

category specific and organization criteria are fully discussed in the application materials which can be obtained from the Fund.

**Authority:** Pub. L. 103-325, 108 Stat. 2166, 2189 (12 U.S.C. 4703); chapter X, Pub. L. 104-19, 109 Stat. 237 (12 U.S.C. 4703 note).

Dated: May 28, 1998.

**Ellen Lazar,**

*Director, Community Development Financial Institutions Fund.*

[FR Doc. 98-14531 Filed 6-1-98; 8:45 am]

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## DEPARTMENT OF THE TREASURY

### Customs Service

[T.D. 98-53]

### Customs Bond Cancellation Standards for Imports of Softwood Lumber From Canada

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

**ACTION:** General notice.

**SUMMARY:** Under section 623(c) of the Tariff Act of 1930, as amended (19 U.S.C. 1623(c)), the Secretary of the Treasury is required to publish guidelines for the cancellation of Customs bonds or charges thereunder. On February 26, 1997, Customs published T.D. 97-9 in the **Federal Register** (62 FR 8620) setting forth interim amendments to the Customs Regulations concerning the entry of certain softwood lumber products from Canada. Those amendments included additions to the conditions of the basic importation bond (19 CFR 113.62) to cover the production of, and liability for liquidated damages for failure to produce, export permit information pertaining to such softwood lumber products. This document publishes guidelines for cancellation of bond charges arising from such defaults.

**EFFECTIVE DATE:** These guidelines will take effect on June 2, 1998, and shall be applicable to all cases which are currently open at the petition or supplemental petition stage.

**FOR FURTHER INFORMATION CONTACT:** Jeremy Baskin, Penalties Branch, Office of Regulations and Rulings (202-927-2344).

#### SUPPLEMENTARY INFORMATION:

#### Background

Section 1904 of the Omnibus Trade and Competitiveness Act of 1988 (Pub. L. 100-418, 102 Stat. 1107) amended section 623(c) of the Tariff Act of 1930, as amended (19 U.S.C. 1623(c)), to require that the Secretary of the

Treasury publish guidelines establishing standards for setting the terms and conditions for cancellation of Customs bonds or charges thereunder. The authority to promulgate such guidelines had been delegated to the Commissioner of Customs by Paragraph 1 of Treasury Department Order No. 165, revised (T.D. 53654). Guidelines pursuant to section 623(c) were initially published by Customs in the **Federal Register** in T.D. 89-48 on April 21, 1989 (54 FR 16182), and those guidelines were subsequently revised and republished in their entirety in T.D. 94-38 which appeared in the **Federal Register** on April 14, 1994 (59 FR 17830).

On February 26, 1997, Customs published T.D. 97-9 in the **Federal Register** (62 FR 8620) setting forth interim amendments to the Customs Regulations concerning the entry of certain softwood lumber products from Canada. Those amendments included the addition of a new § 12.140 (19 CFR 12.140) which sets forth special entry requirements for the subject lumber, including the obligation of the importer of record to obtain and provide to Customs information regarding the issuance of a Canadian export permit for the lumber. T.D. 97-9 also amended the provisions of the basic importation bond in § 113.62 (19 CFR 113.62) by the addition of a new paragraph (k) (with existing paragraph (k) redesignated as paragraph (l)) and by the addition of a new subparagraph (5) under newly designated paragraph (l). New paragraph (k) obligates the bond principal, as required by new § 12.140(a), to assume the obligation to ensure within 20 working days of release of the merchandise, and establish to the satisfaction of Customs, that the applicable export permit has been issued by the Government of Canada. Under new paragraph (l)(5), failure of the bond principal to meet the paragraph (k) obligation will result in assessment of liquidated damages equal to \$100 per thousand board feet of the imported lumber.

In accordance with the provisions of section 623(c), this document sets forth standards for the cancellation of claims for liquidated damages assessed under §§ 12.140, 113.62(k) and 113.62(l)(5). These standards distinguish those claims in which the required export permits are presented in an untimely fashion from those instances where the export permits are not presented at all. The standards permit cancellation of liquidated damages incurred for late presentation of the necessary information upon payment of an amount between 25 and 50 percent of the claim but not less than \$500 and not

more than \$3,000 per entry depending upon the experience of the importer and the number of violations incurred by the importer as compared to the number of importations made. If the claim is issued for \$500 or less, no relief will be granted. If the necessary information is never provided, the claim will be collected in full. These claims for liquidated damages may only be assessed with regard to entries filed subsequent to the effective date of the interim regulations.

The text of the new guidelines is set forth below:

### Guidelines for Cancellation of Claims for Late Filing or Failure to File Softwood Lumber Information (19 CFR 12.140, 19 CFR 113.62(k), 19 CFR 113.62(l)(5))

A. Late presentation of export permit information. Claims for liquidated damages for late presentation of export permit information shall be processed in accordance with the following guidelines.

1. Modified CF-5955A. Notices of liquidated damages incurred may be issued on a modified CF-5955A. The modified form shall specify two options from which the petitioner may choose to resolve the demand.

a. *Option 1.* He may pay a specified sum within 60 days and the case will be closed. By electing this option in lieu of petitioning, he waives his right to file a petition.

b. *Option 2.* Petition for relief. The bond principal or surety may file a petition for relief. By filing a petition for relief, the petitioner will no longer be afforded the Option 1 mitigation amount. The Fines, Penalties, and Forfeitures Officer shall grant full relief when the petitioner demonstrates that the violation did not occur or occurred solely as a result of Customs error. If the petitioner fails to demonstrate that the violation did not occur or occurred solely as a result of Customs error, the Fines, Penalties, and Forfeitures Officer may cancel the claim upon payment of an amount no less than \$100 greater than the Option 1 amount.

2. Cancellation of claims for late presentation of export permit information. Liquidated damages incurred for late presentation of the necessary information may be cancelled upon payment of an amount between 25 and 50 percent of the claim but not less than \$500 and not more than \$3,000. Such amount may be afforded as an Option 1 amount. Mitigation shall be based upon the experience of the importer and the number of violations incurred compared with the number of importations made. No relief shall be

granted from any claim issued for \$500 or less.

B. Failure to present export permit information. If the importer fails to present the appropriate export permit information, no relief from the claim for liquidated damages will be granted unless the importer can show that the information was not required or that the violation occurred solely as a result of Customs error. Upon presentation of proof which satisfies the Fines, Penalties, and Forfeitures Officer that the information was not required or that the violation occurred solely as a result of Customs error, the claim shall be cancelled without payment.

Dated: May 27, 1998.

**Samuel H. Banks,**

*Acting Commissioner of Customs.*

[FR Doc. 98-14512 Filed 6-1-98; 8:45 am]

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## UNITED STATES INFORMATION AGENCY

### Culturally Significant Objects Imported for Exhibition Determination

Notice is hereby given of the following determination: Pursuant to the authority vested in me by the Act of October 19, 1965 (79 Stat. 985, 22 U.S.C. 2459), Executive Order 12047 of March 27, 1978 (43 FR 13359, March 29, 1978), and Delegation Order No. 85-5 of June 27, 1985 (50 FR 27393, July 2, 1985), I hereby determine that the objects to be included in the exhibit, "David Goldblatt: Photographs from South Africa" (See list),<sup>1</sup> imported from

<sup>1</sup> A copy of this list may be obtained by contacting Mr. Paul Manning, Attorney Advisor, at (202) 619-5997, and the address is Room 700, U.S. Information Agency, 301 4th Street, S.W., Washington, D.C. 20547-0001.

abroad for the temporary exhibition without profit within the United States, are of cultural significance. These objects are imported pursuant to a loan agreement with the foreign lenders. I also determine that the exhibition or display of the listed exhibit objects at The Museum of Modern Art, New York, New York, from approximately July 16, 1998 through October 6, 1998, is in the national interest. Public Notice of this determination is ordered to be published in the **Federal Register**.

Dated: May 26, 1998.

**Les Jin,**

*General Counsel.*

[FR Doc. 98-14486 Filed 6-1-98; 8:45 am]

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