

(ii) New activities may be exempted from the prohibitions in paragraphs (a)(2) through (8) of this section by the Director after consultation between the Director and the Department of Defense. If it is determined that an activity may be carried out such activity shall be carried out in a manner that avoids to the maximum extent practicable any adverse impact on Sanctuary resources and qualities. Civil engineering and other civil works projects conducted by the U.S. Army Corps of Engineers are excluded from the scope of this paragraph (d).

(2) The Department of Defense is prohibited from conducting bombing activities within the Sanctuary.

(3) In the event of threatened or actual destruction of, loss of, or injury to a Sanctuary resource or quality resulting from an untoward incident, including but not limited to spills and groundings caused by the Department of Defense, the Department of Defense shall promptly coordinate with the Director for the purpose of taking appropriate actions to respond to and mitigate the harm and, if possible, restore or replace the Sanctuary resource or quality.

(e) The prohibitions in paragraphs (a)(2) through (8) of this section do not apply to any activity executed in accordance with the scope, purpose, terms and conditions of a National Marine Sanctuary permit issued pursuant to §§ 922.48 and 922.153 or a Special Use permit issued pursuant to section 310 of the Act.

(f) Members of a federally recognized Indian tribe may exercise aboriginal and treaty-secured rights, subject to the requirements of other applicable law, without regard to the requirements of this part. The Director may consult with the governing body of a tribe regarding ways the tribe may exercise such rights consistent with the purposes of the Sanctuary.

(g) The prohibitions in paragraphs (a)(2) through (8) of this section do not apply to any activity authorized by any lease, permit, license, or other authorization issued after July 22, 1994, and issued by any Federal, State or local authority of competent jurisdiction, provided that the applicant complies with § 922.49, the Director notifies the applicant and authorizing agency that he or she does not object to issuance of the authorization, and the applicant complies with any terms and conditions the Director deems necessary to protect Sanctuary resources and qualities. Amendments, renewals and extensions of authorizations in existence on the effective date of designation constitute authorizations issued after the effective date.

(h) Notwithstanding paragraphs (e) and (g) of this section, in no event may the Director issue a National Marine Sanctuary permit under §§ 922.48 and 922.153 or a Special Use permit under section 310 of the Act authorizing, or otherwise approve: The exploration for, development or production of oil, gas or minerals within the Sanctuary; the discharge of primary-treated sewage within the Sanctuary; the disposal of dredged material within the Sanctuary other than in connection with beach nourishment projects related to the Quillayute River Navigation Project; or bombing activities within the Sanctuary. Any purported authorizations issued by other authorities after July 22, 1994 for any of these activities within the Sanctuary shall be invalid.

■ 5. Section 922.153 is revised to read as follows:

**§ 922.153 Permit procedures and criteria.**

(a) A person may conduct an activity prohibited by § 922.152(a)(2) through (8) if conducted in accordance with the scope, purpose, terms and conditions of a permit issued under this section and § 922.48.

(b) Applications for such permits should be addressed to the Director, Office of National Marine Sanctuaries; *Attn:* Superintendent, Olympic Coast National Marine Sanctuary, 115 East Railroad Avenue, Suite 301, Port Angeles, WA 98362–2925.

(c) The Director, at his or her discretion, may issue a permit, subject to such terms and conditions as he or she deems appropriate, to conduct an activity prohibited by § 922.152(a)(2) through (8), if the Director finds that the activity will not substantially injure Sanctuary resources and qualities and will: Further research related to Sanctuary resources and qualities; further the educational, natural or historical resource value of the Sanctuary; further salvage or recovery operations in or near the Sanctuary in connection with a recent air or marine casualty; assist in managing the Sanctuary; further salvage or recovery operations in connections with an abandoned shipwreck in the Sanctuary title to which is held by the State of Washington; or be issued to an American Indian tribe adjacent to the Sanctuary, and/or its designee as certified by the governing body of the tribe, to promote or enhance tribal self-determination, tribal government functions, the exercise of treaty rights, the economic development of the tribe, subsistence, ceremonial and spiritual activities, or the education or training of tribal members. For the purpose of this part, American Indian tribes adjacent to

the sanctuary mean the Hoh, Makah, and Quileute Indian Tribes and the Quinault Indian Nation. In deciding whether to issue a permit, the Director may consider such factors as: The professional qualifications and financial ability of the applicant as related to the proposed activity; the duration of the activity and the duration of its effects; the appropriateness of the methods and procedures proposed by the applicant for the conduct of the activity; the extent to which the conduct of the activity may diminish or enhance Sanctuary resources and qualities; the cumulative effects of the activity; the end value of the activity; and the impacts of the activity on adjacent American Indian tribes. Where the issuance or denial of a permit is requested by the governing body of an American Indian tribe, the Director shall consider and protect the interests of the tribe to the fullest extent practicable in keeping with the purposes of the Sanctuary and his or her fiduciary duties to the tribe. The Director may also deny a permit application pursuant to this section, in whole or in part, if it is determined that the permittee or applicant has acted in violation of the terms or conditions of a permit or of these regulations. In addition, the Director may consider such other factors as he or she deems appropriate.

\* \* \* \* \*

[FR Doc. 2011–27947 Filed 10–31–11; 8:45 am]

BILLING CODE 3510–NK–P

## DEPARTMENT OF STATE

### 22 CFR Part 42

[Public Notice 7391]

RIN 1400–AC86

### Visas: Documentation of Immigrants Under the Immigration and Nationality Act, as Amended

**AGENCY:** State Department.

**ACTION:** Interim final rule.

**SUMMARY:** This rule amends the Department of State's regulations relating to adoptions in countries party to The Hague Convention on the Protection of Children and Co-operation in Respect of Intercountry Adoption, to include new adoption provisions from the International Adoption Simplification Act. This legislation provides for sibling adoption to include certain children who are under the age of 18 at the time the petition is filed on their behalf, and also certain children who attained the age of 18 on or after April 1, 2008 and who are the

beneficiaries of a petition filed on or before November 30, 2012.

**DATES:**

*Effective Date:* This rule is effective November 1, 2011.

*Comment Date:* The Department will accept comments from the public up to December 1, 2011.

**ADDRESSES:**

You may submit comments by any of the following methods:

- *Email:* [BeaumontTW@state.gov](mailto:BeaumontTW@state.gov) (Subject line must read IASA Sibling Reg.).
- *Mail:* Chief, Legislation and Regulation Division, Visa Services—IASA Sibling Reg., 2401 E. Street, NW., Washington, DC 20520–30106.
- “Persons with access to the Internet may view this notice and provide comments by going to the regulations.gov Web site at: <http://www.regulations.gov/index.cfm>, and searching on the Public Notice number 7391.”

**FOR FURTHER INFORMATION CONTACT:**

Taylor W. Beaumont, Legislation and Regulations Division, Visa Services, Department of State, 2401 E Street, NW., Room L–603D, Washington, DC 20520–0106, who may be reached at (202) 663–1202.

**SUPPLEMENTARY INFORMATION:**

**Definitions**

As used in this public notice, the term “Convention” means The Hague Convention on Protection of Children and Co-operation in Respect of Inter-country Adoption; the term “Convention country” means a country that is a party to the Convention and with which the Convention is in force for the United States; and the term “IASA” means the International Adoption Simplification Act, Public Law 111–287 (2010).

**Why is the Department promulgating this rule?**

On November 30, 2010, the President signed the IASA into law, modifying the Immigration and Nationality Act (INA) as regards adoptions from Convention countries. Among other changes, the IASA creates a new INA Section 101(b)(1)(G)(iii) to allow U.S. citizens to file an immediate relative petition for a child younger than 18 from a Convention country, provided that child is the natural sibling of a child concurrently or already adopted or being brought to the United States for adoption under INA Sections 101(b)(1)(E)(i), (F)(i), or (G)(i). To qualify as a child who is covered under INA Section 101(b)(1)(G)(iii), a child must be adopted abroad, or be coming to the

United States for adoption, by the adoptive parent(s) or prospective adoptive parent(s) of his/her natural sibling. In addition, the child must be otherwise qualified as a Convention adoptee under INA Section 101(b)(1)(G)(i), except that the child is under 18 years of age rather than under 16 years of age, as is required for classification under INA Section 101(b)(1)(G)(i).

The IASA contains an exception at Section 4(b) necessitating a modification of the Department regulation contained in 22 CFR 42.24. Under that section, an alien who is older than 18 years of age nonetheless may be classified under INA Section 101(b)(1)(G)(iii) if he/she turned 18 years of age on or after April 1, 2008 and his/her immediate relative petition is filed not later than November 30, 2012. As currently written, the Department’s regulations pertaining to INA Section 101(b)(1)(G) cover exclusively those children whose adoptions will be governed by the Convention. Although aliens qualified under IASA Section 4(b) will be emigrating from a Convention country, the Convention only governs the adoption of children under the age of 18. This rule is necessary to change Department regulations to cover aliens properly qualified under IASA Section 4(b).

**Regulatory Findings**

*Administrative Procedure Act*

The Department is publishing this rule as an interim final rule, and with an effective date less than 30 days from the date of publication, based on the “good cause” exceptions set forth at 5 U.S.C. 553(b) and 553(d)(3). Delaying implementation of this rule would be contrary to the public interest, due to the effect of recent legislation (the International Adoption Simplification Act). Because current Department regulations do not contemplate the adoption of children over the age of 18 in countries party to The Hague Convention on Inter-Country Adoption, the lack of procedural certainty regarding 22 CFR 42.24 could foreseeably cause undue confusion and delay for American citizens pursuing their rights to adopt as provided by the IASA. The Department will accept public comments for 30 days after publication.

*Regulatory Flexibility Act/Executive Order 13272: Small Business*

The Department of State has reviewed this regulation and certifies that this rule will not have a significant economic impact on a substantial number of small entities. The

Department of State notes that this regulation, as it exclusively facilitates adoptions by U.S. citizens, will have its greatest effect on individuals and not small businesses. While American Adoption Service Providers (ASPs) are essential to intercountry adoptions in Convention countries, this regulation will have a negligible effect on these ASPs, as the Department of State anticipates that this regulation will allow very few adoptions that would not have already been possible in the absence of this regulation.

*The Unfunded Mandates Reform Act of 1995*

Section 202 of the Unfunded Mandates Reform Act of 1995, Public Law 104–4, 109 Stat. 48, 2 U.S.C. 1532, generally requires agencies to prepare a statement before proposing any rule that may result in an annual expenditure of \$100 million or more by State, local, or tribal governments, or by the private sector. This rule will not result in any such expenditure, nor will it significantly or uniquely affect small governments.

*The Small Business Regulatory Enforcement Fairness Act of 1996*

This rule is not a major rule as defined by 5 U.S.C. 804, for purposes of congressional review of agency rulemaking under the Small Business Regulatory Enforcement Fairness Act of 1996, Public Law 104–121. 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 adverse effects on competition, employment, investment, productivity, innovation, or the ability of United States-based companies to compete with foreign-based companies in domestic and import markets.

*Executive Order 12866*

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 reviewed this rule to ensure its consistency with the regulatory philosophy and principles set forth in Executive Order 12866. Consistent with Executive Order 12866, the Department does not consider the rule to be an economically significant action within the scope of section 3(f)(1) of the Executive Order since it is not likely to have an annual effect on the economy of \$100 million or more or to adversely affect in a material way the economy, a sector of the economy, competition, jobs, the environment, public health or

safety, or state, local or tribal governments or communities.

#### *Executive Order 13563*

The Department of State has considered this rule in light of Executive Order 13563, dated January 18, 2011, and affirms that this regulation is consistent with the guidance therein.

#### *Executive Orders 12372 and 13132: Federalism*

This regulation will not have substantial direct effects on the States, on the relationship between the national government and the States, or the distribution of power and responsibilities among the various levels of government. Nor will the rule have federalism implications warranting the application of Executive Orders No. 12372 and No. 13132.

#### *Executive Order 13175*

The Department of State has determined that this rulemaking will not have tribal implications, will not impose substantial direct compliance costs on Indian tribal governments, and will not pre-empt tribal law. Accordingly, the requirement of Section 5 of Executive Order 13175 does not apply to this rulemaking.

#### *Paperwork Reduction Act*

This rule does not impose information collection requirements under the provisions of the Paperwork Reduction Act, 44 U.S.C., Chapter 35.

#### **List of Subjects in 22 CFR Part 42**

Immigration, Passports and Visas.

Accordingly, for the reasons set forth in the preamble, 22 CFR part 42 is amended as follows:

#### **PART 42—[AMENDED]**

- 1. The authority citation for part 42 continues to read as follows:

**Authority:** 8 U.S.C. 1104 and 1182; Pub. L. 105–277; Pub. L. 108–449; 112 Stat. 2681–795 through 2681–801; The Convention on Protection of Children and Co-operation in Respect of Intercountry Adoption (done at the Hague, May 29, 1993), S. Treaty Doc. 105–51 (1998), 1870 U.N.T.S. 167 (Reg. No. 31922 (1993)); The Intercountry Adoption Act of 2000, 42 U.S.C. 14901–14954, Pub. L. 106–279.

- 2. Section 42.24 is amended by revising paragraph (a) and adding paragraph (n) to read as follows:

#### **§ 42.24 Adoption under the Hague Convention on Protection of Children and Co-operation in Respect of Intercountry Adoption and the Intercountry Adoption Act of 2000.**

(a) Except as described in paragraph (n), for purposes of this section, the definitions in 22 CFR 96.2 apply.

\* \* \* \* \*

(n) Notwithstanding paragraphs (d) through (m) of this section, an alien described in paragraph (n)(1) of this section may qualify for visa status under INA section 101(b)(1)(G)(iii) without meeting the requirements set forth in paragraphs (d) through (m) of this section.

(1) Per Section 4(b) of the Intercountry Adoption Simplification Act, Public Law 111–287 (IASA), an alien otherwise described in INA section 101(b)(1)(G)(iii) who attained the age of 18 on or after April 1, 2008 shall be deemed to meet the age requirement imposed by INA section 101(b)(1)(G)(iii)(III), provided that a petition is filed for such child in accordance with DHS requirements not later than November 30, 2012.

(2) For any alien described in paragraph (n)(1) of this section, the “competent authority” referred to in INA section 101(b)(1)(G)(i)(V)(aa) is the passport issuing authority of the country of origin.

Dated: October 21, 2011.

**Janice L. Jacobs,**

*Assistant Secretary for Consular Affairs,  
Department of State.*

[FR Doc. 2011–28281 Filed 10–31–11; 8:45 am]

**BILLING CODE 4710–06–P**

#### **DEPARTMENT OF THE TREASURY**

#### **Internal Revenue Service**

#### **26 CFR Parts 31 and 301**

[TD 9554]

**RIN 1545–BJ07**

#### **Extending Religious and Family Member FICA and FUTA Exceptions to Disregarded Entities**

**AGENCY:** Internal Revenue Service (IRS), Treasury.

**ACTION:** Final and temporary regulations.

**SUMMARY:** This document contains final and temporary regulations amending 26 CFR parts 31 and 301. These regulations extend the exceptions from taxes under the Federal Insurance Contributions Act (“FICA”) and the Federal Unemployment Tax Act (“FUTA”) under sections 3121(b)(3) (concerning

individuals who work for certain family members), 3127 (concerning members of religious faiths), and 3306(c)(5) (concerning persons employed by children and spouses and children under 21 employed by their parents) of the Internal Revenue Code (“Code”) to entities that are disregarded as separate from their owners for federal tax purposes. The temporary regulations also clarify the existing rule that the owners of disregarded entities, except for qualified subchapter S subsidiaries, are responsible for backup withholding and related information reporting requirements under section 3406. The text of the temporary regulations also serves as the text of the proposed regulations set forth in the notice of proposed rulemaking on this subject in the Proposed Rules section in this issue of the **Federal Register**.

**DATES:** *Effective Date:* These regulations are effective on November 1, 2011.

*Applicability Date:* For dates of applicability see §§ 31.3121(b)(3)–1T(e), 31.3127–1T(d), 31.3306(c)(5)–1T(e), 301.7701–2T(e)(5).

#### **FOR FURTHER INFORMATION CONTACT:**

Joseph Perera (202) 622–6040 (not a toll free call).

#### **SUPPLEMENTARY INFORMATION:**

#### **Background**

This document contains final and temporary regulations amending the Employment Tax Regulations (26 CFR part 31) and the Procedure and Administration Regulations (26 CFR part 301) to extend the FICA and FUTA exceptions for family members and religious sect members to certain entities that are disregarded as separate from their owners for federal tax purposes under § 301.7701–2(c). Section 301.7701–2(c)(2)(i) provides that generally, except as otherwise provided, a business entity that has a single owner and is not a corporation under § 301.7701–2(b) is disregarded as an entity separate from its owner. Prior to 2009, single-member entities disregarded as separate from their owners were generally disregarded for employment taxes and certain other requirements of law arising under subtitle C. An employer is generally defined as the person for whom an individual performs services as an employee. Sections 3401(d), 3121(d), and 3306(a). Prior to 2009, the owner of the disregarded entity was treated as the employer for purposes of employment tax liabilities and all other employment tax obligations related to wages paid to employees performing services for the disregarded entity.