

Executive Order 12988 (Civil Justice Reform)

This action meets applicable standards in sections 3(a) and 3(b)(2) of Executive Order 12988, Civil Justice Reform, to minimize litigation, eliminate ambiguity, and reduce burden.

Executive Order 13045 (Protection of Children)

The FHWA has analyzed this rule under Executive Order 13045, Protection of Children from Environmental Health Risks and Safety Risks. The FHWA certifies that this action would not cause any environmental risk to health or safety that might disproportionately affect children.

Executive Order 12630 (Taking of Private Property)

The FHWA has analyzed this rule under Executive Order 12630, Governmental Actions and Interface with Constitutionally Protected Property Rights. The FHWA does not anticipate

that this action would affect a taking of private property or otherwise have taking implications under Executive Order 12630.

National Environmental Policy Act

The Agency has analyzed this action for the purpose of the National Environmental Policy Act of 1969 (42 U.S.C. 4321–4347) and has determined that this action would not have any effect on the quality of the environment.

Regulation Identification Number

A regulation identification number (RIN) is assigned to each regulatory action listed in the Unified Agenda of Federal Regulations. The Regulatory Information Service Center publishes the Unified Agenda in April and October of each year. The RIN contained in the heading of this document can be used to cross reference this action with the Unified Agenda.

List of Subjects in 23 CFR Part 658

Grants program—transportation, Highways and roads, Motor carriers.

Issued on: June 21, 2018.

Brandye L. Hendrickson,

Acting Administrator, Federal Highway Administration.

In consideration of the foregoing, the FHWA amends 23 CFR part 658, as set forth below:

PART 658—TRUCK SIZE AND WEIGHT, ROUTE DESIGNATIONS—LENGTH, WIDTH AND WEIGHT LIMITATIONS

■ 1. The authority citation for part 658 continues to read as follows:

Authority: 23 U.S.C. 127 and 315; 49 U.S.C. 31111, 31112, and 31114; sec. 347, Pub. L. 108–7, 117 Stat. 419; sec. 756, Pub. L. 109–59, 119 Stat. 1219; sec. 115, Pub. L. 109–115, 119 Stat. 2408; 49 CFR 1.48(b)(19) and (c)(19).

■ 2. Amend Appendix A to Part 658 by adding an entry to the end of the New York portion of the table to read as follows:

Appendix A to Part 658—National Network—Federally-Designated Routes

* * * * *

Route	From	To
* * * * *		
New York		
* * * * *		
Sheridan Boulevard (NY 895)	I–278 Bruckner Expressway	I–95 Cross Bronx Expressway.
* * * * *		

[FR Doc. 2018–13903 Filed 6–27–18; 8:45 am]
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DEPARTMENT OF THE TREASURY

Office of Foreign Assets Control

31 CFR Part 560

Iranian Transactions and Sanctions Regulations

AGENCY: Office of Foreign Assets Control, Treasury.

ACTION: Final rule.

SUMMARY: The Department of the Treasury’s Office of Foreign Assets Control (OFAC) is amending the Iranian Transactions and Sanctions Regulations (ITSR) to implement the President’s May 8, 2018 decision to end the United States’ participation in the Joint Comprehensive Plan of Action (JCPOA) on Iran’s nuclear program, as outlined in National Security Presidential

Memorandum-11 of May 8, 2018 (NSPM–11). Specifically, OFAC is amending the ITSR to: Amend the general licenses authorizing the importation into the United States of, and dealings in, Iranian-origin carpets and foodstuffs, as well as related letters of credit and brokering services, to narrow the scope of such general licenses to the wind down of such activities through August 6, 2018; add a new general license to authorize the wind down, through August 6, 2018, of transactions related to the negotiation of contingent contracts for activities eligible for authorization under the *Statement of Licensing Policy for Activities Related to the Export or Re-export to Iran of Commercial Passenger Aircraft and Related Parts and Services*, which was rescinded following the issuance of NSPM–11; and add a new general license to authorize the wind down, through November 4, 2018, of certain transactions relating to foreign

entities owned or controlled by a United States person.

DATES: *Effective Date:* June 27, 2018.

FOR FURTHER INFORMATION CONTACT: OFAC: Assistant Director for Licensing, tel.: 202–622–2480; Assistant Director for Regulatory Affairs, tel.: 202–622–4855; Assistant Director for Sanctions Compliance & Evaluation, tel.: 202–622–2490; or the Department of the Treasury’s Office of the Chief Counsel (Foreign Assets Control), Office of the General Counsel, tel.: 202–622–2410.

SUPPLEMENTARY INFORMATION:

Electronic Availability

This document and additional information concerning OFAC are available on OFAC’s website (www.treasury.gov/ofac).

Background

On May 8, 2018, the President issued NSPM–11, which set forth his decision to end the United States’ participation in the JCPOA. In NSPM–11, the

President directed the Secretary of State and the Secretary of the Treasury to immediately begin taking steps to re-impose all United States sanctions lifted or waived in connection with the JCPOA as expeditiously as possible, and in no case later than 180 days from the date of NSPM-11. Today, OFAC is amending the ITSR, 31 CFR part 560, to issue wind-down authorizations for activities involving Iran that were previously authorized by OFAC in connection with the U.S. sanctions relief provided for under the JCPOA. In conjunction with this action, OFAC has revoked General License H and General License I, two authorizations for activities involving Iran that were previously issued by OFAC in connection with the U.S. sanctions relief provided for under the JCPOA.

On January 16, 2016, OFAC issued General License H to license certain transactions relating to foreign entities owned or controlled by a United States person. At the time of its issuance, General License H was posted on OFAC's website (www.treasury.gov/ofac).

Also on January 16, 2016, OFAC issued a *Statement of Licensing Policy for Activities Related to the Export or Re-export to Iran of Commercial Passenger Aircraft and Related Parts and Services* (JCPOA SLP). At the time of its issuance, the JCPOA SLP was posted on OFAC's website (www.treasury.gov/ofac). Following the issuance of NSPM-11, OFAC rescinded the JCPOA SLP and posted an archived version of the JCPOA SLP on its website for reference purposes.

On January 21, 2016, OFAC amended the ITSR to license the importation into the United States of certain Iranian-origin carpets and foodstuffs, including pistachios and caviar (81 FR 3330). Specifically, OFAC added § 560.534 to the ITSR to authorize by general license the importation into the United States of, and dealings in, certain Iranian-origin foodstuffs and carpets from Iran or a third country. OFAC also added § 560.535 to the ITSR to authorize by general license certain letters of credit and brokering services relating to certain Iranian-origin foodstuffs and carpets.

On March 24, 2016, OFAC issued General License I to authorize certain transactions related to the negotiation of, and entry into, contingent contracts for activities eligible for authorization under the JCPOA SLP. At the time of its issuance, General License I was posted on OFAC's website (www.treasury.gov/ofac).

Today, OFAC is amending the ITSR to implement the wind-down

authorizations for the above-referenced activities involving Iran that were previously authorized by OFAC pursuant to the ITSR in connection with the U.S. sanctions relief provided for under the JCPOA.

First, OFAC is amending § 560.534 to narrow the scope of that general license to authorize, through 11:59 p.m. eastern daylight time on August 6, 2018, only the wind down of transactions related to the importation into the United States of, and dealings in, certain Iranian-origin foodstuffs and carpets. U.S. persons will be authorized to engage in all transactions and activities that are ordinarily incident and necessary to the wind down of transactions that were previously authorized under § 560.534. After 11:59 p.m. eastern daylight time on August 6, 2018, no further transactions are authorized under amended § 560.534.

OFAC is also amending § 560.535 to narrow the scope of that general license to authorize, through 11:59 p.m. eastern daylight time on August 6, 2018, only the wind down of transactions related to letters of credit and brokering services relating to certain Iranian-origin foodstuffs and carpets. U.S. persons will be authorized to engage in all transactions and activities that are ordinarily incident and necessary to the wind down of transactions that were previously authorized under § 560.535. After 11:59 p.m. eastern daylight time on August 6, 2018, no further transactions are authorized under amended § 560.535.

In addition, OFAC is adding § 560.536 to authorize, through 11:59 p.m. eastern daylight time on August 6, 2018, all transactions and activities that are ordinarily incident and necessary to the wind down of transactions related to the negotiation of contingent contracts for activities that were, at the time of the negotiation, eligible for authorization under the JCPOA SLP. This wind-down authorization enables U.S. persons to wind down, through August 6, 2018, activities that were previously authorized pursuant to General License I. In conjunction with this action, OFAC has revoked General License I and has posted an archived version of General License I on its website (www.treasury.gov/ofac) for reference purposes. After 11:59 p.m. eastern daylight time on August 6, 2018, no further transactions are authorized under § 560.536.

Finally, OFAC is adding § 560.537 to authorize, through 11:59 p.m. eastern standard time on November 4, 2018, all transactions and activities that are ordinarily incident and necessary to the wind down of transactions relating to

foreign entities owned or controlled by a United States person that were previously authorized under General License H. In conjunction with this action, OFAC has revoked General License H and has posted an archived version of General License H on its website (www.treasury.gov/ofac) for reference purposes. After 11:59 p.m. eastern standard time on November 4, 2018, no further transactions are authorized under § 560.537.

Public Participation

Because the amendment of the ITSR involves a foreign affairs function, the provisions of Executive Order 12866 and the Administrative Procedure Act (5 U.S.C. 553) requiring notice of proposed rulemaking, opportunity for public participation, and delay in effective date, as well as the provisions of Executive Order 13771, are inapplicable. Because no notice of proposed rulemaking is required for this rule, the Regulatory Flexibility Act (5 U.S.C. 601-612) does not apply.

Paperwork Reduction Act

The collections of information related to the ITSR are contained in 31 CFR part 501 (the "Reporting, Procedures and Penalties Regulations"). Pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3507), those collections of information have been approved by the Office of Management and Budget under control number 1505-0164. 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.

List of Subjects in 31 CFR Part 560

Administrative practice and procedure, Aircraft, Banks, Banking, Carpet, Civil aviation, Foodstuffs, Iran, Letters of credit.

For the reasons set forth in the preamble, the Department of the Treasury's Office of Foreign Assets Control amends 31 CFR chapter V as follows:

PART 560—IRANIAN TRANSACTIONS AND SANCTIONS REGULATIONS

■ 1. The authority citation for part 560 continues to read as follows:

Authority: 3 U.S.C. 301; 18 U.S.C. 2339B, 2332d; 22 U.S.C. 2349aa-9; 22 U.S.C. 7201-7211; 31 U.S.C. 321(b); 50 U.S.C. 1601-1651, 1701-1706; Pub. L. 101-410, 104 Stat. 890 (28 U.S.C. 2461 note); Pub. L. 110-96, 121 Stat. 1011 (50 U.S.C. 1705 note); Pub. L. 111-195, 124 Stat. 1312 (22 U.S.C. 8501-8551); Pub. L. 112-81, 125 Stat. 1298 (22 U.S.C. 8513a); Pub. L. 112-158, 126 Stat. 1214 (22 U.S.C. 8701-8795); E.O. 12613, 52 FR 41940,

3 CFR, 1987 Comp., p. 256; E.O. 12957, 60 FR 14615, 3 CFR, 1995 Comp., p. 332; E.O. 12959, 60 FR 24757, 3 CFR, 1995 Comp., p. 356; E.O. 13059, 62 FR 44531, 3 CFR, 1997 Comp., p. 217; E.O. 13599, 77 FR 6659, 3 CFR, 2012 Comp., p. 215; E.O. 13628, 77 FR 62139, 3 CFR, 2012 Comp., p. 314.

Subpart E—Licenses, Authorizations, and Statements of Licensing Policy

■ 2. Revise § 560.534 to read as follows:

§ 560.534 Winding down of transactions related to the importation into the United States of, and dealings in, certain foodstuffs and carpets.

(a) Except as provided in paragraphs (b) and (c) of this section, all transactions and activities that are ordinarily incident and necessary to the wind down of the following activities are authorized through 11:59 p.m. eastern daylight time on August 6, 2018:

(1) The importation into the United States, from Iran or a third country, of the following goods of Iranian origin:

(i) Foodstuffs intended for human consumption that are classified under chapters 2–23 of the Harmonized Tariff Schedule of the United States; and

(ii) Carpets and other textile floor coverings and carpets used as wall hangings that are classified under chapter 57 or heading 9706.00.0060 of the Harmonized Tariff Schedule of the United States.

(2) United States persons, wherever located, engaging in transactions or dealings in or related to the categories of Iranian-origin goods described in paragraph (a)(1) of this section, provided that the transaction or dealing does not involve or relate to goods, technology, or services for exportation, reexportation, sale, or supply, directly or indirectly, to Iran, the Government of Iran, an Iranian financial institution, or any other person whose property and interests in property are blocked pursuant to § 560.211, other than services described in § 560.405 (“Transactions ordinarily incident to a licensed transaction authorized”) and transfers of funds described in § 560.516 (“Transfers of funds involving Iran”).

(b) This general license does not authorize the importation into the United States of goods that were under seizure or detention by the Department of Homeland Security, as of January 21, 2016, pursuant to Customs regulations or other applicable provisions of law, until any applicable penalties, charges, duties, or other conditions are satisfied. This general license does not authorize the importation into the United States of goods for which forfeiture proceedings have commenced or of goods that have been forfeited to the U.S. Government,

other than through U.S. Customs and Border Protection disposition, including by selling at auction.

(c) Nothing in this section authorizes debits or credits to Iranian accounts, as defined in § 560.320.

■ 3. Revise § 560.535 to read as follows:

§ 560.535 Winding down of transactions related to letters of credit and brokering services relating to certain foodstuffs and carpets.

(a) *Wind down.* Except as provided in paragraph (b) of this section, all transactions and activities that are ordinarily incident and necessary to the wind down of the following activities are authorized through 11:59 p.m. eastern daylight time on August 6, 2018:

(1) *Purchases from Iran or the Government of Iran or certain other blocked persons.* United States depository institutions issuing letters of credit in favor of a beneficiary in Iran, the Government of Iran, an Iranian financial institution, or any other person whose property and interests in property are blocked pursuant to § 560.211 to pay for purchases from Iran or the Government of Iran of the categories of Iranian-origin goods described in § 560.534(a)(1), provided that such letters of credit are not advised, negotiated, paid, or confirmed by the Government of Iran, an Iranian financial institution, or any other person whose property and interests in property are blocked pursuant to § 560.211.

(2) *Transactions or dealings in Iranian-origin goods located in third countries, other than purchases from the Government of Iran or certain other blocked persons.* United States depository institutions issuing, advising, negotiating, or confirming letters of credit to pay for transactions in or related to Iranian-origin goods described in § 560.534(a)(1) and located in a third-country, other than purchases from the Government of Iran, an Iranian financial institution, or any other person whose property and interests in property are blocked pursuant to § 560.211, provided that such letters of credit are not issued, advised, negotiated, paid, or confirmed by the Government of Iran, an Iranian financial institution, or any other person whose property and interests in property are blocked pursuant to § 560.211.

(3) *Brokering.* United States persons, wherever located, acting as brokers for the purchase or sale of the categories of Iranian-origin goods described in § 560.534(a)(1), provided that the goods are not for exportation, reexportation, sale, or supply, directly or indirectly, to Iran, the Government of Iran, an Iranian

financial institution, or any other person whose property and interests in property are blocked pursuant to § 560.211.

(b) *Iranian accounts.* Nothing in this section authorizes debits or credits to Iranian accounts, as defined in § 560.320.

Note 1 to § 560.535: See §§ 560.304 and 560.313 for information relating to individuals and entities that are included within the definition of the term *Government of Iran* and § 560.324 regarding entities included within the definition of the term *Iranian financial institution*. See § 560.516 for information relating to authorized transfers to Iran by U.S. depository institutions relating to licensed transactions.

■ 4. Add § 560.536 to subpart E to read as follows:

§ 560.536 Winding down of transactions related to the negotiation of contingent contracts for activities eligible for authorization under the Statement of Licensing Policy for Activities Related to the Export or Re-export to Iran of Commercial Passenger Aircraft and Related Parts and Services.

(a) All transactions and activities that are ordinarily incident and necessary to the wind down of the following activities are authorized through 11:59 p.m. eastern daylight time on August 6, 2018: U.S. persons engaging in all transactions ordinarily incident to the negotiation of contingent contracts for activities that were, at the time of the negotiation, eligible for authorization under the now-rescinded *Statement of Licensing Policy for Activities Related to the Export or Re-export to Iran of Commercial Passenger Aircraft and Related Parts and Services* (JCPOA SLP).

Note 1 to paragraph (a): OFAC has posted an archived copy of the JCPOA SLP on its website (www.treasury.gov/ofac) for reference purposes.

(b) Nothing in paragraph (a) of this section authorizes the exportation, reexportation, sale, or supply, directly or indirectly, of any goods or technology to Iran, the Government of Iran, an Iranian financial institution, or any other person whose property and interests in property are blocked pursuant to § 560.211.

(c) For purposes of this section, the term “contingent contract” means a contract where the performance of the contract is made expressly contingent upon the issuance of a specific license by the Office of Foreign Assets Control authorizing the activities to be performed. For purposes of this section, the term “contingent contract” includes executory contracts, executory pro forma invoices, agreements in principle,

executory offers capable of acceptance such as bids or proposals in response to public tenders, binding memoranda of understanding, or any other similar agreement.

■ 5. Add § 560.537 to subpart E to read as follows:

§ 560.537 Winding down of transactions relating to foreign entities owned or controlled by a U.S. person.

(a) Except as provided in paragraph (c) of this section, all transactions and activities that are ordinarily incident and necessary to the wind down of the following activities are authorized through 11:59 p.m. eastern standard time on November 4, 2018: an entity owned or controlled by a United States person and established or maintained outside the United States (a “U.S.-owned or -controlled foreign entity”) engaging in transactions, directly or indirectly, with the Government of Iran or any person subject to the jurisdiction of the Government of Iran that would otherwise be prohibited by § 560.215.

(b) All transactions and activities that are ordinarily incident and necessary to the wind down of the following activities are authorized through 11:59 p.m. eastern standard time on November 4, 2018: A United States person engaging in the following:

(1) Activities related to the establishment or alteration of operating policies and procedures of a United States entity or a U.S.-owned or -controlled foreign entity, to the extent necessary to allow a U.S.-owned or -controlled foreign entity to engage in transactions authorized in paragraph (a) of this section; and

(2) Activities to make available to those foreign entities that the U.S. person owns or controls any automated and globally integrated computer, accounting, email, telecommunications, or other business support system, platform, database, application, or server necessary to store, collect, transmit, generate, or otherwise process documents or information related to transactions authorized in paragraph (a) of this section.

Note 1 to paragraph (b): See § 560.208 for prohibitions on facilitation by United States persons, which remain in effect, with the exception of activities authorized in paragraph (b) of this section.

(c) Paragraph (a) of this section does not authorize transactions involving:

(1) The exportation, reexportation, sale, or supply, directly or indirectly, from the United States of any goods, technology, or services prohibited by § 560.204 or the reexportation from a third country of any goods, technology, or services prohibited by § 560.205;

(2) Any transfer of funds to, from, or through a United States depository institution or a United States-registered broker or dealer in securities;

(3) Any person on OFAC’s list of Specially Designated Nationals and Blocked Persons (SDN List), or any activity that would be prohibited by any part of 31 CFR chapter V other than part 560 if engaged in by a United States person or in the United States;

(4) Any person identified on the List of Foreign Sanctions Evaders pursuant to Executive Order 13608;

(5) Any activity involving any item (including information) subject to the Export Administration Regulations, 15 CFR parts 730 through 774 (EAR), that is prohibited by, or otherwise requires a license under, part 744 of the EAR; or participation in any transaction involving a person whose export privileges have been denied pursuant to part 764 or 766 of the EAR, without authorization from the Department of Commerce;

(6) Any military, paramilitary, intelligence, or law enforcement entity of the Government of Iran, or any official, agent, or affiliate thereof;

(7) Any activity that is sanctionable under Executive Order 12938 or 13382 (relating to Iran’s proliferation of weapons of mass destruction and their means of delivery, including ballistic missiles); Executive Order 13224 (relating to international terrorism); Executive Order 13572 or 13582 (relating to Syria); Executive Order 13611 (relating to Yemen); or Executive Order 13553 or 13606, or section 2 or 3 of Executive Order 13628 (relating to Iran’s commission of human rights abuses against its citizens); or

(8) Any nuclear activity involving Iran that is subject to the procurement channel established pursuant to paragraph 16 of the United Nations Security Council Resolution 2231 (2015) and Section 6 of Annex IV to the Joint Comprehensive Plan of Action of July 14, 2015 and that has not been approved through that procurement channel process.

(d)(1) For purposes of paragraph (b)(2) of this section, the term “automated” refers to a computer, accounting, email, telecommunications, or other business support system, platform, database, application, or server that operates passively and without human intervention to facilitate the flow of data between and among the United States person and its owned or controlled foreign entities.

(2) For purposes of paragraph (b)(2) of this section, the term “globally integrated” refers to a computer, accounting, email, telecommunications,

or other business support system, platform, database, application, or server that is available to, and in general use by, the United States person’s global organization, including the United States person and its owned or controlled foreign entities.

(3) Paragraph (b)(2) of this section does not authorize the use of any automated computer, accounting, email, telecommunications, or other business support system, platform, database, application, or server in connection with any transfer of funds to, from, or through a United States depository institution or a United States-registered broker or dealer in securities.

Dated: June 25, 2018.

Andrea Gacki,

Acting Director, Office of Foreign Assets Control.

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DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Part 100

[Docket Number USCG–2018–0316]

RIN 1625-AA08

Special Local Regulation; Gulf of Mexico; Sarasota, FL

AGENCY: Coast Guard, DHS.

ACTION: Temporary final rule.

SUMMARY: The Coast Guard is establishing a special local regulation on the waters of the Gulf of Mexico, in the vicinity of Lido Beach, Florida, during the 34th Annual Sarasota Powerboat Grand Prix High Speed Boat Race. Approximately 35 boats and jet skis, traveling at speeds in excess of 100 miles per hour are expected to participate. Additionally, it is anticipated that 300 spectator vessels will be present along the race course. The special local regulation is necessary to protect the safety of race participants, participant vessels, spectators, and the general public on navigable waters of the United States during the event. The special local regulation will establish an enforcement area where all persons and vessels, except those persons and vessels participating in the high speed boat races, are prohibited from entering, transiting through, anchoring in, or remaining within without obtaining permission from the Captain of the Port St. Petersburg or a designated representative.