If you or a third party submit and MMS retains * * *	The Regional Director will release them to the public * * *
(i) Geological data and information.	10 years after MMS issues the permit.
Geophysical data	50 years after MMS issues the permit.
Geophysical information.	25 years after MMS issues the permit.

* * * * *

(3) MMS may allow limited inspection, but only by persons with a direct interest in related MMS decisions and issues in specific geographic areas, and who agree in writing to its confidentiality, of G&G data and information submitted under this part that MMS uses to:

(i) Make unitization determinations on two or more leases;

(ii) Make competitive reservoir determinations;

(iii) Ensure proper plans of development for competitive reservoirs;

(iv) Promote operational safety;

(v) Protect the environment;

(vi) Make field determinations; or

(vii) Determine eligibility for royalty relief.

* * * * *

[FR Doc. 06–3009 Filed 3–29–06; 8:45 am]

BILLING CODE 4310–MR–P

DEPARTMENT OF THE TREASURY

31 CFR Part 103

RIN 1506–AA29

Financial Crimes Enforcement Network; Anti-Money Laundering Programs; Special Due Diligence Programs for Certain Foreign Accounts

AGENCY: Financial Crimes Enforcement Network, Department of the Treasury.

ACTION: Final rule; extension of applicability dates.

SUMMARY: The Financial Crimes Enforcement Network (''FinCEN'') is issuing this final rule extending, in part, the applicability dates of 31 CFR 103.176 and 103.178 for certain covered financial institutions. Those sections require covered financial institutions to establish due diligence procedures for correspondent accounts and private banking accounts that they maintain for non-U.S. persons. This final rule extends, from April 4, 2006 to July 5, 2006, the date on which covered financial institutions must begin to apply the due diligence provisions contained in those sections to new correspondent accounts and new private banking accounts.

DATES: This final rule is effective on March 30, 2006. The revised applicability dates for 31 CFR 103.176 and 103.178 are set forth at 31 CFR 103.176(e)(1) and 103.178(e)(1) of the final rule contained in this document.

FOR FURTHER INFORMATION CONTACT: Regulatory Policy and Programs Division, Financial Crimes Enforcement Network at (800) 949–2732.

SUPPLEMENTARY INFORMATION:

I. Background

On January 4, 2006, we published a final rule [1] implementing section 312 of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism (USA PATRIOT) Act of 2001,[2] which amended the Bank Secrecy Act [3] to add new subsection (i) to 31 U.S.C. 5318. This provision requires each U.S. financial institution that establishes, maintains, administers, or manages a correspondent account or a private banking account in the United States for a non-U.S. person to subject such accounts to certain anti-money laundering measures. In particular, financial institutions must establish appropriate, specific, and, where necessary, enhanced due diligence policies, procedures, and controls that are reasonably designed to enable the financial institution to detect and report instances of money laundering through these accounts.

In addition to the general due diligence requirements, which apply to all correspondent accounts for non-U.S. persons, section 5318(i)(2) specifies additional standards for correspondent accounts maintained for certain foreign banks. These additional standards apply to correspondent accounts maintained for a foreign bank operating under an offshore banking license, under a license issued by a country designated as being non-cooperative with international anti-money laundering principles or procedures by an intergovernmental group or organization of which the United States is a member and with which designation the United States concurs, or under a license issued by a country designated by the Secretary of the Treasury as warranting special measures due to money laundering concerns. A financial institution must take reasonable steps to: (1) Conduct enhanced scrutiny of a correspondent account maintained for or on behalf of such a foreign bank to guard against money laundering and to report suspicious activity; (2) ascertain whether such a foreign bank provides correspondent accounts to other foreign banks and, if so, ascertain the identity of those foreign banks and conduct due diligence as appropriate; and (3) identify the owners of such a foreign bank if its shares are not publicly traded.

Section 5318(i) also sets forth minimum due diligence requirements for private banking accounts for non-U.S. persons. Specifically, a covered financial institution must take reasonable steps to ascertain the identity of the nominal and beneficial owners of, and the source of funds deposited into, private banking accounts, as necessary to guard against money laundering and to report suspicious transactions. The institution must also conduct enhanced scrutiny of private banking accounts requested or maintained for or on behalf of senior foreign political figures, including their family members and their close associates. Such enhanced scrutiny must be reasonably designed to detect and report transactions that may involve the proceeds of foreign corruption.

On February 23, 2006, the Investment Company Institute (''ICI''), the Securities Industry Association (''SIA''), and the Futures Industry Association (''FIA'') [4] submitted letters expressing concern that it will be difficult for their members to implement the due diligence rules for correspondent accounts and private banking accounts by the compliance dates for new accounts in each rule. On March 10, 2006, The Clearing House Association L.L.C. (''The Clearing House'') submitted a letter expressing the same concern on behalf of its member banks.[5] The associations have explained that additional time is needed for their

[1] Anti-Money Laundering Programs; Special Due Diligence Programs for Certain Foreign Accounts, 71 FR 496 (Jan. 4, 2006).

[2] Pub. L. 107–56.

[3] Pub. L. 91–508 (codified as amended at 12 U.S.C. 1829b, 12 U.S.C. 1957–1959, and 31 U.S.C. 5311–5314 and 5316–5332).

[4] The ICI is the national association of the U.S. investment company industry, including 8,554 open-end investment companies (mutual funds), 7,654 closed-end investment companies, 162 exchange-traded funds, and five sponsors of unit investment trusts. The SIA is a trade association whose membership includes more than 600 securities firms, including investment banks, broker-dealers, and mutual fund companies. The FIA describes itself as a principal spokesman for the commodity futures and options industry, with a regular membership composed of approximately 40 of the largest futures commission merchants and approximately 150 associate members representing all segments of the futures industry.

[5] The members of The Clearing House are Bank of America, N.A.; The Bank of New York; Citibank, N.A.; Deutsche Bank Trust Company Americas; HSBC Bank USA, N.A.; JPMorgan Chase Bank, N.A.; LaSalle Bank National Association; UBS AG; U.S. Bank National Association; Wachovia Bank, N.A.; and Wells Fargo Bank, N.A.

members to design, develop, test, and implement procedures, forms, and systems under the new rules. They have requested an additional 90 days for their member organizations to begin applying the due diligence provisions of the final rules to new accounts.[6]

Though banks previously were required to apply the due diligence requirements of section 312 of the USA PATRIOT Act to both foreign correspondent accounts and private banking accounts pursuant to an interim final rule published in July 2002,[7] The Clearing House has explained that the expanded scope of the final rules require substantial systems, forms, and procedural changes by banks, necessitating their request for an additional 90 days.[8] Broker-dealers in securities, futures commission merchants, and introducing brokers in commodities have been required to apply the due diligence requirements of section 312 solely to private banking accounts according to the provisions of an interim final rule.[9] However, as the SIA and FIA explained in their extension request dated February 23, 2006 and further elaborated in a request for guidance dated March 3, 2006, compliance expectations contained in the preamble to the final rule fundamentally change the way that introducing and clearing brokers have been meeting their due diligence obligations, complicating their efforts to comply with even the private banking account provisions of the final rule by April 4, 2006.[10] Mutual funds were excepted from the provisions of the interim final rule, and need an additional 90 days to amend their written anti-money laundering compliance policies and procedures to reflect the new due diligence programs and secure the required board approvals for such amendments.

II. Extension of Applicability Dates for New Accounts

In light of these requests, we believe that it is appropriate to extend the applicability dates by which covered financial institutions must apply the provisions of 31 CFR 103.176 and 103.178 to new accounts. Therefore, according to the amendments set forth in this final rule, covered financial institutions now will have until July 5, 2006 to apply the due diligence provisions in 31 CFR 103.176 and 103.178 to each correspondent account and private banking account established on or after such date.[11] We do not anticipate granting a further extension beyond July 5, 2006 and expect that covered financial institutions thereafter will have established the due diligence programs necessary to comply in full with the final rules implementing section 312.

III. Regulatory Matters

Because this rule simply extends the time by which covered financial institutions must establish due diligence programs in accordance with the requirements of 31 CFR 103.176 and 103.178, we have determined that notice and public procedure are unnecessary pursuant to 5 U.S.C. 553(b)(B) and that delayed effective dates are not required pursuant to 5 U.S.C. 553(d)(1).

We have also determined that this rule is not a significant regulatory action for purposes of Executive Order 12866. Given that no notice of proposed rulemaking is required, the provisions of the Regulatory Flexibility Act[12] do not apply.

List of Subjects in 31 CFR Part 103

Banks and banking, Brokers, Counter money laundering, Counter-terrorism, Currency, Foreign banking, Reporting and recordkeeping requirements.

■ For the reasons set forth in the preamble, 31 CFR part 103 is amended as follows:

PART 103—FINANCIAL RECORDKEEPING AND REPORTING OF CURRENCY AND FOREIGN TRANSACTIONS

■ 1. The authority citation for part 103 continues to read as follows:

Authority: 12 U.S.C. 1829b and 1951–1959; 31 U.S.C. 5311–5314 and 5316–5332; title III, secs. 311, 312, 313, 314, 319, 326, 352, Pub. L. 107–56, 115 Stat. 307.

■ 2. Section 103.176 is amended by revising paragraph (e)(1) to read as follows:

§ 103.176 Due diligence programs for correspondent accounts for foreign financial institutions.

* * * * *

(e) * * *

(1) *General rules*—(i) Correspondent accounts established on or after July 5, 2006. Effective July 5, 2006, the requirements of this section shall apply to each correspondent account established on or after such date.

(ii) Correspondent accounts established before July 5, 2006. Effective October 2, 2006, the requirements of this section shall apply to each correspondent account established before July 5, 2006.

* * * * *

■ 3. Section 103.178 is amended by revising paragraph (e)(1) to read as follows:

§ 103.178 Due diligence programs for private banking accounts.

* * * * *

(e) * * *

(1) *General rules*—(i) Private banking accounts established on or after July 5, 2006. Effective July 5, 2006, the requirements of this section shall apply to each private banking account established on or after such date.

(ii) Private banking accounts established before July 5, 2006. Effective October 2, 2006, the requirements of this section shall apply to each private banking account established before July 5, 2006.

* * * * *

[6] See Anti-Money Laundering Programs Special Due Diligence Programs for Certain Foreign Accounts, 71 FR 496 (Jan. 4, 2006) (requiring compliance with the due diligence provisions of the correspondent banking and private banking rules beginning April 4, 2006 for correspondent accounts and private banking accounts established by a U.S. financial institution on or after April 4, 2006).

[7] See Anti-Money Laundering Programs; Special Due Diligence Programs for Certain Foreign Accounts, 67 FR 48348 (July 23, 2002) (interim final rule subjecting depository institutions to the due diligence provisions of section 312 of the USA PATRIOT Act for correspondent accounts and private banking accounts, and subjecting broker-dealers, futures commission merchants, and introducing brokers in commodities to the private banking account provisions of section 312, until relevant final rules were adopted).

[8] The Clearing House wrote that the definition of ''foreign financial institution'' in the final rule will require banks to make substantial systems and program changes to capture, for example, certain foreign money services businesses, for which banks previously had not been required to establish due diligence programs under section 312. The Clearing House additionally noted that the adoption of the statutory definition of ''correspondent account'' in the final rule necessitates similar substantial changes. Finally, the Clearing House expressed that analysis and changes will be required to comply with the due diligence requirements of the private banking account rule, as requirements of that rule now have been clarified.

[9] See id. Broker-dealers in securities, futures commission merchants, introducing brokers in commodities, and mutual funds previously were not required to apply the due diligence requirements of section 312 of the USA PATRIOT Act to correspondent accounts.

[10] The ICI, SIA, and FIA additionally noted that elements of the final rules, as they specifically relate to the securities and futures industries, have caused confusion among those industries, complicating efforts to establish the required due diligence programs. For example, treatment of customers underlying omnibus and intermediated relationships under both the correspondent account and private banking rules is an issue that has been described as particularly complicated.

[11] In the interim, covered financial institutions are expected to comply with the special applicability rules in 31 CFR 103.176(e) and 178(e), which are intended to ensure consistency with the requirements of the interim final rule until the general applicability dates of the final rules are triggered.

[12] 5 U.S.C. 601 et seq.

Dated: March 24, 2006.

Robert W. Werner,

Director, Financial Crimes Enforcement Network.

[FR Doc. 06–3045 Filed 3–29–06; 8:45 am]

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DEPARTMENT OF THE TREASURY

Office of Foreign Assets Control

31 CFR Parts 550, 590, and 591

Libyan Sanctions Regulations, Angola (UNITA) Sanctions Regulations, Rough Diamonds (Liberia) Sanctions Regulations

AGENCY: Office of Foreign Assets Control, Treasury.

ACTION: Final rule.

SUMMARY: The Treasury Department's Office of Foreign Assets Control is removing from the Code of Federal Regulations the Libyan Sanctions Regulations, the Angola (UNITA) Sanctions Regulations, and the Rough Diamonds (Liberia) Sanctions Regulations, as a result of the termination of the national emergencies, and revocation of the Executive orders, on which those regulations were based.

DATES: *Effective Date:* March 30, 2006.

FOR FURTHER INFORMATION CONTACT: Assistant Director, Policy, Office of Foreign Assets Control, tel.: 202/622–4855, or Chief Counsel (Foreign Assets Control), Office of the General Counsel, Department of the Treasury, tel.: 202/622–2410 (not toll free numbers).

SUPPLEMENTARY INFORMATION:

Electronic and Facsimile Availability

This file is available for download without charge in ASCII and Adobe Acrobat readable (*.PDF) formats at GPO Access. GPO Access supports HTTP, FTP, and Telnet at *fedbbs.access.gpo.gov.* It may also be accessed by modem dialup at 202/512–1387 followed by typing ''/GO/FAC.'' Paper copies of this document can be obtained by calling the Government Printing Office at 202/512–1530. This document and additional information concerning the programs of the Office of Foreign Assets Control are available for downloading from the Office's Internet Home Page: *http://www.treas.gov/ofac,* or via FTP at *ofacftp.treas.gov.* Facsimiles of information are available through the Office's 24-hour fax-on-demand service: Call 202/622–0077 using a fax machine, fax modem, or (within the United States) a touch-tone telephone.

Background

On May 6, 2003, the President issued Executive Order 13298 (68 FR 24857, May 8, 2003), terminating the national emergency declared in Executive Order 12865 of September 26, 1993, with respect to the actions and policies of the National Union for the Total Independence of Angola (''UNITA'') and revoking Executive Orders 12865, 13069, and 13098. In terminating the national emergency, the President chose to end all blocking of any assets previously blocked under the Angola (UNITA) Sanctions Regulations.

On September 20, 2004, the President issued Executive Order 13357 (69 FR 56665, September 22, 2004), terminating the national emergency declared in Executive Order 12543 of January 7, 1986, with respect to the actions and policies of the Government of Libya and revoking Executive Orders 12543, 12544, 12801, and 12538. In terminating the national emergency, the President chose to end all blocking of any assets previously blocked under the Libyan Sanctions Regulations.

Executive Order 13357 superseded a series of general licenses and amendments thereof, effective February 26, 2004, April 2, 2004, April 23, 2004, and August 6, 2004, which had authorized certain travel-related and residence-related transactions, as well as certain new transactions with Libya. The text of these licenses is available on the Office of Foreign Assets Control Web site at: *http://www.treas.gov/offices/enforcement/ofac/sanctions/sanctguide-libya.shtml.*

Please note that certain transactions involving the Government of Libya, including entities owned or controlled by the Government of Libya, remain subject to the Terrorism List Governments Sanctions Regulations, 31 CFR part 596.

On January 15, 2004, the President issued Executive Order 13324 (69 FR 2823, January 20, 2004), terminating the national emergency declared with respect to the illicit trade in diamonds from Sierra Leone and Liberia and revoking Executive Orders 13194 and 13213. Please note that the President issued Executive Order 13448 on July 27, 2004, declaring a national emergency with respect to the actions and policies of former Liberian President Charles Taylor and other persons. This order, which remains in effect, blocks the assets of, and prohibits transactions with, these and other subsequently-designated persons.

In addition, on July 29, 2003, the President issued Executive Order 13312, implementing the Clean Diamond Trade Act, Pub. L. 108–19, and the Kimberly Process Certification Scheme for rough diamonds. Executive Order 13312 prohibits, subject to certain Presidential waiver authorities, the importation into, and exportation from, the United States of any rough diamonds, from whatever source, not controlled through the Kimberly Process Certification Scheme. To implement Executive Order 13312, the Office of Foreign Assets Control (''OFAC'') issued interim regulations, effective July 30, 2003, under 31 CFR part 592, Rough Diamonds Control Regulations (68 Fed. Reg. 45777, August 4, 2003); on September 23, 2004, OFAC issued the final Rough Diamonds Control Regulations (69 Fed. Reg. 56936, September 23, 2004). As a result of these actions, all controls on rough diamonds are contained in 31 CFR part 592, Rough Diamonds Control Regulations.

Accordingly, OFAC is removing the Libyan Sanctions Regulations, 31 CFR part 550, the Angola (UNITA) Sanctions Regulations, 31 CFR part 590, and the Rough Diamonds (Liberia) Sanctions Regulations, 31 CFR part 591. Removal of these parts does not affect ongoing enforcement proceedings or prevent the initiation of enforcement proceedings where the relevant statute of limitations has not run.

Executive Order 12866, Administrative Procedure Act, Regulatory Flexibility Act, and Paperwork Reduction Act

Because the Libyan Sanctions Regulations, Angola (UNITA) Sanctions Regulations, and Rough Diamonds (Liberia) Sanctions Regulations involve a foreign affairs function, the provisions of Executive Order 12866 and the Administrative Procedure Act (5 U.S.C. 553) requiring notice of proposed rulemaking, opportunity for public participation, and delay in effective date are inapplicable. Because no notice of proposed rulemaking is required for this rule, the Regulatory Flexibility Act (5 U.S.C. 601–612) does not apply.

The Paperwork Reduction Act does not apply because this rule does not impose information collection requirements that would require the approval of the Office of Management and Budget under 44 U.S.C. 3501 *et seq.*

List of Subjects

31 CFR Part 550

Administrative practice and procedure, Banks, Banking, Currency, Foreign investments in United States, Foreign trade, Libya, Penalties, Reporting and recordkeeping requirements, Securities, Travel restrictions.