monetary system, in the event that precipitous speculation or recycling causes a shortage of one-cent or 5-cent coins, is not insubstantial. Cf. Mobil Oil Corp., 728 F.2d at 1492.

For these reasons, it has also been determined that, pursuant to 5 U.S.C. 553(d)(3), good cause exists to make this interim rule effective immediately.

Although the Secretary of the Treasury has determined that it is necessary to make this interim rule effective immediately, the Department is interested in obtaining input from the public on this matter. The public is therefore invited to submit written comments concerning this interim rule. Within 120 days, the Department of the Treasury will evaluate the public comments and consider other relevant factors before deciding whether to issue a final rule extending or modifying the provisions of this interim rule, or allowing the interim rule to expire without extension.

List of Subjects in 31 CFR Part 82

Administrative practice and procedure, Currency, Penalties.

Authority and Issuance

For the reasons set forth, Chapter 1 of Subtitle B of title 31 of the Code of Federal Regulations is amended by adding part 82 to read as follows:

PART 82—5-CENT AND ONE-CENT COIN REGULATIONS

Sec.
82.1 Prohibitions.
82.2 Exceptions.
82.3 Definitions.
82.4 Penalties.


§ 82.1 Prohibitions.

Except as specifically authorized by the Secretary of the Treasury (or designee) or as otherwise provided in this part, no person shall export, melt, or treat:

(a) Any 5-cent coin of the United States; or
(b) Any one-cent coin of the United States.

§ 82.2 Exceptions.

(a) The prohibition contained in § 82.1 against the exportation of 5-cent coins and one-cent coins of the United States shall not apply to:

(1) The exportation in any one shipment of 5-cent coins and one-cent coins having an aggregate face value of not more than $100 that are to be legitimately used as money or for numismatic purposes. Nothing in this paragraph shall be construed to authorize export for the purpose of sale or resale of coins for melting or treatment by any person.

(2) The exportation of 5-cent coins and one-cent coins having an aggregate face value amount of not more than $5 carried on an individual, or in the personal effects of an individual, departing from a place subject to the jurisdiction of the United States.

(b) The prohibition contained in § 82.1 against the treatment of 5-cent coins and one-cent coins shall not apply to the treatment of these coins for educational, amusement, novelty, jewelry, and similar purposes as long as the volumes treated and the nature of the treatment makes it clear that such treatment is not intended as a means by which to profit solely from the value of the metal content of the coins.

(c)(1) The prohibition contained in § 82.1 against exportation, melting, or treatment of 5-cent coins and one-cent coins of the United States shall not apply to coins exported, melted, or treated under a written license issued by the Secretary of the Treasury (or designee).

(2) Applications for licenses should be transmitted to the Director, United States Mint, 801 9th Street, NW., Washington, DC 20220.

§ 82.3 Definitions.

(a) “5-cent coin of the United States” means a 5-cent coin minted and issued by the Secretary of the Treasury pursuant to 31 U.S.C. 5112(a)(5).

(b) “One-cent coin of the United States” means a one-cent coin minted and issued by the Secretary of the Treasury pursuant to 31 U.S.C. 5112(a)(6).

(c) “Export” means to remove, send, ship, or carry, or to take any action with the intent to facilitate a person’s removing, sending, shipping, or carrying, from the United States or any place subject to the jurisdiction thereof, to any place outside of the United States or to any place not subject to the jurisdiction thereof.

(d) “Person” means any individual, partnership, association, corporation, or other organization, but does not include an agency of the Government of the United States.

(e) “Treat” or “treatment” means to smelt, refine, or otherwise treat by heating, or by a chemical, electrical, or mechanical process.

§ 82.4 Penalties.

(a) Any person who exports, melts, or treats 5-cent coins or one-cent coins of the United States in violation of § 82.1 shall be subject to the penalties specified in 31 U.S.C. 5111(d), including a fine of not more than $10,000 and/or imprisonment of not more than 5 years.

(b) In addition to the penalties prescribed by 31 U.S.C. 5111(d), a person violating the prohibitions of this part may be subject to other penalties provided by law, including 18 U.S.C. 1001(a).

Dated: December 12, 2006.

Edmund C. Moy,
Director, United States Mint.

[FR Doc. 06–9777 Filed 12–15–06; 12:41 pm]
BILLING CODE 4810–02–P

DEPARTMENT OF THE TREASURY

Fiscal Service

31 CFR Part 356

[Docket No. BPD GSRS 06–02]

Sale and Issue of Marketable Book-Entry Treasury Bills, Notes, and Bonds—Customer Confirmation Reporting Requirement Threshold Amount

AGENCY: Bureau of the Public Debt, Fiscal Service, Treasury.

ACTION: Final rule.

SUMMARY: The Department of the Treasury (“Treasury,” “We,” or “Us”) is issuing in final form an amendment to 31 CFR part 356 (Uniform Offering Circular for the Sale and Issue of Marketable Book-Entry Treasury Bills, Notes, and Bonds) that raises the customer confirmation reporting requirement threshold amount from $500 million to $750 million. Beginning on December 31, 2006, any customer awarded a par amount of $750 million or more in a Treasury marketable securities auction must send us a confirmation of its awarded bid(s) by 10 a.m. on the day following the auction. This final rule also clarifies that customer confirmations may now be sent by e-mail as well as by fax or hand delivery.

DATES: Effective Date: January 1, 2007.

SUPPLEMENTARY INFORMATION: The Uniform Offering Circular (UOC), in conjunction with the announcement for each auction, provides the terms and conditions for the sale and issuance in an auction to the public of marketable Treasury bills, notes and bonds. Since 1992 Treasury has required customers awarded a par amount of $500 million or more in a Treasury marketable securities auction to provide a written confirmation of their awarded bids, including the name of the submitter that submitted the bids on their behalf. The confirmation must also include a statement with certain information related to the customer’s net long position. The confirmation must be sent no later than 10 a.m. on the day following the auction. According to the UOC, the confirmation must be in writing and signed by the customer or by an authorized representative. In addition, since November 2005, we have permitted customers to e-mail us their confirmations.

The customer confirmation requirement helps prevent large, false (unauthorized) customer bids from being awarded securities in an auction. On May 3, 2006, Treasury announced that it was contemplating changes to the customer confirmation requirement and cited the fact that the reporting threshold has never been changed despite changes in average auction sizes and transaction volumes. On August 2, 2006, Treasury announced that, beginning on December 31, 2006, the customer confirmation reporting requirement threshold amount will be raised from $500 million or more to $750 million or more. We are raising the threshold amount to reduce the regulatory burden on customers complying with this requirement, since auction offering amounts, on average, are substantially higher than they were when the requirement was first implemented.

We are also adding e-mail into the UOC as an acceptable method for customers to send confirmations. This addition supports our goal of allowing securities auction transactions to be conducted with us electronically whenever possible.

We are not making any changes to the requirement that a submitter or intermediary submitting bids for a customer notify the customer of the confirmation requirement if its auction awards are equal to or greater than the threshold. Also, no change is being made to the information that is required on the confirmation and the deadline for us to receive it.

This final rule will be effective for all marketable Treasury securities auctions occurring after December 31, 2006.

Procedural Requirements

This final rule is not a significant regulatory action for purposes of Executive Order 12866. The notice and public procedures requirements of the Administrative Procedure Act do not apply, under 5 U.S.C. 553(a)(2).

Since a notice of proposed rulemaking is not required, the provisions of the Regulatory Flexibility Act (5 U.S.C. 601 et seq.) do not apply.

The Office of Management and Budget previously approved the collections of information in this final amendment in accordance with the Paperwork Reduction Act under control number 1535–0112. We are not making substantive changes to these requirements that would impose additional burdens on auction bidders.

List of Subjects in 31 CFR Part 356