
FOR FURTHER INFORMATION CONTACT: Bob Durand, Operations Branch, Federal Aviation Administration, 222 West 7th Avenue, Box 14, Anchorage, AK 99513–7587; telephone number (907) 271–5898; fax: (907) 271–2850; email: Bob.Durand@faa.gov. Internet address: http://www.alaska.faa.gov/ at or at address http://162.58.28.41/at.

SUPPLEMENTARY INFORMATION:

History

Only June 13, 2000, a proposal to amend part 71 of the Federal Aviation Regulations (14 CFR part 71) to revise the Class E airspace at Ambler, AK, was published in the Federal Register (65 FR 37089). The proposal was necessary due to establishment of the GPS instrument approach to RWY 36 at Ambler, AK. Interested parties were invited to participate in this rulemaking proceeding by submitting written comments on the proposal to the FAA. No public comments to the proposal were received, thus, the rule is adopted as written.

The area will be depicted on aeronautical charts for pilot reference. The coordinates for this airspace docket are based on North American Datum 83. The Class E airspace areas designated as 700/1200 foot transition areas are published in paragraph 6005 of FAA Order 7400.9H, Airspace Designations and Reporting Points, dated September 1, 2000, and effective September 16, 2000, which is incorporated by reference in 14 CFR 71.1. The Class E airspace designations listed in this document will be revised and published subsequently in the Order.

The Rule

This amendment to 14 CFR part 71 revises Class E airspace at Ambler, AK, through the establishment of a GPS instrument approach to RWY 36. The area will be depicted on aeronautical charts for pilot reference. The intended effect of this rule is to provide adequate controlled airspace for IFR operations at Ambler, AK.

The FAA has determined that this proposed regulation only involves an established body of technical regulations for which frequent and routine amendments are necessary to keep them operationally current. It, therefore—(1) is not a “significant regulatory action” under Executive Order 12866; (2) is not a “significant rule” under DOT Regulatory Policies and Procedures (44 FR 11034; February 26, 1979); and (3) does not warrant preparation of a regulatory evaluation as the anticipated impact is so minimal. Since this is a routine matter that will only affect air traffic procedures and air navigation, it is certified that this rule, when promulgated, will not have a substantial economic impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

List of Subjects in 14 CFR Part 71

Airspace, Incorporation by reference, Navigation (air).

Adoption of the Amendment

In consideration of the foregoing, the Federal Aviation Administration amends 14 CFR part 71 as follows:

PART 71—DESIGNATION OF CLASS A, CLASS B, CLASS C, CLASS D, AND CLASS E AIRSPACE AREAS; AIRWAYS; ROUTES; AND REPORTING POINTS

1. The authority citation for 14 CFR part 71 continues to read as follows:


§ 71.1 [Amended]

2. The incorporation by reference in 14 CFR 71.1 of Federal Aviation Administration Order 7400.9H, Airspace Designations and Reporting Points, dated September 1, 2000, and effective September 16, 2000, is amended as follows:

* * * * *

Paragraph 6005 Class E airspace extending upward from 700 feet or more above the surface of the earth.

* * * * *

AAL AK E5 Ambler, AK [Revised]

Ambler Airport, AK

(Lat. 67°06′22″ N. long. 157°51′13″ N) Ambler NDB

(Lat. 67°06′24″ N. long. 157°51′29″ W) That airspace extending upward from 700 feet above the surface within a 6.3-mile radius of the Ambler Airport and within 3.5 miles each side of the 193° bearing of the Ambler NDB extending from the 6.3-mile radius to 7.2 miles southwest of the airport; and that airspace extending upward from 1,200 feet above the surface within 4 miles west and 8 miles east of the Ambler NDB 193° bearing extending from the NDB to 20 miles southwest of the NDB, and 4 miles either side of a line from lat. 66°20′57″ N long. 158°54′51″ W to lat. 66°56′52″ N long. 158°01′13″ W, and 4 miles either side of a line from lat. 66°51′40″ N long. 158°55′07″ W to lat. 66°56′52″ N long. 158°01′13″ W.

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Issued in Anchorage, AK, on September 14, 2000.

Anthony M. Wylie, Acting Manager, Air Traffic Division, Alaskan Region.

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DEPARTMENT OF THE TREASURY

Bureau of Alcohol, Tobacco and Firearms

27 CFR Parts 270, 275, 290, 295, and 296


RIN 1512–AB92

Implementation of Public Law 105–33, Section 9302, Relating to the Imposition of Permit Requirements on the Manufacturer of Roll-Your-Own Tobacco (98R–370P)

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

ACTION: Final rule (Treasury decision).

SUMMARY: This final rule implements the provision of the Balanced Budget Act of 1997 requiring that manufacturers of roll-your-own tobacco obtain a permit. In addition to the permit requirements, this document addresses provisions for records, marks, labels and notices. In response to comments received, this final rule will allow manufacturers to mark packages with the term “cigarette tobacco” as an alternative to the terms “roll-your-own tobacco” or “Class J”. Also, this final rule adopts without change most of the temporary rules of regarding roll-your-own tobacco published earlier.

DATES: Effective date: September 25, 2000.

FOR FURTHER INFORMATION CONTACT: Robert P. Ruhf, Regulations Division, 650 Massachusetts Avenue, NW, Washington, DC 20226; (202) 927–8210; or alc/tob@atfhq.atf.treas.gov.

SUPPLEMENTARY INFORMATION:

Background

This final rule implements the provision of the Balanced Budget Act of 1997, Public Law 105–33 (“the Act”), enacted on August 3, 1997 relating to roll-your-own tobacco. Section 9302 of the Act amended the Internal Revenue Code of 1986 (IRC), 26 U.S.C. 5701 and 5702 by imposing new permit requirements for manufacturers of roll-your-own tobacco. In addition to the
permit requirements, this final rule addresses provisions for records, marks, labels and notices.

Roll-Your-Own Tobacco

Roll-your-own tobacco is defined by 26 U.S.C. 5702(p) of the IRC to mean “any tobacco which because of its appearance, type, packaging, or labeling, is suitable for use and likely to be offered to, or purchased by, consumers as tobacco for making cigarettes.” Since the Act amended the definitions of the terms “Tobacco products” and “Manufacturer of tobacco products” to include roll-your-own tobacco, manufacturers of roll-your-own tobacco are subject to all the statutory and regulatory controls set forth in chapter 52 of IRC. These controls include tax payment, permit qualification, bonding, recordkeeping, marks, labels, notices, and civil and criminal sanctions.

On or after January 1, 2000, manufacturers of roll-your-own tobacco must apply for a permit to engage in the business of manufacturing roll-your-own tobacco. Section 9302(l)(2) of the Act also contains a transitional rule which allows those who, on the date of enactment, August 5, 1997, were engaged in the manufacture of roll-your-own tobacco and made an application for a permit prior to January 1, 2000, to continue to engage in such business pending final action on the application.

Concerning marks required on packages, the temporary regulations of T.D. ATF–424 (64 FR 71929) required that every package of roll-your-own tobacco must, before removal subject to tax, have imprinted thereon or on a label securely affixed to the package the designation “roll-your-own tobacco,” as well as a statement of the pounds and ounces of the product contained in the package. The temporary regulations provided “Tax Class J” as an alternative to the designation “roll-your-own tobacco.” T.D. ATF–427 (65 FR 44050) extended the use-up rule to allow manufacturers and importers to continue using packages marked without the proper designation (“roll-your-own tobacco” or “tax class J”) that were used before January 1, 2000. This decision allows manufacturers and importers to use such packages until October 1, 2000. However, Treasury Decision ATF–427 did not extend the date for marking packages with the statement of pounds and ounces of roll-your-own tobacco. Manufacturers and importers have been required to place a statement of the pounds and ounces on packages of roll-your-own tobacco removed on and after April 1, 2000.

Technical Changes

In addition to the above changes, Treasury Decision ATF–424 made several technical changes. It revised the title of Part 270, removed references to obsolete forms, and renumbered other forms. Since Treasury Decision ATF–424 discussed these changes and ATF did not receive any comments about these technical changes, we are not discussing these technical changes in this final rule.

Notice of Proposed Rulemaking

On December 22, 1999, Notice 889 (64 FR 71935) was published in the Federal Register to request comments on the temporary regulations implemented by Treasury Decision ATF–424 (64 FR 71929). The deadline for comments was February 22, 2000.

Comments Received

ATF received comments from two different organizations.

Analysis of Comments

Alternate Designation for Roll-Your-Own Tobacco

The Pipe Tobacco Council, Washington, DC, stated that it represented domestic manufacturers and importers of roll-your-own tobacco who account for more than 90 percent of the current domestic sales of roll-your-own tobacco. This organization requested an extension of the deadline date from labeling packages as “roll-your-tobacco” for nine months. This extension was granted by Treasury Decision ATF–427 (65 FR 44050). In addition, the Pipe Tobacco Council proposed the alternate designation “cigarette tobacco” instead of using the designation of “roll-your-own tobacco” or “Tax Class J” for labeling packages.

In proposing the regulations at 27 CFR 275.72 that implemented this labeling requirement, we believed that allowing the use of this alternative designation would adequately protect the revenue by distinguishing the roll-your-own tobacco class from the other classes of tobacco products. It would also facilitate the relabeling of many tobacco products which are subject to tax but which are currently labeled with terms other than roll-your-own tobacco.

The Pipe Tobacco Council submitted samples of some of the popular brands of roll-your-own tobacco. None of these samples were labeled with the designation “roll-your-own tobacco”, but most of these products currently use the designation “cigarette tobacco” on their packages. In addition, the Pipe Tobacco Council submitted a survey conducted by one of its members. The survey found that nine (9) brands of roll-your-own tobacco were labeled with the designation “cigarette tobacco”, two brands used “cigarette rolling tobacco”, and three other brands used other designations. However, none of the brands used “roll-your-own tobacco” as a designation. In conclusion, the Pipe Tobacco Council stated that most consumers of roll-your-own tobacco recognize the designation “cigarette tobacco” as a distinctive class.

In addition, the Pipe Tobacco Council cited the fact that we had allowed the use of the word “little” in place of the word “small” on packages of cigars (refer to 27 CFR 270.214(c)). Even though the law only refers to small cigars, we had allowed this alternate designation to be placed on packages of such cigars.

The Pipe Tobacco Council provided estimated costs that a manufacturer or importer would spend to comply with marking “Tax Class J” or “roll-your-own tobacco” on packages. It estimated that a manufacturer or importer would have to spend between $13,000 to $22,000 per brand of roll-your-own tobacco to place the designation “Tax Class J” on such packages and between $33,000 to $50,000 per brand of roll-your-own tobacco to place the designation “roll-your-own tobacco” on such packages.

We believe that there would be no jeopardy to the revenue to allow such products to be designated “cigarette tobacco.” First, we believe that the term “cigarette tobacco” is an accurate description of this tobacco product. It has been a standard term used by many roll-your-own manufacturers and importers and recognized by consumers. Second, the use of the term “cigarette tobacco” follows the same logic in describing the use of the tobacco product as the term “pipe tobacco.” Pipe tobacco is suitable to be smoked in a pipe. Roll-your-own tobacco by its definition is suitable for making cigarettes. Third, we do not anticipate any administrative problems for ATF or Customs if the designation “cigarette tobacco” is marked on packages (that is, the immediate container for sale or delivery to the consumer) as opposed to the alternative designations. Fourth, we recognize the considerable cost and time for manufacturers and importers if we only allowed the markings of “roll-your-own tobacco” or “tax class J” to be placed on their many brands of this tobacco product. Fifth, it is consistent with past practice since we have allowed the use of “little cigars” as an alternate marking for small cigars.

Accordingly, we have decided to extend the regulations to allow such products to be designated as “cigarette tobacco” as an
alternative to marking such products as “roll-your-own tobacco” or “tax class J.”

**Permit Requirements**

The Friends of Tobacco, Pink Hill, NC, gave comments about the requirement that persons must have a permit to engage in the business manufacturing roll-your-own tobacco. The Friends of Tobacco stated that it is a national, non-profit organization representing farmers, small businesses, retailers, wholesalers and allied industries associated with tobacco. This organization stated that the proposed regulation will cause small business closings, reduce competition and restrict business to a few large corporations.

The law (26 U.S.C. 5713) clearly states that a manufacturer of roll-your-own tobacco must have a permit to engage in this business. While we understand that this may impose burdens on the manufacturers of roll-your-own tobacco, the requirement is necessary to protect the revenue. The application process ensures that only persons who were engaged in business as a manufacturer of roll-your-own tobacco on or before August 5, 1997 and who applied for a permit before January 1, 2000, to continue operating pending final action on their application. All other persons must apply for, and obtain, a permit to manufacture tobacco before commencing such operations. ATF has and will continue to make every effort to process all such permit applications in a timely and expedient manner.

**Temporal Regulations Adopted as Final**

Except as discussed above, this final rule adopts the temporary regulations, T.D. ATF-424 (64 FR 71929), T.D. ATF-424a (65 FR 31079) and T.D. ATF-427 (65 FR 40050), to implement the permit requirements for manufacturers of roll-your-own tobacco and related requirements for marks, labels and notices under the Balanced Budget Act of 1997 (111 Stat. 251). The following is a list of sections in the temporary regulations that are adopted without change.

**Part 270**

The heading of Part 270, authority citation, §§ 270.11, 270.61a, 270.61b, 270.133, 270.181, 270.182, 270.183, 270.201, 270.202, 270.216a, 270.216c, 270.231, 270.252, 270.255, 270.311, 270.476.

**Part 275**


**Part 290**

The authority citation, §§ 290.11, 290.143, 290.147, 290.222, 290.224, 290.225, 290.226, 290.227, 290.232.

**Part 295**

The authority citation, §§ 295.11, 295.45c.

**Part 296**

The authority citation, §§ 296.72, 296.74, 296.163.

**Regulatory Flexibility Act**

In accordance with the provisions of the Regulatory Flexibility Act (5 U.S.C. 601 et seq.) it is hereby certified that this regulation will not have a significant economic impact on a substantial number of small entities. The revenue effects of the roll-your-own requirements on small businesses flow directly from the underlying statute. Likewise, any secondary or incidental effects, and any reporting, recordkeeping, or other compliance burdens flow directly from the statute. A copy of the proposed and temporary rules were submitted to the Chief Counsel for Advocacy of the Small Business Administration for consideration.

**Executive Order 12866**

It has been determined that this final rule is not a significant regulatory action as defined by Executive Order 12866. Therefore, a regulatory assessment is not required.

**Paperwork Reduction Act**

The collections of information contained in this final rule have been reviewed and approved under the requirements of the Paperwork Reduction Act of 1995 (44 U.S.C. 3507(d)). No public comments were received. The Office of Management and Budget (OMB) has issued control numbers 1512–0358 and 1512–0502 for the collections of information. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid control number assigned by OMB.

The collection of information in this proposed regulation is in 27 CFR 270.182, 270.183, 270.216b, 275.72b,
and 295.45b. This information is required to ensure proper payment of excise taxes on roll-your-own tobacco products. We use this information to determine whether or not such excise taxes have been properly paid. The collection of information is mandatory. The likely respondents include small businesses or organizations.

We estimate that the total annual reporting and/or recordkeeping burden under control numbers 1512–0358 and 1512–0502 for the first year is 385 hours for initiating and obtaining required permits. For subsequent years, the total annual reporting/recordkeeping burden under 1512–0358 is 1,650 hours and under 1512–0502 the burden is 1 hour. Under 1512–0358 we estimate the burden at 11 additional respondents with an additional 150 hours burden per respondent. Under 1512–0502 we have estimated an additional 11 recordkeepers and for all respondents a total burden of 1 hour.

Administrative Procedure Act

This final rule is issued in accordance with the Administrative Procedures Act (5 U.S.C. 553). It is exempt from the effective date provisions of 5 U.S.C. 553(d) because immediate guidance is necessary to inform manufacturers and importers of the revised regulations, which allow an alternative designation of “cigarette tobacco” to be marked on packages of roll-your-own tobacco, and because the revised regulations relieves a restriction by providing this alternative designation.

Drafting Information

The principal author of this document is Robert Ruhf, of the Regulations Division, Bureau of Alcohol, Tobacco and Firearms.

List of Subjects

27 CFR Part 270

Administrative practice and procedure, Authority delegations, Cigars and cigarettes, Claims, Electronic funds transfer, Excise taxes, Labeling, Packaging and containers, Penalties, Reporting requirements, Seizures and forfeitures, Surety bonds, Tobacco.

27 CFR Part 275

Administrative practice and procedure, Authority delegations, Cigars and cigarettes, Claims, Electronic funds transfer, Customs duties and inspection, Excise taxes, Imports, Labeling, Packaging and containers, Penalties, Reporting requirements, Seizures and forfeitures, Surety bonds, Tobacco, Warehouses.

27 CFR Part 290

Administrative practice and procedure, Aircraft, Authority delegations, Cigars and cigarettes, Claims, Customs duties and inspection, Excise taxes, Imports, Foreign trade zones, Labeling, Packaging and containers, Penalties, Surety bonds, Tobacco, Vessels, Warehouses.

27 CFR Part 295

Administrative practice and procedure, Authority delegations, Cigars and cigarettes, Excise taxes, Labeling, Packaging and containers, Tobacco.

27 CFR Part 296

Authority delegations, Cigars and cigarettes, Claims, Disaster assistance, Excise taxes, Penalties, Seizures and forfeitures, Surety bonds, Tobacco.

Authority and Issuance

Accordingly, the temporary regulations published in T.D. ATF–424 (December 22, 1999, 64 FR 71929) as amended by T.D. ATF–424a (May 16, 2000, 65 FR 31079) and T.D. ATF–427 (June 25, 2000, 65 FR 40050) are adopted as final with the following changes.

PART 270—MANUFACTURE OF TOBACCO PRODUCTS

Paragraph 1. The authority citation for 27 CFR Part 270 continues to read as follows:


Par. 2. Section 270.216b is revised to read as follows:

§ 270.216b Notice for roll-your-own tobacco.

(a) Product designation. Before removal subject to tax, roll-your-own tobacco must have adequately imprinted on, or on a label securely affixed to, the package, the designation “roll-your-own tobacco” or “cigarette tobacco” or “Tax Class J.”

(b) Product weight. Before removal subject to tax, roll-your-own tobacco must have a clear statement of the actual weight in pounds and ounces of the product in the package. This statement must be adequately imprinted on, or on a label securely affixed to, the package. (Approved by the Office of Management and Budget under control number 1512–0502)

PART 275—IMPORTATION OF TOBACCO PRODUCTS AND CIGARETTE PAPERS AND TUBES

Par. 3. The authority citation for 27 CFR Part 275 continues to read as follows:


Par. 4. Section 275.72b is revised to read as follows:

§ 275.72b Notice for roll-your-own tobacco.

(a) Product designation. Before removal subject to tax, roll-your-own tobacco must have adequately imprinted on, or on a label securely affixed to, the package, the designation “roll-your-own tobacco” or “cigarette tobacco” or “Tax Class J.”

(b) Product weight. Before removal subject to tax, roll-your-own tobacco must have a clear statement of the actual weight in pounds and ounces of the product in the package. This statement must be adequately imprinted on, or on a label securely affixed to, the package. (Approved by the Office of Management and Budget under control number 1512–0502)

PART 295—REMOVAL OF TOBACCO PRODUCTS AND CIGARETTE PAPERS AND TUBES, WITHOUT PAYMENT FOR USE OF THE UNITED STATES

Par. 5. The authority citation for 27 CFR Part 295 continues to read as follows:


Par. 6. Section 295.45b is revised to read as follows:

§ 295.45b Notice for roll-your-own tobacco.

(a) Product designation. Before removal subject to tax, roll-your-own tobacco must have adequately imprinted on, or on a label securely affixed to, the package, the designation “roll-your-own tobacco” or “cigarette tobacco” or “Tax Class J.”

(b) Product weight. Before removal subject to tax, roll-your-own tobacco must have a clear statement of the actual weight in pounds and ounces of the product in the package. This statement must be adequately imprinted on, or on a label securely affixed to, the package. (Approved by the Office of Management and Budget under control number 1512–0502)
DEPARTMENT OF AGRICULTURE

Forest Service

36 CFR Part 230

Urban and Community Forestry Assistance Program

AGENCY: Forest Service, USDA.

ACTION: Interim final rule.

SUMMARY: The Department is amending regulations on State and private forestry assistance to implement the Urban and Community Forestry Assistance Program as authorized by the Cooperative Forestry Assistance Act of 1978. This law authorizes the Secretary of Agriculture to provide financial, technical, and related assistance to State Foresters or State agencies, and non-profit organizations and individuals for cooperative urban forestry efforts. States are encouraged to provide information and technical assistance to local government units and others to plan urban forestry programs and to protect, maintain, and utilize wood from trees in open spaces, greenbelts, roadside screens, parks, woodlands, and residential developments in urban areas. The Forest Service is providing this assistance through its grants and agreements program.

Just Cause Statement

Because the purpose of this rule is to set forth the authority and identify the guidance used to implement the Urban and Cooperative Forestry Assistance Program and the Urban Resources Partnership initiative, the agency has determined that delay in codifying this rule to allow for a public comment period of a proposed rulemaking is unnecessary and contrary to the public interest. Furthermore, the agency believes that the identification of such authority and guidance is not controversial. Accordingly, this rule is issued as an interim final rule, effective upon the date of publication in the Federal Register. The public may provide comment on this interim final rule during the comment period as noted in the information provided in the DATES and ADDRESSES sections.

Section by Section Description of the Interim Final Rule

Section 230.20 Scope and Authority

Section 9 of the Cooperative Forestry Assistance Act of 1978 authorizes the Forest Service to provide financial, technical, and related assistance to State Foresters or State agencies, and non-profit organizations and individuals, to implement the Urban and Community Forestry Assistance Program. This assistance promotes cooperative efforts to plan urban forestry programs designed to: maintain, expand, and preserve forest and tree cover; expand research and education efforts related to trees and forest cover, enhance technical skills and understanding of tree maintenance and practices involving cultivation of trees, shrubs, and complementary ground covers; and implement a tree planting program to complement urban tree maintenance and open space programs.

The Forest Service, under the authority of the Cooperative Forestry Assistance Act of 1978 and through the Urban and Community Forestry Assistance Program, coordinates financial, technical, and related assistance with the Natural Resources Conservation Service, another agency of the Department of Agriculture, for the Urban Resources Partnership initiative.

Section 230.21 Implementation of the Program

The Urban and Community Forestry Assistance Program is implemented through the Forest Service Grants, Cooperative Agreements, and Other Agreements Program (FSM 1580) and the Grants, Cooperative Agreements, and Other Agreements Handbook (FSH 1509.11), which provide a mechanism for processing grants and cooperative agreements.

In addition, the Forest Service coordinates the financial and technical assistance provided under the Urban Resources Partnership initiative with the Natural Resources Conservation Service. The Urban Resources Partnership initiative is intended to help enhance the Nation’s urban environment and quality of life through the provision of Federal assistance to, and cooperation with, State and local governments, non-profit organizations, and others. Urban Resources Partnership activities are designed to focus on urban natural resource conservation; provide assistance in under-served areas of communities with limited resources; foster intergovernmental coordination and public-private partnerships, and build capacity by local groups in accessing and properly managing Federal financial and resource assistance. The Forest Service and Natural Resources Conservation Service implement the Urban Resources Partnership under the guidance provided in the Urban Resources Partnership National Guidance for U.S. Department of Agriculture Personnel and applicable agency and departmental procedures for Federal grants and agreements.

Comment is invited on this interim rule