From: "Rill, Dale" <dale.rill@honeywell.com>
To: PublicComments@bis.doc.gov
Date: Tue, Feb 8, 2011 7:54 AM
Subject: "RIN 0694-AF03"

February 7, 2011

U.S. Department of Commerce

Regulatory Policy Division

Bureau of Industry and Security

Room 2705

Washington, DC 20230

Subject: Export control Modernization: Strategic Trade Authorization License Exception, RIN 0694-AF03

Honeywell International Inc. submits the following comments in support of the subject proposed rule entitled "Strategic Trade Authorization (STA) License Exception"

Honeywell supports the Administration's efforts to modernize the U.S. export control system. While the proposed Strategic Trade Authorization license exception (STA) appears to be a positive step to modernize U.S. export controls, this exception needs to be examined in light of the parallel effort to create a new "Tiered"- based control system. Simply put, the proposed STA exception needs to be examined in light of the proposed Tier-Based system (which has not been published yet) to determine its effectiveness. For example, Honeywell believes that the STA exception could facilitate exports of many technologies related to gas turbine engines, but the precise impact (positive or negative) cannot be known until we see the proposed Tier list.

Eligibility for the STA exception should be considered for certain items controlled in CCL Category 7 - Navigation and Avionics when controlled for MT reasons, if/when intended for export to the first group 37 countries. The exception could be considered and applied to certain avionics required for or in support of safety of flight and limited to bona fide civil operators and OEMs.

* Certain hardware could be considered Tier 2 Controlled and eligible for license exception "STA" exports to first group 37 countries

* Certain technologies for the production or development of items controlled in Category 7 could be considered as Tier 1 Controlled (i.e., items that are critical to maintaining a military advantage for the United States and almost exclusively available from the United States)

In addition to comments on the scope of the proposed STA exception, the following comments focus on specific aspects of the proposed rule:

Burden of paperwork and recordkeeping requirements

It appears that the STA recordkeeping requirements as set forth in Part 740.20(d) would be relatively easy to manage and not impose a burden on the exporter or eligible foreign recipient (or licensee). However, there is a need for clarification regarding Part 740.20(d)(vi) and when copies of all documentation are required to be provided to the U.S. Government as set forth on 15 CFR 762.7.

Deemed exports and applicability of STA

Honeywell believes the use of license exception "STA" would be useful for deemed exports required in furtherance of certain activities and related exports to Honeywell foreign subsidiary employees.

In conclusion, Honeywell appreciates the opportunity to provide comments of the proposed STA licensing exception and the Administration's efforts to promote export control reform.

Regards,

Dale Rill

Director, International Trade

Export Control & Compliance

Honeywell International Inc.

Ph: 202-662-2641

Fax: 202-662-2665

CC: Margaret.Magill@honeywell.com; Douglas.Perry2@honeywell.com