

The Paperwork Reduction Act does not apply because the 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 501

Administrative practice and procedure, Banks, Banking, Blocking of assets, Foreign trade, Licensing, Penalties, Reporting and recordkeeping requirements, Sanctions.

31 CFR Part 575

Administrative practice and procedure, Banks, Banking, Blocking of assets, Exports, Foreign trade, Humanitarian aid, Imports, Iran, Iraq, Oil imports, Penalties, Petroleum, Petroleum products, Reporting and recordkeeping requirements, Sanctions, Specially designated nationals, Terrorism, Travel restrictions.

31 CFR Part 597

Administrative practice and procedure, Banks, Banking, Blocking of assets, Foreign terrorist organizations, Penalties, Reporting and recordkeeping requirements, Sanctions, Terrorism, Transfer of Assets.

31 CFR Part 598

Administrative practice and procedure, Banks, Banking, Blocking of assets, Narcotics trafficking, Penalties, Reporting and recordkeeping requirements, Sanctions, Significant foreign narcotics traffickers, Specially designated narcotics trafficker, Transfer of Assets.

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

PART 501—REPORTING, PROCEDURES AND PENALTIES REGULATIONS

■ 1. The authority citation for part 501 continues to read as follows:

Authority: 18 U.S.C. 2332d; 21 U.S.C. 1901–1908; 22 U.S.C. 287c; 22 U.S.C. 2370(a); 31 U.S.C. 321(b); 50 U.S.C. 1701–1706; 50 U.S.C. App. 1–44; Pub. L. 101–410, 104 Stat. 890 (28 U.S.C. 2461 note); E.O. 9193, 7 FR 5205, 3 CFR, 1938–1943 Comp., p. 1174; E.O. 9989, 13 FR 4891, 3 CFR, 1943–1948 Comp., p. 748; E.O. 12854, 58 FR 36587, 3 CFR, 1993 Comp., p. 614.

Subpart D—Trading With the Enemy Act (TWEA) Penalties

■ 2. Section 501.701 is amended by revising paragraph (a)(3) to read as follows:

§ 501.701 Penalties

(a) * * *

(3) The Secretary of the Treasury may impose a civil penalty of not more than \$65,000 per violation on any person who violates any license, order, or regulation issued under TWEA.

Note to paragraph (a)(3). The current \$65,000 civil penalty cap may be adjusted for inflation pursuant to the Federal Civil Penalties Inflation Adjustment Act of 1990.

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PART 575—IRAQI SANCTIONS REGULATIONS

■ 1. The authority citation for part 575 continues to read as follows:

Authority: 3 U.S.C. 301; 18 U.S.C. 2332d; 22 U.S.C. 287c; Pub. L. 101–410, 104 Stat. 890 (28 U.S.C. 2461 note); 31 U.S.C. 321(b); 50 U.S.C. 1601–1651, 1701–1706; Pub. L. 101–513, 104 Stat. 2047–2055 (50 U.S.C. 1701 note); E.O. 12722, 55 FR 31803, 3 CFR, 1990 Comp., p. 294; E.O. 12724, 55 FR 33089, 3 CFR, 1990 Comp., p. 297; E.O. 12817, 57 FR 48433, 3 CFR, 1992 Comp., p. 317; E.O. 13290, 68 FR 14307, March 20, 2003.

Subpart G—Penalties

■ 2. Section 575.701 is amended by revising paragraph (a) introductory text and paragraph (a)(1) to read as follows:

§ 575.701 Penalties.

(a) Section 586E of the Iraq Sanctions Act of 1990 (Public Law 101–513, 104 Stat. 2049; 50 U.S.C. 1701 note), as adjusted pursuant to the Federal Civil Penalties Inflation Adjustment Act of 1990 (Public Law 101–410, as amended, 28 U.S.C. 2461 note), provides that, notwithstanding section 206 of the International Emergency Economic Powers Act (50 U.S.C. 1705) and section 5(b) of the United Nations Participation Act of 1945 (22 U.S.C. 287c(b)):

(1) A civil penalty of not to exceed \$325,000 per violation may be imposed on any person who, after the enactment of this Act, violates or evades or attempts to violate or evade Executive Order Number 12722, 12723, 12724, or 12725, or any license, order, or regulation issued under any such Executive Order;

Note to paragraph (a)(1). The current \$325,000 civil penalty cap may be adjusted for inflation pursuant to the Federal Civil Penalties Inflation Adjustment Act of 1990.

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PART 597—FOREIGN TERRORIST ORGANIZATIONS SANCTIONS REGULATIONS

■ 1. The authority citation for part 597 is revised to read as follows:

Authority: 31 U.S.C. 321(b); Pub. L. 101–410, 104 Stat. 890 (28 U.S.C. 2461 note); Pub. L. 104–132, 110 Stat. 1214, 1248–53 (8 U.S.C. 1189, 18 U.S.C. 2339B).

Subpart G—Penalties

■ 2. Section 597.701 is amended by revising paragraph (b) to read as follows:

§ 597.701 Penalties.

* * * * *

(b) Attention is directed to 18 U.S.C. 2339B(b), as added by Public Law 104–132, 110 Stat. 1250–1253, section 303, which, as adjusted pursuant to the Federal Civil Penalties Inflation Adjustment Act of 1990 (Pub. L. 101–410, as amended, 28 U.S.C. 2461 note), provides that, except as authorized by the Secretary of the Treasury, any financial institution that knowingly fails to retain possession of or maintain control over funds in which a foreign terrorist organization or its agent has an interest, or to report the existence of such funds in accordance with these regulations, shall be subject to a civil penalty in an amount that is the greater of \$55,000 per violation, or twice the amount of which the financial institution was required to retain possession or control.

Note to paragraph (b). The current \$55,000 civil penalty cap may be adjusted for inflation pursuant to the Federal Civil Penalties Inflation Adjustment Act of 1990.

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PART 598—FOREIGN NARCOTICS KINGPIN SANCTIONS REGULATIONS

■ 1. The authority citation for part 598 continues to read as follows:

Authority: 3 U.S.C. 301; 21 U.S.C. 1901–1908; 31 U.S.C. 321(b); Pub. L. 101–410, 104 Stat. 890 (28 U.S.C. 2461 note).

Subpart G—Penalties.

■ 2. Section 598.701 is amended by revising paragraph (a) introductory text and paragraph (a)(3) to read as follows:

§ 598.701 Penalties.

(a) Attention is directed to section 807 of the Foreign Narcotics Kingpin Designation Act, which is applicable to violations of the provisions of any license, rule, or regulation issued by or pursuant to the direction or authorization of the Secretary of Treasury pursuant to this part or otherwise under that Act. Section 807 of the Foreign Narcotics Kingpin Designation Act, as adjusted pursuant to the Federal Civil Penalties Inflation Adjustment Act of 1990 (Public Law