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**FOR FURTHER INFORMATION CONTACT:** Steven Toporoff, (202) 326-3135, Division of Marketing Practices, Room 288, Bureau of Consumer Protection, Federal Trade Commission, 600 Pennsylvania Avenue, NW., Washington, DC 20580.

**SUPPLEMENTARY INFORMATION:** On April 12, 2006, the Commission published a Notice of Proposed Rulemaking in connection with a Business Opportunity Rule. In that Notice, the Commission solicited comment on a variety of topics including the proposed definitions, the scope of the proposed Rule, and the proposed disclosures and prohibitions. The Notice stated that the period for submitting initial comments would close on June 16, 2006, and that the period for submitting rebuttal comments would close on July 7, 2006.

On May 5, 2006, the Commission received a letter from the Direct Selling Association (“DSA”) requesting that the Commission extend the comment period for 90 days. DSA asserts that the proposed Rule “could have a dramatic negative impact on the direct selling community.” DSA, however, does not identify any specific provision of the proposed Rule that might have such an effect, nor does it advance any other facts from which the Commission can assess DSA’s claim that, in effect, it would need a total of five months to formulate its comment. Without a more detailed and persuasive explanation as to why the petitioner needs so much more time, the Commission is not persuaded that such an extension is justified in view of the need to avoid unnecessary delay in this proceeding.

The Commission believes that a 30-day extension should be sufficient to enable DSA and all other commenters to prepare and submit comments in response to the proposed Rule. Accordingly, the Commission has determined to extend the comment period set forth in the Notice until July 17, 2006, for initial comments and until August 7, 2006, for rebuttal comments.

By direction of the Commission.

**Donald S. Clark,**  
*Secretary.*

[FR Doc. E6-8546 Filed 5-31-06; 8:45 am]

**BILLING CODE 6750-01-P**

## DEPARTMENT OF ENERGY

### Federal Energy Regulatory Commission

#### 18 CFR Parts 366, 367, 368, 369 and 375

[Docket No. RM06-11-000]

#### Financial Accounting, Reporting and Records Retention Requirements Under the Public Utility Holding Company Act of 2005

May 19, 2006.

**AGENCY:** Federal Energy Regulatory Commission, DOE.

**ACTION:** Notice of Proposed Rulemaking; Notice of Change in Date for Technical Conference.

**SUMMARY:** On April 21, 2006, the Commission issued Notice of Proposed Rulemaking in the above-docketed proceeding concerning Financial Accounting, Reporting and Records Retention Requirements Under the Public Utility Holding Company Act of 2005. (71 FR 28464 (2006)). The Commission is rescheduling the date of the technical conference which is being held pursuant to the directives of the April 24, 2006, Notice of Proposed Rulemaking.

**DATES:** The conference previously scheduled for June 21, 2006 is rescheduled for July 11, 2006.

**FOR FURTHER INFORMATION CONTACT:** Julia A. Lake, Office of the General Counsel—Energy Markets and Reliability, Federal Energy Regulatory Commission, 888 First Street, NE., Washington, DC 20426. (202) 502-8370. [julia.lake@ferc.gov](mailto:julia.lake@ferc.gov).

**SUPPLEMENTARY INFORMATION:**

On April 21, 2006, the Federal Energy Regulatory Commission (Commission) announced a staff technical conference in the above-referenced proceeding to be held at the Federal Energy Regulatory Commission, 888 First Street, NE., Washington, DC 20426 in the Commission Meeting Room on June 21, 2006, from 9 a.m. until 4:30 p.m. EDT. This conference has now been rescheduled for July 11, 2006. All interested persons are invited to attend. There is no registration fee to attend.

The purpose of the conference remains the same. It is to identify the issues associated with the proposed Uniform System of Accounts for Centralized Service Companies, the proposed records retention requirements for holding companies and service companies, and the revised Form No. 60. The technical conference will develop information for use by

Commission staff in preparing a final rule in this proceeding.

Interested persons wishing to participate in the technical conference are asked to notify Commission staff electronically at <https://www.ferc.gov/whats-new/registration/uso-06-21-speaker-form.asp> by June 15, 2006.

Prospective attendees and participants are urged to watch for further notices; a detailed agenda will be issued in advance of the conference.

FERC conferences and meetings are accessible under section 508 of the Rehabilitation Act of 1973. For accessibility accommodations please send an e-mail to [accessibility@ferc.gov](mailto:accessibility@ferc.gov) or call toll free (866) 208-3372 (voice) or (202) 502-8659 (TTY), or send a fax to (202) 208-2106 with the required accommodations.

Questions about the conference should be directed to: Julia A. Lake, Office of the General Counsel—Energy Markets and Reliability, Federal Energy Regulatory Commission, 888 First Street, NE., Washington, DC 20426. (202) 502-8370. [julia.lake@ferc.gov](mailto:julia.lake@ferc.gov).

**Magalie R. Salas,**

*Secretary.*

[FR Doc. 06-4999 Filed 5-31-06; 8:45 am]

**BILLING CODE 6717-01-P**

## DEPARTMENT OF HOMELAND SECURITY

### Bureau of Customs and Border Protection

## DEPARTMENT OF THE TREASURY

### 19 CFR Part 12

[USCBP-2006-0020]

RIN 1505-AB68

#### Entry of Certain Cement Products From Mexico Requiring a Commerce Department Import License

**AGENCY:** Customs and Border Protection (DHS); Treasury.

**ACTION:** Notice of proposed rulemaking.

**SUMMARY:** This document proposes to amend title 19 of the Code of Federal Regulations to set forth special requirements for the entry of certain cement products from Mexico requiring a United States Department of Commerce import license. The cement products in question are those listed in the Agreement on Trade in Cement, entered into between the Office of the United States Trade Representative, the United States Department of Commerce, and Mexico’s Secretaria de Economia,

on March 6, 2006. The changes proposed in this document require an importer to submit to Customs and Border Protection (CBP) an import license number on the entry summary (CBP Form 7501), as well as a valid Mexican export license with the entry documentation, for any cement product for which the United States Department of Commerce requires an import license under its cement licensing and import monitoring program.

**DATES:** Comments must be received on or before June 21, 2006.

**ADDRESSES:** You may submit comments, identified by *docket number*, by one of the following methods:

- Federal eRulemaking Portal: <http://www.regulations.gov>. Follow the instructions for submitting comments via docket number USCBP-2006-0020.

- Mail: Trade and Commercial Regulations Branch, Office of Regulations and Rulings, Bureau of Customs and Border Protection, 1300 Pennsylvania Avenue, NW. (Mint Annex), Washington, DC 20229.

*Instructions:* All submissions received must include the agency name and docket number for this rulemaking. All comments received will be posted without change to <http://www.regulations.gov>, including any personal information provided. For detailed instructions on submitting comments and additional information on the rulemaking process, see the "Public Participation" heading of the **SUPPLEMENTARY INFORMATION** section of this document.

*Docket:* For access to the docket to read background documents or comments received, go to <http://www.regulations.gov>. Submitted comments may also be inspected during regular business days between the hours of 9 a.m. and 4:30 p.m. at the Office of Regulations and Rulings, Bureau of Customs and Border Protection, 799 9th Street, NW., 5th Floor, Washington, DC. Arrangements to inspect submitted comments should be made in advance by calling Mr. Joseph Clark at (202) 572-8768.

**FOR FURTHER INFORMATION CONTACT:** Alice Buchanan, Office of Field Operations, Tel: (202) 344-2697.

**SUPPLEMENTARY INFORMATION:**

**Public Participation**

Interested persons are invited to participate in this rulemaking by submitting written data, views, or arguments on all aspects of the proposed rule. Customs and Border Protection (CBP) also invites comments that relate to the economic, environmental, or federalism effects that

might result from this proposed rule. Comments that will provide the most assistance to CBP in developing these procedures will reference a specific portion of the proposed rule, explain the reason for any recommended change, and include data, information, or authority that supports such recommended change.

**Background**

*I. Agreement on Trade in Cement*

On March 6, 2006, the Office of the United States Trade Representative (USTR), the United States Department of Commerce (Commerce), and the Ministry of Economy of the United Mexican States (Secretaria de Economia) signed a bilateral Trade in Cement Agreement (Agreement) concerning trade in cement between the United States and Mexico. The Agreement applies only to cement from Mexico as defined in Section I.L. of the Agreement. A copy of the Agreement is available on the Commerce Web site: <http://www.ia.ita.doc.gov/download/mexico-cement/cement-final-agreement.pdf>.

The Agreement calls for the settlement or suspension of litigation in multiple disputes before the North American Free Trade Agreement (NAFTA) and World Trade Organization (WTO) panels, and for a compromise to claims on antidumping duties currently subject to administrative review. To assist in rebuilding efforts in the Gulf Coast, the Agreement also sets forth geographical quantitative restrictions whereby an annual 3 million metric ton export limit is apportioned to eight defined sub-regions of the United States. Lastly, the Agreement requires the creation of an Export Licensing Program by Mexico and an Import Licensing Program by Commerce to further enforce these quantitative restrictions. The Agreement is scheduled to expire on March 31, 2009, provided that it has not been terminated before that date. See Section XI.A. of the Agreement.

*II. Proposed Department of Commerce Regulations*

The International Trade Administration of the Department of Commerce has just published in the **Federal Register** a proposed rule that would establish a cement licensing and import monitoring program as directed under the terms of the Agreement.

Commerce's proposed rule would prescribe a web-based registration system for cement importers by which cement import licenses will be issued to registered importers, customs brokers or their agents through an automatic cement import licensing system. Once

registered, an importer or broker will submit the required license application information electronically to Commerce, and the system will then automatically issue a cement import license number for inclusion on the entry summary documentation filed with CBP.

Under the Commerce proposal, all importers of Mexican cement covered by the Agreement will be required to obtain a cement import license and to provide the license information (*i.e.*, the import license number) to CBP on the entry summary (CBP Form 7501). Similarly, importers will be required to include the import license number on the application for admission and/or status designation into a Foreign Trade Zone (FTZ) on CBP Form 214 at the time of filing. Both the entry summary and FTZ filings must be paper filings. The proposed Commerce regulations also would require importers of the subject commodity to submit a valid Mexican export license to CBP together with the entry summary documentation.

A cement import license will be required for every entry summary of covered cement products. It is noted, however, that a single import license may cover multiple products so long as the importer, exporter, manufacturer, first unaffiliated customer, final destination of the product, and country of origin and exportation are the same for all the merchandise. If any of the above information differs with respect to a given set of covered imported cement products, a separate import license will be required for that merchandise. As a result, a single CBP entry summary may require more than one cement import license.

*III. Proposed Amendments to Title 19 of the Code of Federal Regulations*

Primary responsibility for the cement product import licensing and monitoring rests with the Secretary of Commerce. The Secretary of the Treasury, through CBP, is responsible for the promulgation and administration of regulations regarding making entry of the subject merchandise into the United States. Accordingly, this document proposes to amend title 19 of the Code of Federal Regulations (19 CFR) to provide an appropriate regulatory basis for the collection of the required cement trade data in accordance with the proposed regulatory standards promulgated by the Department of Commerce.

The proposed changes to 19 CFR set forth in this document consist of the addition of a new § 12.155 (19 CFR 12.155) which requires the inclusion of a cement import license number on the entry summary (CBP Form 7501), and

the submission of a valid Mexican export license with the entry summary documentation, in any case in which a cement import license is required pursuant to the terms set forth in 19 CFR 360.201(d). Additionally, all shipments of covered Mexican cement into a FTZ will require an import license prior to the filing of the FTZ admission documents. The license must be reported on the application for FTZ admission and/or status designation (CBP Form 214) at the time of filing. There is no requirement to present physical copies of the import license forms at the time of submitting the CBP Forms 7501 or 214; however, parties must maintain copies in accordance with CBP's applicable recordkeeping requirements. In the case of the export license, the original must be submitted to CBP with the entry summary documentation. For multiple shipments at multiple ports, or multiple entries at a single port, the original Mexican export license must be presented to CBP with the first entry summary and a copy of the export license must be presented with each subsequent entry summary.

The requirement to submit the import license number to CBP on the CBP Form 7501 will go into effect when the final rule adopting this proposal becomes effective.

Failure to timely provide the required cement import license number to CBP will constitute a breach of the terms of the importer's bond under § 113.62 of title 19 of the CFR (19 CFR 113.62) and could give rise to a claim for liquidated damages under the bond equal to the value of the merchandise involved in the default.

#### Comments

Submitted comments will be available for public inspection in accordance with the Freedom of Information Act (5 U.S.C. 552) and § 103.11(b) of title 19 of the CFR (19 CFR 103.11(b)), on regular business days between the hours of 9 a.m. and 4:30 p.m. at the Trade and Commercial Regulations Branch, Office of Regulations and Rulings, Customs and Border Protection, 799 9th St., NW., Washington, DC. Arrangements to inspect submitted documents should be made in advance by calling Mr. Joseph Clark at (202) 572-8768.

#### The Regulatory Flexibility Act and Executive Order 12866

Pursuant to the provisions of the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*), it is certified that, if adopted, the proposed amendment will not have a significant economic impact on a substantial number of small entities. CBP believes that the proposed

amendment, which involves the addition of only one data element to an existing required CBP form, will have a negligible impact on importer operations. Accordingly, the proposed amendment is not subject to the regulatory analysis or other requirements of 5 U.S.C. 603 and 604. Further, these proposed amendments do not meet the criteria for a "significant regulatory action" as specified in E.O. 12866.

#### Paperwork Reduction Act

The collections of information in the current regulations have already been approved by the Office of Management and Budget (OMB) in accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3507) and assigned OMB control number 1515-0065 (entry summary and continuation sheet) and OMB control number 1515-0086 (Application for foreign trade zone admission and/or status designation). This rule does not involve any material change to the existing approved information collection. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection of information displays a valid control number assigned by OMB.

#### Signing Authority

This document is being issued in accordance with 19 CFR 0.1(a)(1).

#### List of Subjects in 19 CFR Part 12

Bonds, Customs duties and inspection, Entry of merchandise, Imports, Prohibited merchandise, Reporting and recordkeeping requirements, Restricted merchandise.

#### Proposed Amendment to the Regulations

For the reasons stated above, it is proposed to amend part 12 of title 19 of the Code of Federal Regulations (19 CFR part 12) as set forth below.

#### PART 12—SPECIAL CLASSES OF MERCHANDISE

1. The authority citation for part 12 continues to read in part as follows:

**Authority:** 5 U.S.C. 301; 19 U.S.C. 66, 1202 (General Note 3(i), Harmonized Tariff Schedule of the United States (HTSUS)), 1624;

\* \* \* \* \*

2. A new center heading and new § 12.155 are added to read as follows:

#### Mexican Cement Products

##### § 12.155 Entry or admission of Mexican cement products.

(a) *In general.* On March 6, 2006, the United States Trade Representative,

United States Department of Commerce and Mexico's Secretaria de Economia entered into an "Agreement on Trade in Cement" (Agreement). Pursuant to the Agreement, the United States Department of Commerce will administer an import licensing system that covers imports of Mexican cement as defined in section I.L. of the Agreement. The Secretary of the Treasury, through the Bureau of Customs and Border Protection (CBP), is responsible for the promulgation and administration of regulations regarding making entry of the subject merchandise into the United States. The Agreement will terminate on March 31, 2009, unless it has been terminated prior to that date.

(b) *Reporting the import license number.* For every entry of merchandise for which a Mexican cement import license is required to be obtained under regulations promulgated by the U.S. Department of Commerce, set forth at 19 CFR 360.201-205, the entry (unless otherwise directed by CBP), must be a paper filing, and the license number must be included:

(1) On the entry summary (CBP Form 7501), at the time of filing, in the case of merchandise entered or withdrawn from warehouse for consumption, in the custom territory of the United States; or

(2) On CBP Form 214, at the time of filing under part 146 of this chapter, in the case of merchandise admitted into a foreign trade zone.

(c) *Recordkeeping.* There is no requirement to present physical copies of the import license to CBP at the time of filing the CBP Form 7501 or CBP Form 214; however copies must be maintained in accordance with the applicable recordkeeping provisions set forth in the chapter.

(d) *Export license information.* Under regulations promulgated by the U.S. Department of Commerce, set forth at 19 CFR 360.201(d), importers of Mexican cement must submit a valid Mexican export license to CBP with the entry summary documentation. For multiple shipments at multiple ports, or multiple entries at one port, the original physical copy of the Mexican export license must be submitted to CBP with the first entry summary and a copy of the export license must be presented with each subsequent entry summary.

(e) The provisions set forth in this section are applicable for as long as the Agreement remains in effect.

**Deborah J. Spero,**

*Acting Commissioner, Bureau of Customs and Border Protection.*

Approved: May 25, 2006.

**Timothy E. Skud,**

*Deputy Assistant Secretary of the Treasury.*

[FR Doc. E6-8500 Filed 5-31-06; 8:45 am]

BILLING CODE 9111-14-P

## DEPARTMENT OF THE TREASURY

### Internal Revenue Service

#### 26 CFR Part 1

[REG-111578-06]

RIN 1545-BF56

#### Computer Software Under Section 199(c)(5)(B)

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

**ACTION:** Notice of proposed rulemaking by cross-reference to temporary regulations and notice of public hearing.

**SUMMARY:** In the Rules and Regulations section of this issue of the **Federal Register**, the IRS is issuing temporary regulations concerning the application of section 199 of the Internal Revenue Code, which provides a deduction for income attributable to domestic production activities, to certain transactions involving computer software. The text of those regulations also serves as the text of these proposed regulations. This document also provides notice of a public hearing on these proposed regulations.

**DATES:** Written or electronic comments must be received by August 30, 2006. Outlines of topics to be discussed at the public hearing scheduled for Tuesday, August 29, 2006, must be received by August 8, 2006.

**ADDRESSES:** Send submissions to: CC:PA:LPD:PR (REG-111578-06), Room 5203, Internal Revenue Service, POB 7604, Ben Franklin Station, Washington, DC 20044. Submissions may be hand delivered Monday through Friday between the hours of 8 a.m. and 4 p.m. to: CC:PA:LPD:PR (REG-111578-06), Courier's Desk, Internal Revenue Service, 1111 Constitution Avenue, NW., Washington, DC, or sent electronically, via the IRS Internet site at <http://www.irs.gov/regs> or via the Federal eRulemaking Portal at <http://www.regulations.gov> (IRS-REG-111578-06). The public hearing will be held in the IRS Auditorium, Internal

Revenue Building, 1111 Constitution Avenue, NW., Washington, DC.

**FOR FURTHER INFORMATION CONTACT:**

Concerning the regulations, Paul Handleman or Lauren Ross Taylor, (202) 622-3040; concerning submission of comments, the hearing, and/or to be placed on the building access list to attend the hearing, Richard A. Hurst, (202) 622-7180 (not toll-free numbers).

**SUPPLEMENTARY INFORMATION:**

**Background**

Temporary regulations in the Rules and Regulations section of this issue of the **Federal Register** amend the Income Tax Regulations (26 CFR part 1) relating to section 199. The temporary regulations provide guidance under section 199 for taxpayers providing computer software to customers for the customers' direct use while connected to the Internet. The text of those regulations also serves as the text of these proposed regulations. The preamble to the temporary regulations explains the amendments.

**Special Analyses**

It has been determined that this notice of proposed rulemaking is not a significant regulatory action as defined in Executive Order 12866. Therefore, a regulatory assessment is not required. It also has been determined that section 553(b) of the Administrative Procedure Act (5 U.S.C. chapter 5) does not apply to these regulations, and because the regulations do not impose a collection of information on small entities, the Regulatory Flexibility Act (5 U.S.C. chapter 6) does not apply. Pursuant to section 7805(f) of the Internal Revenue Code, this notice of proposed rulemaking will be submitted to the Chief Counsel for Advocacy of the Small Business Administration for comment on their impact on small business.

**Comments and Public Hearing**

Before these proposed regulations are adopted as final regulations, consideration will be given to any written comments (a signed original and eight (8) copies) or electronic comments that are submitted timely to the IRS. Comments are requested on all aspects of the proposed regulations. In addition, the IRS and Treasury Department specifically request comments on the clarity of the proposed rules and how they can be made easier to understand. All comments will be available for public inspection and copying.

A public hearing has been scheduled for Tuesday, August 29, 2006, at 10 a.m. in the IRS Auditorium, Internal Revenue Building, 1111 Constitution Avenue, NW., Washington, DC. Due to building

security procedures, visitors must enter at the Constitution Avenue entrance. In addition, all visitors must present photo identification to enter the building. Because of access restrictions, visitors will not be admitted beyond the immediate entrance area more than 30 minutes before the hearing starts. For information about having your name placed on the building access list to attend the hearing, see the **FOR FURTHER INFORMATION CONTACT** section of this preamble.

The rules of 26 CFR 601.601(a)(3) apply to the hearing.

Persons who wish to present oral comments at the hearing must submit electronic or written comments and an outline of the topics to be discussed and the time to be devoted to each topic (a signed original and eight (8) copies) by August 8, 2006. A period of 10 minutes will be allotted to each person for making comments. An agenda showing the scheduling of the speakers will be prepared after the deadline for receiving outlines has passed. Copies of the agenda will be available free of charge at the hearing.

**Drafting Information**

The principal authors of these regulations are Paul Handleman and Lauren Ross Taylor, Office of Associate Chief Counsel (Passthroughs and Special Industries), IRS. However, other personnel from the IRS and Treasury Department participated in their development.

**List of Subjects in 26 CFR Part 1**

Income taxes, Reporting and recordkeeping requirements.

**Proposed Amendments to the Regulations**

Accordingly, 26 CFR part 1 is proposed to be amended as follows:

**PART 1—INCOME TAXES**

**Paragraph 1.** The authority citation for part 1 continues to read, in part as follows:

**Authority:** 26 U.S.C. 7805 \* \* \*  
Section 1.199-3 also issued under 26 U.S.C. 199(d). \* \* \*  
Section 1.199-8 also issued under 26 U.S.C. 199(d). \* \* \*

**Par. 2.** Section 1.199-3 is amended to read as follows:

**§ 1.199-3 Domestic production gross receipts.**

[The text of the amendments to this proposed section is the same as the text of § 1.199-3T published elsewhere in this issue of the **Federal Register**.]

**Par. 3.** Section 1.199-8 is amended to read as follows: