11. User assistance is available for eLibrary and the Commission's Web site during normal business hours. For assistance, please contact Online Support at 1–866–208–3676 (e-mail at *FERCOnlineSupport@ferc.gov*), or the Public Reference Room at (202) 502–8371, TTY (202) 502–8659 (e-mail at *public.referenceroom@ferc.gov*).

VII. Effective Date and Congressional Notification

12. The provisions of 5 U.S.C. 801 regarding Congressional review of final rules do not apply to this final rule, because the rule concerns agency procedure and practice and will not substantially affect the rights of non-agency parties.

13. These regulations are effective on August 11, 2010. The Commission finds that notice and public comments are unnecessary because this rule concerns only agency procedure or practice. Therefore, the Commission finds good cause to waive the notice period otherwise required before the effective date of a final rule.

List of Subjects in 18 CFR Part 376

Civil defense, Organization and functions (Government agencies).

By the Commission.

Nathaniel J. Davis, Sr.,

Deputy Secretary.

■ In consideration of the foregoing, the Commission amends part 376, chapter I, title 18, Code of Federal Regulations, as follows:

PART 376—ORGANIZATION, MISSION, AND FUNCTIONS; COMMISSION OPERATION DURING EMERGENCY CONDITIONS

■ 1. The authority citation for part 376 continues to read as follows:

Authority: 5 U.S.C. 553; 42 U.S.C. 7101–7352; E.O. 12009, 3 CFR 1978 Comp., p. 142.

■ 2. In § 376.209, paragraphs (c)(11) and (12) are revised and paragraph (c)(13) is added to read as follows:

§ 376.209 Procedures during periods of emergency requiring activation of the Continuity of Operations Plan.

* * * * *

(c) * * *

(11) 30-day period for acting on requests for rehearing;

(12) Time periods for acting on interlocutory appeals and certified questions; and

(13) 90-day period for acting on applications requesting relief from, or reinstatement of, an electric utility's mandatory purchase obligation pursuant to section 210(m) of the Public Utility Regulatory Policies Act of 1978.

* * * * *

[FR Doc. 2010–19779 Filed 8–10–10; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF STATE

22 CFR Part 62

RIN 1400–AC15

[Public Notice: 7114]

Exchange Visitor Program—Trainees and Interns

AGENCY: United States Department of State.

ACTION: Final rule.

SUMMARY: On June 19, 2007, the Department published an interim final rule amending its regulations regarding Trainees and Interns to, among other things, eliminate the distinction between "non-specialty occupations" and "specialty occupations," establish a new internship program, and modify the selection criteria for participation in a training program.

This document confirms the Interim Final Rule as final and amends the requirements to permit the use of telephone interviews to screen potential participants for eligibility, to remove the requirement that sponsors secure a Dun & Bradstreet report profiling companies with whom a participant will be placed and also amends this provision to provide clarification regarding the verification of Worker's Compensation coverage for participants and use of an Employer Identification Number to ascertain that a third-party host organization providing training is a viable entity, and to clarify that trainees and interns may repeat training and internship programs under certain conditions.

DATES: Effective September 10, 2010 this document confirms as final with changes, the interim final rule (E7–11703) published on June 19, 2007 (72 FR 33669).

FOR FURTHER INFORMATION CONTACT: Stanley S. Colvin, Deputy Assistant Secretary for Private Sector Exchange, U.S. Department of State, SA–5, 2200 C Street, NW., 5th Floor, Washington, DC 20522–0505; or e-mail at *JExchanges@state.gov.*

SUPPLEMENTARY INFORMATION: The Department published a Notice of Proposed Rulemaking (NPRM) on April 7, 2006 (71 FR 17768), followed by the Interim Final Rule on June 19, 2007. Having thoroughly reviewed the comments received, the Department has determined that it will, and hereby does, adopt the Interim Final Rule with minor amendments to four regulatory provisions to provide greater specificity regarding the selection, screening, placement and monitoring of trainee and intern participants.

Analysis of Comments

The Interim Final Rule addressed almost 1,600 comments received in response to the NPRM. Subsequently, the Department received a total of 120 comments involving multiple provisions of the Interim Final Rule. Of this total, 79 responses were identical form letters encouraged through a writing campaign directed by a third party organization that opposed the exclusion of trainees or interns from the field of veterinary sciences. As explained in both the proposed and interim final rules, the Department, as a matter of long established policy does not support use of the J–1 visa for clinical patient care including veterinary medicine. The sole exception to this policy are foreign medical graduates entering the United States for the purpose of graduate medical education of training. The activities undertaken by Foreign Medical Graduates (FMG) are specifically authorized by statute (The Mutual Educational and Cultural Exchange Act, as amended by the Health Care Professions Act, Pub. L. 94–484). The remaining 41 responses were from Exchange Visitor Program sponsors and the general public. The commenting parties addressed the following issues:

One comment was received recommending that the trainee and intern categories be separated into two distinct categories and one comment proposed a moratorium on all training programs. These two comments are beyond the scope of the Interim Rule in that such action was not proposed, nor is it current practice.

Six comments were received regarding § 62.22(b)(1), all of which were opposed to the requirement that internships must be related to the students' fields of study; these comments recommended that the Department eliminate this requirement. The Department has determined that for participants to benefit from the Exchange Visitor Program, it is essential that their training and internship programs be in their fields of study, and that they are adequately advanced in their chosen career fields to benefit from program participation. Otherwise, the risk exists that persons participating in these internships could be seen as a source of labor, rather than interns

gaining hands-on experience in their chosen career fields. This aspect of this rulemaking is intended to correct potential deficiencies in this exchange category identified by the United States Government Accountability Office's (GAO) October 2005 report entitled, "Stronger Action Needed to Improve Oversight and Assess Risks of the Summer Work and Travel and Trainee Categories of the Exchange Visitor Program." With respect to the importance of being adequately advanced in a career field, as an example, the Department questions whether an undergraduate with less than two semesters' credit in the field of education is sufficiently advanced in his or her field to engage in a classroom-based internship. Generally, it is common practice in the United States higher education community to pursue such experience during one's junior or senior year of study. Accordingly, the Department makes no change to the current requirement that students participating in an internship do so in their fields of study. Participants with insufficient academic preparation have been viewed as potential replacements for American workers rather than bona fide interns by the Government Accountability Office, as the activity is, or cannot be distinguished from ordinary work. Trainees and interns are therefore necessarily excluded from participation until such time as they have acquired sufficient education to justify this valuable experiential learning opportunity designed to further an established career track rather than to provide temporary employment to the non-immigrant alien. Further, and of particular concern to the Department is the past practice of placing participants as counter help in quick service restaurants or other counter service positions. The Department has found that training and internship placement plans submitted for these visitors are either questionable or in fact not adhered to by the third party host organizations. The Department finds that counter help positions are unskilled and casual labor. Placement of participants in these positions are prohibited as they are not suitable placements for interns and trainees and are seen as extended Summer Work Travel programs, and may bring the Department and the Exchange Visitor Program into notoriety and disrepute due to the potential displacement of American workers.

Fifteen (15) comments were received regarding § 62.22(d)(1). This regulation requires sponsors to ensure that trainees and interns have verifiable English language skills sufficient to function on a day-to-day basis in a training or internship environment. English language proficiency should, necessarily, be verified by a recognized English language test, by signed documentation from an academic institution or English language school, or through a measurable process (*i.e.,* an interview conducted by the sponsor in person, or by video conference). All comments suggested that telephone interviews also be permitted, as such telephonic interviewing is widely utilized in the business environment and deemed both reliable and sufficient. Noting that video conferencing is not as prevalent in some countries as in the United States, the Department agrees that use of telephone interviews is appropriate only if the availability of video conferencing is not available. The Department anticipates that sponsors will pursue diligently the video conferencing approach and will use telephone interviews as a secondary or tertiary method of determining English language proficiency. The text of § 62.22(d)(1) has been amended accordingly. The Department notes that many sponsors have already adopted this practice. Regardless of how the interview is conducted, sponsors' conclusions regarding English language proficiency must be documented and such information maintained by the sponsor in either documentary or electronic format for a three-year period following the completion of the exchange visitor's exchange program as stipulated in 22 CFR 62.10(h).

Fourteen (14) comments were received regarding § 62.22(d)(2), all of which opposed an eligibility requirement that trainees possess a degree or professional certificate from a foreign post-secondary academic institution and at least one year of prior related work experience in their occupational field acquired outside the United States, or, in the alternative, five years of work experience outside the United States in their occupational field. These comments recommended that two years of work experience, rather than five, be required. Two additional comments recommended that trainees should be eligible to participate in a training program directly following graduation rather than after obtaining a year of experience. The Department takes administrative notice of the GAO October 2005 report referenced above. This report highlighted the potential for the Trainee Program to be misused as an employment program, suggesting that negative experiences for exchange participants could undermine the public diplomacy underpinnings of the program. The Department's acceptance of these concerns prompted an overhaul of regulations governing the Trainee category and the publication of the NPRM followed by the Interim Final Rule that has been in effect since July 19, 2007. The Interim Final Rule eliminated the "non-specialty" and "specialty" categorizations of training activities, establishing in its place a "trainee," "intern" and "student intern" category, with participant eligibility requirements to ensure that the programs in these categories operate as intended and are not abused. With the benefit of two years of experience with these requirements, the Department finds that the Interim Final Rule eligibility requirements have addressed GAO concerns regarding program abuse; therefore, the Department sees no need to modify these requirements.

Nine (9) comments were received regarding § 62.22(f)(2)(vi), which requires that training and internship program sponsors certify that training and internship programs in the field of agriculture conform with the requirements of the Fair Labor Standards Act, as amended, and the Migrant and Seasonal Agricultural Worker Protection Act, as amended. The Department finds that these comments offered no compelling reason why agricultural training and internship programs should not meet the statutory protections afforded all workers in the United States. Thus, the Department has determined that this requirement is necessary to ensure the appropriate protections and treatment of foreign nationals, and makes no modification to these requirements.

One comment was received regarding § 62.22(g)(3)(i), the screening and vetting of host organizations. This comment opposed the collection of Dun & Bradstreet Identification Numbers. The requirement of a Dun & Bradstreet number was proposed to help the Department ensure the bona fides of a potential third party provider with whom sponsors contract for exchange visitor program-related services, or with whom they place program participants. The Department has examined further this interim requirement for a Dun & Bradstreet number and has determined that the potential financial and resource implications, to be borne by designated sponsors outweigh the utility of the report for oversight purposes. Accordingly, the Department has removed this requirement in the final rule.

A comment was received opposing site visits of host organizations by sponsors. The Department takes this

opportunity to again draw attention to the sponsor's responsibility to ensure that host organizations for trainees and interns possess and maintain both the ability and resources to provide structured and guided training or internship programs. Thus, site visits will be required for host organizations that have not previously participated successfully in the sponsor's training and internship programs if such organizations have fewer than 25 employees or less than three million dollars in annual revenue. The Department has determined that these requirements are a reasonable methodology to ensure that foreign nationals participating in these programs are being placed with employers capable of providing the training or internship experience that has been offered to the trainee or intern participant and documented on the required Training/Internship Placement Plan (Form DS–7002). This approach further helps to ensure that any training provider is properly motivated to participate in an experiential learning public diplomacy based activity and is not motivated by the desire for a temporary worker to meet transient labor needs. In addition, this requirement directly addresses GAO concerns. The Department makes no change to this rule.

Six comments were received relating to activities that are excluded from the training and internship programs as set forth at § 62.22(j)(1). These comments requested clarification of the meaning of "social work" and "medical social work" and whether both activities are excluded from training and internship programs. In addition, two comments proposed allowing supervised clinical activities. With the exception of the Alien Physician category, and as a matter of policy and long-standing practice, the Department finds that clinical-based activities fall outside the purview of the Exchange Visitor Program. Given this policy, the rule prohibits training or internship programs that involve "clinical" activities, i.e. those activities by definition or actual practice that involve or require direct patient contact. Thus, occupational fields as classified by the Department of Education's Classification of Instructional Programs (CIP) codes that fall under Public Administration and Social Service Professions (*i.e.,* youth services) will be permitted while occupational fields that fall under the Health Professions and Related Clinical Sciences classification of the CIP codes (*i.e.,* clinical/medical social work, hairdressers, dental services, nursing, veterinary medicine and services, etc.) are prohibited and no changes to the current interim regulation are being made.

Two (2) comments were received regarding the duration of internship program participation § 62.22(k) and nine (9) comments were received opposing the change in the program length of agriculture training programs from 18 months to 12 months. All 11 comments requested that the program length of training and internship programs be set at 18 months duration, as previously allowed under the now defunct "non-specialty" category for training programs. Mindful of the expertise of the GAO, and desiring to address criticism raised in no less than three GAO reports regarding the potential misuse of the Exchange Visitor Program for work purposes, the Department has determined that 12 months permits sufficient time to pursue a training program in the field of agriculture. Before entering the United States to participate in an agricultural training program, trainees must already have either a degree or professional certificate from a foreign post-secondary academic institution and at least one year of prior related work experience in their occupational field acquired outside the United States; or in the alternative, five years of work experience in their occupational field outside the United States. Thus, this level of expertise further supports the Department's view that 12 months provides an appropriate length of program participation and the Department makes no change to the rule.

Two comments were received opposing the provisions governing the eligibility of intern and trainee participants and their potential participation in additional internship and training programs, § 62.22(n). These requirements were adopted to ensure that the objectives of the Exchange Visitor Program are met (*i.e.,* that participants receive training that will advance their chosen career fields, that interns complete their education and return to their home country with enhanced skills, and that the Exchange Visitor Program is not utilized for ordinary work purposes). To meet these policy objectives, the rule at § 62.22(n) is amended to clearly permit foreign nationals to participate in additional internship programs as long as the participant maintains full-time student status, (*i.e.,* changes to a higher educational level, or begins a new internship program within 12 months of graduation). The Department concludes that this clarification augments the pool of potential participants and is desirable as a matter of policy.

Fourteen (14) comments were received regarding the certifications required on the Training/Internship Placement Plan (Form DS–7002). The Department acknowledges concerns raised regarding sponsor obligations to screen host organizations and has added a field to the Form DS–7002 that will collect the Employer Identification Number (EIN). The Department has ascertained that each state has adopted differing requirements for Workers' Compensation Insurance coverage. Accordingly, § 62.22(g) has been amended to require sponsors to verify the existence of either a Workers' Compensation Insurance Policy, equivalent coverage, or if applicable, evidence of state exemption from the requirement of coverage.

The regulatory language governing the duration of a training or internship program has been amended to clarify the inherent expectation that sponsors administer their programs in accordance with their letter of designation or most recent letter of redesignation. This language will ensure that the trainee or intern is fully aware of the expectations of their program identified in the outlined Training/Internship Placement Plan (T/IPP). Twelve-month training programs in the field of agriculture may not be extended to 18 months by adding six months of classroom participation and studies at the end of the original 12-month program duration. The six months of related classroom participation and studies must have been part of the trainee's original T/IPP.

Finally, the Department published a notice in the **Federal Register** on July 11, 2008, (73 FR 40008) which announced the termination of flight training from the Exchange Visitor Program as of June 1, 2010. The section which governed flight training regulations has been removed from the final rule. Current flight training sponsors continue to have obligations to their exchange visitors pursuant to 22 CFR 62.63, and they must fulfill their responsibilities to all exchange visitors who are in the United States until the individual's exchange program is completed.

Administrative Procedure Act

The Department originally published this rulemaking as a Proposed Rule, with a 60-day comment period. 71 FR 17768 (April 7, 2006). The Department received almost 1,600 comments in response to the NPRM, and incorporating many of the comments received into an Interim Final Rule and again solicited public comment (72 FR

33669 (June 19, 2007)). In response, the Department received and analyzed 120 comments. Certain suggestions identified above are incorporated in this Final Rule. The Department of State is of the opinion that the Exchange Visitor Program is a foreign affairs function of the United States Government and that regulations implementing this function are exempt from the provisions of 5 U.S.C. 553. This rulemaking process has been conducted without prejudice as to whether it involves a foreign affairs function of the United States exempt from the requirements of 5 U.S.C. 553 and without prejudice as to whether the Department may invoke that exemption in other contexts.

Unfunded Mandates Reform Act of 1995

This rule will not result in the expenditure by state, local, and tribal governments, in the aggregate, or by the private sector, of $1 million or more in any year, and it will not significantly or uniquely affect small governments. Therefore, no actions were deemed necessary under the provisions of the Unfunded Mandates Reform Act of 1995, 2 U.S.C. 1501–1504.

Small Business Regulatory Enforcement Fairness Act of 1996

This Final Rule has been found not to be a major rule within the meaning of the Small Business Regulatory Enforcement Fairness Act of 1996. *See* 5 U.S.C. 804(2). This rule will not result in an annual effect on the economy of $100 million or more; a major increase in costs or prices for consumers, individual industries, federal, state, or local government agencies, or geographic regions; or significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic and export markets.

Executive Orders 12372 and 13132

This rule will not have a substantial effect on the states, the relationship between the national government and the states, or on the distribution of power and responsibilities among the various levels of government. Therefore, it is determined that this Final Rule does not have sufficient federalism implications to warrant application of the consultation provisions of Executive Orders 12372 and 13132.

Regulatory Flexibility Act

In its promulgation of the Interim Final Rule at 72 FR at page 33673, the Department certified that the proposed changes to the regulations were not expected to have a significant economic impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act, 5 U.S.C. 601–612, and Executive Order 13272, section 3(b). As discussed above, the Department is of the opinion that this Final Rule is exempt from the provisions of 5 U.S.C. 553, and no other law requires the Department of State to give notice of proposed rulemaking, and accordingly this proposed rule is not subject to the requirements of the Regulatory Flexibility Act. However, the Department has examined the potential impact of this final rule on small entities. Entities conducting student exchange programs are classified under code number 6117.10 of the North American Industry Classification System. Some 5,573 for profit and tax exempt entities are listed as falling within this classification. Of this total number of so-classified entities, 1,226 are designated by the Department of State as sponsors of an exchange visitor program, designated as such to further the public diplomacy mission of the Department and U.S. Government through the conduct of exchange visitor programs. Of these 1,226 Department designated entities, 933 are academic institutions and 293 are for profit or tax exempt entities. Of the 293 for profit or tax exempt entities designated by the Department, 131 have annual revenues of less than $7 million thereby falling within the purview of the Regulatory Flexibility Act. Of these 131 entities with revenues of less than $7 million, 50 are either an internship or a training program. Eight large, *i.e.* state universities are designated to conduct training and or intern based exchange activities. No state, local or tribal governments are designated training or intern sponsors. Although, as stated above, the Department is of the opinion that the Exchange Visitor Program is a foreign affairs function of the United States Government and, as such, that this final rule is exempt from the rulemaking provisions of § 553 of the Administrative Procedure Act, given the demonstrated lack of impact of this rule, discussed immediately below to the small entities conducting student exchange programs noted above, the Department has determined that this proposed rule will not have a significant economic impact on a substantial number of small entities.

The Department notes that these regulations have been in place since June 2007 and that no entity designated to conduct training and intern programs has identified an additional cost of compliance, involving either money or manpower. The Department has been unable to identify any such additional cost as well, thus the Department certifies this Rule as not having a significant economic impact on its designated sponsoring organizations.

The Department's certification concerning impact on small entities is made without prejudice as to whether this rulemaking involves a foreign affairs function of the United States exempt from the Regulatory Flexibility Act, as the Department believes it is, and without prejudice as to whether the Department may invoke that exemption in any other context.

Executive Order 12866

The Department of State does not consider this rule to be a "significant regulatory action" under Executive Order 12866, section 3(f), Regulatory Planning and Review. The Department is of the opinion that the Exchange Visitor Program is a foreign affairs function of the United States Government and that rules governing the conduct of this function are exempt from the requirements of Executive Order 12866. However, the Department has nevertheless reviewed this proposed regulation to ensure its consistency with the regulatory philosophy and principles set forth in that Executive Order.

Training and Internship exchange programs conducted under the authorities of the Fulbright-Hays Act promote mutual understanding by providing exchange visitors in their academic or occupational fields through participation in structured and guided work-based training and internship programs and to improve participants' knowledge of American techniques, methodologies, and technology. Upon their return home, these students and participants enrich their schools and communities with different perspectives of U.S. culture and events, providing local communities with new and diverse perspectives. Training and internship exchanges also foster enduring relationships and lifelong friendships which help build longstanding ties between the people of the United States and other countries. Though the benefits of these exchanges to the United States and its people cannot be monetized, the Department is nonetheless of the opinion that these benefits outweigh the costs associated with this final rule. The final rule does not impose any additional costs, but does eliminate the cost associated with sponsor staff researching and identifying Dun and Bradstreet numbers as currently required by 22 CFR 62.22(g)(3)(i). The Department

calculates that the elimination of this requirement provides a net savings to sponsors of $140,000 (7,000 staff hours × $20 per hour).

Executive Order 12988

The Department has reviewed this Final Rule in light of Sections 3(a) and 3(b)(2) of Executive Order 12988 to eliminate ambiguity, minimize litigation, establish clear legal standards, and reduce burden.

Executive Order 13175—Consultation and Coordination With Indian Tribal Governments

The Department has determined that this rulemaking will not have tribal implications, will not impose substantial direct compliance costs on Indian tribal governments, and will not pre-empt tribal law. Accordingly, the requirements of Section 5 of Executive Order 13175 do not apply to this rulemaking.

Paperwork Reduction Act

The information collection requirements contained in this rulemaking (Form DS–7002) have been approved by the Office of Management and Budget pursuant to the Paperwork Reduction Act, 44 U.S.C. Chapter 35, under OMB Control Number 1405–0170, expiration date: 07/31/2012.

List of Subjects in 22 CFR Part 62

Cultural exchange programs, Reporting and recordkeeping requirements.

■ Accordingly, the interim final rule published on June 19, 2007 (72 FR 33669), amending 22 CFR part 62 confirmed as final with the following changes:

PART 62—EXCHANGE VISITOR PROGRAM

■ 1. The Authority citation for part 62 is revised to read as follows:

Authority: 8 U.S.C. 1101(a)(15)(J), 1182, 1184, 1258; 22 U.S.C. 1431–1442, 2451 *et seq.;* Foreign Affairs Reform and Restructuring Act of 1998, Pub. L. 105–277, Div. G, 112 Stat. 2681 *et seq.;* Reorganization Plan No. 2 of 1977, 3 CFR, 1977 Comp. p. 200; E.O. 12048 of March 27, 1978; 3 CFR, 1978 Comp. p. 168; the Illegal Immigration Reform and Immigrant Responsibility Act (IIRIRA) of 1996, Pub. L. 104–208, Div. C, 110 Stat. 3009–546, as amended; Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (USA PATRIOT ACT) (Pub. L. 107–56), Section 416, 115 Stat. 354; and the Enhanced Border Security and Visa Entry Reform Act of 2002, Pub. L. 107–173; 116 Stat. 543.

■ 2. Section 62.22 is revised to read as follows:

§ 62.22 Trainees and Interns.

(a) *Introduction.* These regulations govern Exchange Visitor Programs under which foreign nationals with significant experience in their occupational field have the opportunity to receive training in the United States in such field. These regulations also establish a new internship program under which foreign national students and recent graduates of foreign post-secondary academic institutions have the opportunity to receive training in the United States in their field of academic study. These regulations include specific requirements to ensure that both trainees and interns receive hands-on experience in their specific fields of study/expertise and that they do not merely participate in work programs. Regulations dealing with training opportunities for certain foreign students who are studying at post-secondary accredited educational institutions in the United States are located at § 62.23 ("College and University Students"). Regulations governing alien physicians in graduate medical education or training are located at § 62.27 ("Alien Physicians").

(b) *Purpose.* (1)(i) The primary objectives of the programs offered under these regulations are to enhance the skills and expertise of exchange visitors in their academic or occupational fields through participation in structured and guided work-based training and internship programs and to improve participants' knowledge of American techniques, methodologies, and technology. Such training and internship programs are also intended to increase participants' understanding of American culture and society and to enhance Americans' knowledge of foreign cultures and skills through an open interchange of ideas between participants and their American associates. A key goal of the Fulbright-Hays Act, which authorizes these programs, is that participants will return to their home countries and share their experiences with their countrymen.

(ii) Exchange Visitor Program training and internship programs must not be used as substitutes for ordinary employment or work purposes; nor may they be used under any circumstances to displace American workers. The requirements in these regulations for trainees are designed to distinguish between *bona fide* training, which is permitted, and merely gaining additional work experience, which is not permitted. The requirements in these regulations for interns are designed to distinguish between a period of work-based learning in the intern's academic field, which is permitted (and which requires a substantial academic framework in the participant's field), and unskilled labor, which is not.

(2) In addition, a specific objective of the new internship program is to provide foreign nationals who are currently enrolled full-time and pursuing studies at a degree- or certificate-granting post-secondary academic institution or graduated from such an institution no more than 12 months prior to their exchange visitor program begin date a period of work-based learning to allow them to develop practical skills that will enhance their future careers. Bridging the gap between formal education and practical work experience and gaining substantive cross-cultural experience are major goals in educational institutions around the world. By providing training opportunities for current foreign students and recent foreign graduates at formative stages of their development, the U.S. Government will build partnerships, promote mutual understanding, and develop networks for relationships that will last through generations as these foreign nationals move into leadership roles in a broad range of occupational fields in their own societies. These results are closely tied to the goals, themes, and spirit of the Fulbright-Hays Act.

(c) *Designation.* (1) The Department may, in its sole discretion, designate as sponsors those entities it deems to meet the eligibility requirements set forth in Subpart A of 22 CFR part 62 and to have the organizational capacity successfully to administer and facilitate training and internship programs.

(2) Sponsors must provide training and internship programs only in the occupational category or categories for which the Department has designated them as sponsors. The Department may designate training and internship programs in any of the following occupational categories:

(i) Agriculture, Forestry, and Fishing;

(ii) Arts and Culture;

(iii) Construction and Building Trades;

(iv) Education, Social Sciences, Library Science, Counseling and Social Services;

(v) Health Related Occupations;

(vi) Hospitality and Tourism;

(vii) Information Media and Communications;

(viii) Management, Business, Commerce and Finance;

(ix) Public Administration and Law; and

(x) The Sciences, Engineering, Architecture, Mathematics, and Industrial Occupations.

(d) *Selection criteria.* (1) In addition to satisfying the general requirements set forth in § 62.10(a), sponsors must ensure that trainees and interns have verifiable English language skills sufficient to function on a day-to-day basis in their training environment. Sponsors must verify an applicant's English language proficiency through a recognized English language test, by signed documentation from an academic institution or English language school, or through a documented interview conducted by the sponsor either in-person or by videoconferencing, or by telephone if videoconferencing is not a viable option.

(2) Sponsors of training programs must verify that all potential trainees are foreign nationals who have either a degree or professional certificate from a foreign post-secondary academic institution and at least one year of prior related work experience in their occupational field acquired outside the United States or five years of work experience in their occupational field acquired outside the United States.

(3) Sponsors of internship programs must verify that all potential interns are foreign nationals who are currently enrolled full-time and pursuing studies in their advanced chosen career field at a degree- or certificate-granting post-secondary academic institution outside the United States or graduated from such an institution no more than 12 months prior to their exchange visitor program begin date.

(e) *Issuance of Forms DS–2019.* In addition to the requirements set forth in Subpart A, sponsors must ensure that:

(1) They do not issue Forms DS–2019 to potential participants in training and internship programs until they secure placements for trainees or interns and complete and secure requisite signatures on Form DS–7002, Training/Internship Placement Plan (T/IPP);

(2) Trainees and interns have sufficient finances to support themselves for their entire stay in the United States, including housing and living expenses; and

(3) The training and internship programs expose participants to American techniques, methodologies, and technology and expand upon the participants' existing knowledge and skills. Programs must not duplicate the participants' prior work experience or training received elsewhere.

(f) *Obligations of training and internship program sponsors.* (1) Sponsors designated by the Department to administer training and internship programs must:

(i) Ensure that trainees and interns are appropriately selected, placed, oriented, supervised, and evaluated;

(ii) Be available to trainees and interns (and host organizations, as appropriate) to assist as facilitators, counselors, and information resources;

(iii) Ensure that training and internship programs provide a balance between the trainees' and interns' learning opportunities and their contributions to the organizations in which they are placed;

(iv) Ensure that the training and internship programs are full-time (minimum of 32 hours a week); and

(v) Ensure that any host organizations and third parties involved in the recruitment, selection, screening, placement, orientation, evaluation for, or the provision of training and internship programs are sufficiently educated on the goals, objectives, and regulations of the Exchange Visitor Program and adhere to all regulations set forth in this Part as well as all additional terms and conditions governing Exchange Visitor Program administration that the Department may from time to time impose.

(2) Sponsors must certify that they or any host organization acting on the sponsor's behalf:

(i) Have sufficient resources, plant, equipment, and trained personnel available to provide the specified training and internship program;

(ii) Provide continuous on-site supervision and mentoring of trainees and interns by experienced and knowledgeable staff;

(iii) Ensure that trainees and interns obtain skills, knowledge, and competencies through structured and guided activities such as classroom training, seminars, rotation through several departments, on-the-job training, attendance at conferences, and similar learning activities, as appropriate in specific circumstances;

(iv) Conduct periodic evaluations of trainees and interns, as set forth in § 62.22(l);

(v) Do not displace full- or part-time or temporary or permanent American workers or serve to fill a labor need and ensure that the positions that trainees and interns fill exist primarily to assist trainees and interns in achieving the objectives of their participation in training and internship programs; and

(vi) Certify that training and internship programs in the field of agriculture meet all the requirements of the Fair Labor Standards Act, as amended (29 U.S.C. 201 *et seq.*) and the Migrant and Seasonal Agricultural Worker Protection Act, as amended (29 U.S.C. 1801 *et seq.*).

(3) Sponsors or any third parties acting on their behalf must complete thorough screening of potential trainees or interns, including a documented interview conducted by the sponsor either in-person or by videoconferencing, or by telephone if videoconferencing is not a viable option.

(4) Sponsors must retain all documents referred to in § 62.22(f) for at least three years following the completion of all training and internship programs. Documents and any requisite signatures may be retained in either hard copy or electronic format.

(g) *Use of third parties.* (1) *Sponsors use of third parties.* Sponsors may engage third parties (including, but not limited to host organizations, partners, local businesses, governmental entities, academic institutions, and other foreign or domestic agents) to assist them in the conduct of their designated training and internship programs. Such third parties must have an executed written agreement with the sponsor to act on behalf of the sponsor in the conduct of the sponsor's program. This agreement must outline the obligations and full relationship between the sponsor and third party on all matters involving the administration of their exchange visitor program. A sponsor's use of a third party does not relieve the sponsor of its obligations to comply with and to ensure third party compliance with Exchange Visitor Program regulations. Any failure by any third party to comply with the regulations set forth in this Part or with any additional terms and conditions governing Exchange Visitor Program administration that the Department may from time to time impose will be imputed to the sponsors engaging such third party.

(2) *Screening and vetting third parties operating outside the United States.* Sponsors must ascertain that third parties operating outside the United States are legitimate entities within the context of their home country environment. For third parties that operate as businesses, sponsors must obtain relevant home country documentation, such as a business registration or certification. Such home country documentation must include an English Language translation for any business registration or certification documents submitted in a foreign language. Written agreements between sponsors and third parties operating outside the United States must include annually updated price lists for training and internship programs offered by each third party, and must indicate that such

overseas third parties are sufficiently trained in all aspects of the programs they represent, including the regulations set forth in this Part.

(3) *Screening and vetting host organizations.* Sponsors must adequately screen all potential host organizations at which a trainee or intern will be placed by obtaining the following information:

(i) Employer Identification Number (EIN) used for tax purposes;

(ii) Third party verification of telephone number, address, and professional activities, *e.g.,* via advertising, brochures, Web site, and/or feedback from prior participants; and

(iii) Verification of Worker's Compensation Insurance Policy or equivalent in each state or, if applicable, evidence of state exemption from requirement of coverage.

(4) *Site visits of host organizations.* Sponsors must conduct site visits of host organizations that have not previously participated successfully in the sponsor's training and internship programs and that have fewer than 25 employees or less than three million dollars in annual revenue. Placements at academic institutions or at federal, state, or local government offices are specifically excluded from this requirement. The purpose of the site visits is for the sponsors to ensure that host organizations possess and maintain the ability and resources to provide structured and guided work-based learning experiences according to individualized T/IPPs and that host organizations understand and meet their obligations set forth in this Part.

(h) *Host organization obligations.* Sponsors must ensure that:

(1) Host organizations sign a completed Form DS–7002 to verify that all placements are appropriate and consistent with the objectives of the trainees or interns as outlined in their program applications and as set forth in their T/IPPs. All parties involved in internship programs should recognize that interns are seeking entry-level training and experience. Accordingly, all placements must be tailored to the skills and experience level of the individual intern;

(2) Host organizations notify sponsors promptly of any concerns about, changes in, or deviations from T/IPPs during training and internship programs and contact sponsors immediately in the event of any emergency involving trainees or interns;

(3) Host organizations abide by all federal, state, and local occupational health and safety laws; and

(4) Host organizations abide by all program rules and regulations set forth by the sponsors, including the completion of all mandatory program evaluations.

(i) *Training/internship placement plan (Form DS–7002).* (1) Sponsors must fully complete and obtain all requisite signatures on a Form DS–7002 for each trainee or intern before issuing a Form DS–2019. Sponsors must provide each signatory an executed copy of the Form DS–7002. Upon request, trainees and interns must present their fully executed Form DS–7002 to Consular Officials during their visa interview.

(2) To further distinguish between *bona fide* training for trainees or work-based learning for interns, which are permitted, and unskilled or casual labor positions which are not, all T/IPPs must:

(i) State the specific goals and objectives of the training and internship program (for each phase or component, if applicable);

(ii) Detail the knowledge, skills, or techniques to be imparted to the trainee or intern (for each phase or component, if applicable); and

(iii) Describe the methods of performance evaluation and the supervision for each phase or component, if applicable.

(3) A T/IPP for trainees must be divided into specific and various phases or components, and for each phase or component must:

(i) Describe the methodology of training and

(ii) Provide a chronology or syllabus.

(4) A T/IPP for interns must:

(i) Describe the role of the intern in the organization and, if applicable, identify various departments or functional areas in which the intern will work; and

(ii) Identify the specific tasks and activities the intern will complete.

(j) *Program exclusions.* Sponsors designated by the Department to administer training and internship programs must not:

(1) Place trainees or interns in unskilled or casual labor positions, in positions that require or involve child care or elder care; or in clinical or any other kind of work that involves patient care or patient contact, including any work that would require trainees or interns to provide therapy, medication, or other clinical or medical care (*e.g.,* sports or physical therapy, psychological counseling, nursing, dentistry, veterinary medicine, social work, speech therapy, early childhood education);

(2) Place trainees or interns in positions, occupations, or businesses that could bring the Exchange Visitor Program or the Department into notoriety or disrepute; or

(3) Engage or otherwise cooperate or contract with a Staffing/Employment Agency to recruit, screen, orient, place, evaluate, or train trainees or interns, or in any other way involve such agencies in an Exchange Visitor Program training and internship program.

(4) Issue a T/IPP for any trainee or intern for which the duties involve more than 20 per cent clerical work.

(5) Have less than three departmental or functional rotations for "Hospitality and Tourism" training and internship programs of six months or longer.

(k) *Duration.* The duration of participation in a training and internship program must be established before a sponsor issues a Form DS–2019 and must not exceed the sponsor's authorized designation as set forth in the sponsor's letter of designation or most recent letter of redesignation. Except as noted below, the maximum duration of a training program is 18 months, and the maximum duration of an internship program is 12 months. For training programs in the field of agriculture and in the occupational category of Hospitality and Tourism, the maximum duration of program participation is 12 months. If an original T/IPP specifies that at least six months of a program includes related classroom participation and studies, training programs in the field of agriculture may be designated for a total duration of 18 months. Program extensions are permitted within the maximum duration as set forth in the letter of designation/redesignation provided that the need for an extended training or internship program is documented by the full completion and execution of a new Form DS–7002. 12-month training programs in the field of agriculture may not be extended to 18 months by adding six months of classroom participation and studies at the end of the original 12-month program duration. Per above, the six months of related classroom participation and studies must have been part of the trainee's original T/IPP.

(l) *Evaluations.* In order to ensure the quality of training and internship programs, sponsors must develop procedures for evaluating all trainees and interns. All required evaluations must be completed prior to the conclusion of a training and internship program, and both the trainees and interns and their immediate supervisors must sign the evaluation forms. For programs exceeding six months' duration, at a minimum, midpoint and concluding evaluations are required. For programs of six months or less, at a minimum, concluding evaluations are

required. Sponsors must retain trainee and intern evaluations (electronic or hard copy) for a period of at least three years following the completion of each training and internship program.

(m) *Issuance of certificate of eligibility for exchange visitor (J–1) status.* Sponsors must not deliver or cause to be delivered any Certificate of Eligibility for Exchange Visitor (J–1) Status (Form DS–2019) to potential trainees or interns unless the individualized Form DS–7002 required by § 62.22(i) has been completed and signed by all requisite parties.

(n) *Additional training and internship program participation.* Foreign nationals who enter the United States under the Exchange Visitor Program to participate in training and internship programs are eligible to participate in additional training and internship programs under certain conditions. For both trainees and interns, additional training and internship programs must address the development of more advanced skills or a different field of expertise. Interns may apply for additional internship programs if they:

(1) Are currently enrolled full-time and pursuing studies at degree- or certificate-granting post-secondary academic institutions outside the United States; or,

(2) Have graduated from such institutions no more than 12 months prior to the start of their proposed exchange visitor program. A new internship is also permissible when a student has successfully completed a recognized course of study (*i.e.,* associate, bachelors, masters, Ph.D., or their recognized equivalents) and has enrolled and is pursuing studies at the next higher level of academic study. Trainees are eligible for additional training programs after a period of at least two years residency outside the United States following completion of their training program. Participants who have successfully completed internship programs and no longer meet the selection criteria for an internship program may participate in a training program if they have resided outside the United States or its territories for at least two years. If participants meet these selection criteria and fulfill these conditions, there will be no limit to the number of times they may participate in a training and internship program.

Dated: August 5, 2010.

Stanley S. Colvin,

Deputy Assistant Secretary for Private Sector Exchange, Bureau of Educational and Cultural Affairs, Department of State.

[FR Doc. 2010–19727 Filed 8–10–10; 8:45 am]

BILLING CODE 4710–05–P

DEPARTMENT OF THE TREASURY

Office of Foreign Assets Control

31 CFR Part 560

Iranian Transactions Regulations

AGENCY: Office of Foreign Assets Control, Treasury.

ACTION: Notice.

SUMMARY: The Department of the Treasury's Office of Foreign Assets Control ("OFAC") is publishing the names of 21 persons it has determined to be the *Government of Iran,* as that term is defined in the Iranian Transactions Regulations. The names of these persons will be added, at a future date, to Appendix A to Part 560 in the Code of Federal Regulations.

DATES: The determination by the Director of OFAC with respect to these 21 persons is effective on August 3, 2010.

FOR FURTHER INFORMATION CONTACT: Assistant Director for Compliance, Outreach & Implementation, Office of Foreign Assets Control, Department of the Treasury, Washington, DC 20220, tel.: 202/622–2490.

SUPPLEMENTARY INFORMATION:

Electronic and Facsimile Availability

This document and additional information concerning OFAC are available from OFAC's Web site (*http://www.treas.gov/ofac*). Certain general information pertaining to OFAC's sanctions programs also is available via facsimile through a 24-hour fax-on-demand service, tel.: 202/622–0077.

Background

The Iranian Transactions Regulations, 31 CFR part 560 (the "ITR"), implement a series of Executive orders that began with Executive Order 12613, which was issued on October 29, 1987, pursuant to authorities including the International Security and Development Cooperation Act of 1985 (22 U.S.C. 2349aa–9). In that Order, after finding, *inter alia,* that the Government of Iran was actively supporting terrorism as an instrument of state policy, the President prohibited the importation of Iranian-origin goods and services. Subsequently, in Executive Order 12957, issued on March 15, 1995, under the authority of, *inter alia,* the International Emergency Economic Powers Act (50 U.S.C. 1701–1706) ("IEEPA"), the President declared a national emergency with respect to the actions and policies of the Government of Iran, including its support for international terrorism, its efforts to undermine the Middle East peace process, and its efforts to acquire weapons of mass destruction and the means to deliver them. To deal with that threat, Executive Order 12957 imposed prohibitions on certain transactions with respect to the development of Iranian petroleum resources. On May 6, 1995, to further respond to this threat, the President issued Executive Order 12959, which imposed comprehensive trade and financial sanctions on Iran. Finally, on August 19, 1997, the President issued Executive Order 13059 consolidating and clarifying the previous orders.

The ITR implement these Executive orders and prohibit various transactions, including, among others, transactions with the *Government of Iran,* a term defined in section 560.304. That definition includes:

(a) The state and the Government of Iran, as well as any political subdivision, agency, or instrumentality thereof;

(b) Any entity owned or controlled directly or indirectly by the foregoing; and

(c) Any person to the extent that such person is, or has been, or to the extent that there is reasonable cause to believe that such person is, or has been, * * * acting or purporting to act directly or indirectly on behalf of any of the foregoing * * *.

The phrase *entity owned or controlled by the Government of Iran* is itself defined in section 560.313 of the ITR. OFAC today is publishing the names of 21 persons it has determined to be the *Government of Iran.* The names of these persons will be added to Appendix A to Part 560 at a later date.

It is important to note that Appendix A to Part 560 is not a comprehensive list of persons falling within the definition of *Government of Iran.* Even if a person is not listed in Appendix A to Part 560 or has not otherwise been specifically determined by OFAC to be the *Government of Iran,* if the person satisfies the definition of the term *Government of Iran* in the ITR, U.S. persons and others engaging in transactions subject to the ITR are prohibited from engaging in transactions with that person, regardless of its location, to the same extent they are prohibited from engaging in transactions with the persons listed in Appendix A to Part 560 or that have otherwise been specifically determined by OFAC to be the *Government of Iran.* U.S. persons and others engaging in transactions subject to the ITR also are prohibited from engaging in most transactions with any person located in Iran, even if that person does not come within the