

DEPARTMENT OF THE TREASURY**Customs Service****19 CFR Parts 19, 101, 146, and 161**

[T.D. 98-22]

RIN 1515-AC02

**General Enforcement Provisions;
Removal of Agency Management
Regulations****AGENCY:** Customs Service, Treasury.**ACTION:** Final rule.

SUMMARY: This document revises the Customs Regulations by: removing several general enforcement provisions relating to Customs management that do not serve to inform the public of any requirements; relocating a general enforcement provision concerning Customs supervision from one part of the regulations to a different part of the Customs Regulations, and consolidating certain other general enforcement provisions. These amendments are made as part of Customs continuing effort to ensure that its regulations are informative, clear, and necessary.

EFFECTIVE DATE: March 11, 1998.

FOR FURTHER INFORMATION CONTACT: Harold M. Singer or Gregory R. Vilders, Office of Regulations and Rulings, (202) 927-2340.

SUPPLEMENTARY INFORMATION:**Background**

As part of Customs' continuing effort to ensure that its regulations are informative, clear, and up-to-date, Customs has decided to remove, relocate, or consolidate several general enforcement regulations in part 161 of the Customs Regulations (19 CFR part 161).

The regulations being removed do not impose any obligations on the public, but concern matters related to agency procedure and practice. The regulations being removed are the following: (1) § 161.3, which concerns the actions that must be taken by a port director or special agent in charge when there is a customs law violation requiring legal proceedings; and (2) § 161.4, which concerns the responsibility of the agency to refer to the U.S. Attorney's Office a determination that a Customs officer or employee was bribed or offered a bribe.

Four regulations dealing with compensation for informant information concerning fraud are consolidated into two to more clearly inform the public of who may file a claim for compensation and how the claim is processed, since Customs' reorganization in 1995.

Accordingly, § 161.11, which authorizes the Secretary of the Treasury to pay an award to certain persons who either detect and seize any vessel, vehicle, merchandise, or baggage subject to seizure and forfeiture and reports the same to a Customs officer or otherwise furnish original information concerning a fraud perpetrated upon Customs if there is a net recovery from the fraud, is consolidated with § 161.12, which provides that employees or officers of the United States receiving any portion of such informant compensation are subject to criminal prosecution, and § 161.13, which provides that claims for compensation are administratively limited and cannot exceed the statutory ceiling, is consolidated with § 161.16, which concerns the filing of claims for informant compensation.

Section 161.1, which pertains to Customs' general supervision authority, more properly belongs in the general provisions of the Customs Regulations at Part 101. Accordingly, this regulatory provision is being relocated to Part 101, where it is designated as paragraph (c) to § 101.2, and the text is revised for clarity.

Section 161.0 is revised to account for these changes and conforming referencing changes are made to provisions at §§ 19.4, 19.29, 19.38(a), and 146.3(b).

Inapplicability of Public Notice and Comment Requirements, the Regulatory Flexibility Act, and Executive Order 12866

The amendments to 19 CFR 161.1, 161.3, and 161.4 pertain solely to matters relating to rules of agency procedure and practice. Therefore, pursuant to 5 U.S.C. 553(a)(2), notice and public procedure thereon are inapplicable. The agency for good cause finds notice and public procedure for the amendments to 19 CFR 161.11, 161.12, 161.13, and 161.16 are unnecessary because there has been no substantive change in the regulations. Since this document is not subject to the notice and public procedure requirements of 5 U.S.C. 553, it is not subject to the provisions of the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*). This document does not meet the criteria for a "significant regulatory action" as specified in E.O. 12866.

List of Subjects**19 CFR Part 19**

Customs duties and inspection, Exports, Freight, Imports, Licensing, Reporting and recordkeeping requirements, Warehouses.

19 CFR Part 101

Customs duties and inspection, Customs ports of entry, Exports, Foreign trade statistics, Imports, Organization and functions (Government agencies), Reporting and recordkeeping requirements, Seals and Insignia, Shipments.

19 CFR Part 146

Customs duties and inspection, Entry, Exports, Foreign trade zones, Imports, Penalties, Reporting and recordkeeping requirements.

19 CFR Part 161

Customs duties and inspection, Exports, Imports, Law enforcement.

Amendments to the Regulations

For the reasons stated above, parts 19, 101, 146, and 161 of the Customs Regulations (19 CFR parts 19, 101, 146, and 161) are amended as set forth below:

**PART 19—CUSTOMS WAREHOUSES,
CONTAINER STATIONS AND
CONTROL OF MERCHANDISE
THEREIN**

1. The general authority citation for part 19 continues 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), 1624.

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§§ 19.4, 19.29 and 19.38 [Amended]

2. Sections 19.4, 19.29, and 19.38(a) are amended by removing the reference to "§ 161.1" and adding in its place "§ 101.2(c)".

PART 101—GENERAL PROVISIONS

1. The general authority citation for part 101 is revised to read as follows:

Authority: 5 U.S.C. 301; 19 U.S.C. 2, 66, 1202 (General Note 20, Harmonized Tariff Schedule of the United States), 1623, 1624, 1646a.

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2. Section 101.2 is amended by adding a new paragraph (c) to read as follows:

§ 101.2 Authority of Customs officers.

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(c) *Customs supervision.* Whenever anything is required by the regulations in this chapter or by any provision of the customs or navigation laws to be done or maintained under the supervision of Customs officers, such supervision shall be carried out as prescribed in the regulations of this chapter or by instructions from the Secretary of the Treasury or the Commissioner of Customs in particular

cases. In the absence of a governing regulation or instruction, supervision shall be direct and continuous or by such occasional verification as the principal Customs field officer shall direct if such officer shall determine that less intensive supervision will ensure proper enforcement of the law and protection of the revenue. Nothing in this section shall be deemed to warrant any failure to direct and furnish required supervision or to excuse any failure of a party in interest to comply with prescribed procedures for obtaining any required supervision.

PART 146—FOREIGN TRADE ZONES

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

Authority: 19 U.S.C. 66, 81a–81u, 1202 (General Note 20, Harmonized Tariff Schedule of the United States), 1623, 1624.

§ 146.3 [Amended]

2. Section 146.3(b) is amended by removing the reference to “§ 161.1” and adding in its place “§ 101.2(c)”.

PART 161—GENERAL ENFORCEMENT PROVISIONS

1. The general authority citation for Part 161 is revised to read as follows:

Authority: 5 U.S.C. 301; 19 U.S.C. 66, 1600, 1619, 1624.

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2. Section 161.0 is revised to read as follows:

§ 161.0 Scope.

This part provides general information concerning Customs enforcement of certain import and export laws administered by other federal agencies, the filing of offers in compromise of government claims, the eligibility of individuals for informant compensation, and the filing of claims for informant compensation.

§§ 161.1, 161.3, 161.4, 161.11, and 161.13 [Removed]

3. Sections 161.1, 161.3, 161.4, 161.11, and 161.13 are removed.

4. Section 161.12 is revised to read as follows:

§ 161.12 Eligibility for compensation.

In accordance with section 619, Tariff Act of 1930, as amended (19 U.S.C. 1619), any person not an employee or officer of the United States who either furnishes original information concerning any fraud upon the customs revenue or any violation, perpetrated or contemplated, of the customs or navigation laws or any other laws administered or enforced by Customs, or detects and seizes any item subject to

seizure and forfeiture under the customs or navigation laws or other laws enforced by Customs and reports the same to a Customs officer, may file a claim for compensation, provided there is a net amount recovered from such detection and seizure or such information, unless other laws specify different procedures. Any employee or officer of the United States who receives, accepts, or contracts for any portion of such compensation, either directly or indirectly, is subject to criminal prosecution and civil liability as provided by 19 U.S.C. 1620.

5. Section 161.16 is revised to read as follows:

§ 161.16 Filing a claim for informant compensation.

(a) *Limitations on claims.* Pursuant to 19 U.S.C. 1619, an informant may be paid up to twenty-five percent of the net recovery to the government from duties withheld; from any fine (civil or criminal), forfeited bail bond, penalty, or forfeiture incurred; or, if the forfeiture is remitted, from the monetary penalty recovered for remission of the forfeiture. The amount of the award paid to informants shall not exceed \$250,000 for any one case, regardless of the number of recoveries that result from the information furnished; however, no claim of less than \$100 will be paid.

(b) *Filing of claim.* A claim shall be filed, in duplicate, on Customs Form 4623 with the Special Agent in Charge, who shall make a recommendation on the form as to approval and the amount of the award. The Special Agent in Charge shall forward the form to the port director, who shall make a recommendation on the form as to approval and the amount of the award. The port director shall forward the form to Customs Headquarters for action. If for any reason a claim has not been transmitted by the port director, the claimant may apply directly to Customs Headquarters.

Samuel H. Banks,

Acting Commissioner of Customs.

Approved: February 17, 1998.

John P. Simpson,

Deputy Assistant Secretary of the Treasury.
[FR Doc. 98–6182 Filed 3–10–98; 8:45 am]

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DEPARTMENT OF THE TREASURY

Bureau of Alcohol, Tobacco and Firearms

27 CFR Part 9

[T.D. ATF–395 Re: Notice No. 851]

RIN 1512–AA07

Texas Davis Mountains Viticultural Area (97–105)

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

ACTION: Final rule, Treasury decision.

SUMMARY: The Bureau of Alcohol, Tobacco and Firearms (ATF) is establishing a viticultural area located in Jeff Davis County, Texas, to be known as “Texas Davis Mountains.” The petition for this viticultural area was filed by Maymie Nelda Weisbach of Blue Mountain Vineyard, Inc. ATF believes that the establishment of viticultural areas and the subsequent use of viticultural area names as appellations of origin in wine labeling and advertising allows wineries to designate the specific areas where the grapes used to make the wine were grown and enables consumers to better identify the wines they purchase.

EFFECTIVE DATE: May 11, 1998.

FOR FURTHER INFORMATION CONTACT: Marjorie D. Ruhf, Regulations Division, Bureau of Alcohol, Tobacco and Firearms, 650 Massachusetts Avenue, NW., Washington, DC 20226 (202–927–8230).

SUPPLEMENTARY INFORMATION:

Background

On August 23, 1978, ATF published Treasury Decision ATF–53 (43 FR 37672, 54624) revising regulations in 27 CFR part 4. These regulations allow the establishment of definite American viticultural areas. The regulations also allow the name of an approved viticultural area to be used as an appellation of origin in the labeling and advertising of wine.

On October 2, 1979, ATF published Treasury Decision ATF–60 (44 FR 56692) which added a new part 9 to 27 CFR, providing for the listing of approved American viticultural areas. Section 4.25a(e)(1), title 27, CFR, defines an American viticultural area as a delimited grape-growing region distinguishable by geographical features, the boundaries of which have been delineated in subpart C of part 9. Section 4.25a(e)(2) outlines the procedure for proposing an American viticultural area. Any interested person