirements applicable to banks endorsing checks are set forth under regulations of the Federal Reserve System (12 CFR 229.35). Appendix D to Part 229 of the Federal Reserve System regulations (Title 12, Chapter II) (entitled "Indorsement Standards") pertains to the endorsements of depository, collecting, and returning banks. It sets forth the specific information that shall or may be provided and requires that such information shall be recorded on the reverse side of checks. The Appendix also provides that the readability, identifiability, and legibility of the depository bank's endorsement must be