National Environmental Policy Act

This rule does not require an environmental impact statement because section 702(d) of SMCRA (30 U.S.C. 1292(d)) provides that agency decisions on proposed State regulatory program provisions do not constitute major Federal actions within the meaning of section 102(2)(C) of the National Environmental Policy Act (42 U.S.C. 4332(2)(C)).

Paperwork Reduction Act

This rule does not contain information collection requirements that require approval by OMB under the Paperwork Reduction Act (44 U.S.C. 3507 *et seq.*).

Regulatory Flexibility Act

The Department of the Interior certifies that this rule will not have a significant economic impact on a substantial number of small entities under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*). The State submittal, which is the subject of this rule, is based upon counterpart Federal regulations for which an economic analysis was prepared and certification made that such regulations would not have a significant economic effect upon a substantial number of small entities. In making the determination as to whether this rule would have a significant economic impact, the Department relied upon the data and assumptions for the counterpart Federal regulations.

Small Business Regulatory Enforcement Fairness Act

This rule is not a major rule under 5 U.S.C. 804(2), the Small Business Regulatory Enforcement Fairness Act. This rule: (a) Does not have an annual effect on the economy of $100 million; (b) Will not cause a major increase in costs or prices for consumers, individual industries, Federal, State, or local government agencies, or geographic regions; and (c) Does not have significant adverse effects on competition, employment, investment, productivity, innovation, or the ability of U.S.-based enterprises to compete with foreign-based enterprises. This determination is based upon the fact that the State submittal which is the subject of this rule is based upon counterpart Federal regulations for which an analysis was prepared and a determination made that the Federal regulation was not considered a major rule.

Unfunded Mandates

This rule will not impose an unfunded mandate on State, local, or tribal governments or the private sector of $100 million or more in any given year. This determination is based upon the fact that the State submittal, which is the subject of this rule, is based upon counterpart Federal regulations for which an analysis was prepared and a determination made that the Federal regulation did not impose an unfunded mandate.

List of Subjects in 30 CFR Part 950

Intergovernmental relations, Surface mining, Underground mining.

Dated: September 13, 2002.

Brent Wahlquist,

Regional Director, Western Regional Coordinating Center.

For the reasons set out in the preamble, 30 CFR 950 is amended as set forth below:

PART 950—WYOMING

1. The authority citation for part 950 continues to read as follows:

Authority: 30 U.S.C. 1201 *et seq.*

2. Section 950.15 is amended in the table by adding a new entry in chronological order by November 6, 2002 to read as follows:

§ 950.15 Approval of Wyoming regulatory program amendments.

* * * * *

Original amendment submission date	Date of final publication	Citation/description
*	*	* * * * * * *
July 20, 2001	November 6, 2002	Ch. 2, Sec. 2(a)(vi)(L)(III); Ch. 2, Sec. 2(a)(vi)(L)(iv); Ch. 2, Sec. 2(a)(vi)(M)(III); Ch. 2, Sec. 2(a)(vi)(M)(III)(4); Ch. 2, Sec. 2(a)(vi)(O); Ch. 2, Sec. 2(b)(xi)(D)(I)(1); Ch. 2, Sec. 2(b)(xi)(D)(I)(2); Ch. 2, Sec. 2(b)(xi)(D)(I)(3); Ch. 2, Sec. 2(b)(xi)(D)(II)(1 and 2); Ch. 2, Sec. 2(b)(xii); Ch. 3, Sec. 2(c)(viii)(D)–(G); Ch. 4, Sec. 2(c)(xii)(D)(iv); Ch. 4, Sec. 2(i)(i); Ch. 4, Sec. 2(w); Appendix A, Appendix IV; 30 CFR 950.12(a)(4); 30 CFR 950.16(ii)(2); 30 CFR 950.16(jj).

§ 950.16 [Amended]

3. Section 950.16 is amended by removing and reserving paragraphs (ii) and (jj).

[FR Doc. 02–28201 Filed 11–5–02; 8:45 am]

BILLING CODE 4310–05–P

DEPARTMENT OF THE TREASURY

31 CFR Part 103

RIN 1506–AA28

Financial Crimes Enforcement Network; Anti-Money Laundering Programs for Financial Institutions

AGENCY: Financial Crimes Enforcement Network (FinCEN), Treasury.

ACTION: Amendment of interim final rule.

SUMMARY: FinCEN is extending the provision in its regulations that temporarily defers, for certain financial institutions, the application of the anti-money laundering program requirements in section 352 of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism (USA PATRIOT) Act of 2001.

DATES: This interim final rule is effective November 6, 2002.

FOR FURTHER INFORMATION CONTACT: Office of the Chief Counsel (FinCEN), (703) 905–3590; Office of the Assistant General Counsel for Enforcement (Treasury), (202) 622–1927; or the Office of the Assistant General Counsel for Banking & Finance (Treasury), (202) 622–0480 (not toll-free numbers).

SUPPLEMENTARY INFORMATION:

I. Background

A. USA PATRIOT Act Section 352

On October 26, 2001, the President signed into law the USA PATRIOT Act (Pub. L. 107–56) (the Act). Title III of the Act makes a number of amendments to the anti-money laundering provisions of the Bank Secrecy Act (BSA), which is codified in subchapter II of chapter 53 of title 31, United States Code. These amendments are intended to make it easier to prevent, detect, and prosecute international money laundering and the financing of terrorism. Section 352(a) of

the Act, which became effective on April 24, 2002, amended section 5318(h) of the BSA. As amended, section 5318(h)(1) requires every financial institution to establish an anti-money laundering program that includes, at a minimum: (i) The development of internal policies, procedures, and controls; (ii) the designation of a compliance officer; (iii) an ongoing employee training program; and (iv) an independent audit function to test programs.

The definition of ''financial institution'' in sections 5312(a)(2) and (c)(1) is extremely broad. It includes institutions that are already subject to federal regulation such as banks, savings associations, credit unions, money services businesses (such as money transmitters and currency exchanges), and registered securities broker-dealers and futures commission merchants. The definition also includes dealers in precious metals, stones, or jewels; pawnbrokers; loan or finance companies; trust companies; private bankers; insurance companies; travel agencies; telegraph companies; sellers of vehicles, including automobiles, airplanes, and boats; persons engaged in real estate closings and settlements; investment bankers; investment companies; and commodity pool operators and commodity trading advisors that are registered or required to register under the Commodity Exchange Act (7 U.S.C. 1 *et seq.*). Section 352 of the Act requires *all* of these businesses to establish anti-money laundering programs.

B. Prior Interim Rules Implementing Section 352

On April 29, 2002, FinCEN issued a series of interim final rules implementing section 352 of the Act. These rules prescribed requirements for anti-money laundering programs for banks, savings associations, credit unions, registered securities broker-dealers, futures commission merchants, and introducing brokers that are regulated by a federal functional regulator or a self-regulatory organization, and casinos [1]; money services businesses [2]; mutual funds [3]; and operators of credit card systems.[4] FinCEN also temporarily deferred, until October 24, 2002, the application of section 352 to all other financial institutions.[5] The temporary deferral applied to dealers in precious metals, stones, or jewels; pawnbrokers; loan or finance companies; private bankers; insurance companies; travel agencies; telegraph companies; sellers of vehicles, including automobiles, airplanes, and boats; persons engaged in real estate closings and settlements; certain investment companies; commodity pool operators; and commodity trading advisors.[6]

The purpose of the temporary deferral was to permit FinCEN and Treasury to continue studying the money laundering risks posed by these institutions in order to develop appropriate anti-money laundering program requirements. The extension of the anti-money laundering program requirement to these financial institutions, most of which have never been subject to federal financial regulation, raises many significant practical and policy issues. An inadequate understanding of the affected industries could result in poorly conceived regulations that impose unreasonable regulatory burdens with little or no corresponding anti-money laundering benefits. FinCEN and Treasury are also aware that many of these financial institutions are sole proprietors or small businesses, and that any regulations affecting them must recognize this fact. As a result of our review of these industries, FinCEN and Treasury have published proposed rules that would apply the anti-money laundering program requirements of section 352 to insurance companies [7] and certain investment companies.[8] FinCEN and Treasury are continuing to study the remainder of the deferred financial institutions and expect to issue proposed rules for all these financial institutions within the next six months. FinCEN and Treasury are today extending the temporary deferral concerning section 352 pending the issuance of final rules for these financial institutions.

II. Analysis of the Current Interim Final Rule

A. Extension of Temporary Deferral of Section 352 Requirements for Certain BSA Financial Institutions

As promulgated on April 29, 2002, 31 CFR 103.170 temporarily deferred, until October 24, 2002, the application of section 352 of the Act to dealers in precious metals, stones, or jewels; pawnbrokers; loan or finance companies; private bankers; insurance companies; travel agencies; telegraph companies; sellers of vehicles, including automobiles, airplanes, and boats; persons engaged in real estate closings and settlements; certain investment companies; commodity pool operators; and commodity trading advisors. This interim rule amends section 103.170 by removing the October 24, 2002, termination of the exemption for these financial institutions. As noted above, FinCEN and Treasury have issued proposed rules for some of these financial institutions, and expect to issue additional proposed rules in the coming months. FinCEN and Treasury believe it would be inappropriate to require these financial institutions to implement anti-money laundering programs during the pendency of the rulemaking process.

B. Clarification of Financial Institutions Subject to the Temporary Deferral

The temporary deferral in section 103.170 was intended to apply to all financial institutions other than those for which anti-money laundering program requirements were previously in effect or specifically prescribed pursuant to the April 29, 2002, interim final rules. Although the prior interim final rules did not prescribe anti-money laundering programs for certain financial institutions that are ''banks'' as defined in 31 CFR 103.11(c) but which lack a federal functional regulator, those financial institutions were not specifically included in the list of financial institutions subject to the temporary deferral. Section 103.170 is being amended to include these financial institutions (trust companies and certain state-chartered credit unions that are not federally insured, and private banks) within the temporary deferral.[9] For the same reason, section 103.170 is also being amended to include any person defined as a ''financial institution'' in 31 CFR 103.11(n)(7).[10]

C. Other Compliance Obligations Unaffected

Treasury and FinCEN emphasize that the temporary deferrals do not in any way relieve any business from their obligations under law or regulation,

[1] 67 FR 21110.

[2] 67 FR 21114.

[3] 67 FR 21117.

[4] 67 FR 21121.

[5] *See* 31 CFR 103.170 (67 FR 21113, April 29, 2002).

[6] The deferral did not extend to investment bankers because all such entities are either depository institutions or securities broker-dealers that were subject to anti-money laundering program requirements in the interim final rules.

[7] 67 FR 60625 (September 26, 2002).

[8] 67 FR 60617 (September 26, 2002).

[9] The financial institutions defined as ''banks'' in 31 CFR 103.11(c) correspond substantially to the types of banks included in the list of ''financial institutions'' in 31 U.S.C. 5312(a)(2)(A)–(F).

[10] 31 CFR 103.11(n)(7) defines generally as a financial institution ''a person subject to supervision by any state or federal bank supervisory authority.''

including the requirements in 31 U.S.C. 5331 and 26 U.S.C. 6050I that they report transactions in cash or currency, or certain monetary instruments, that exceed $10,000. The regulations under these sections are codified at 31 CFR 103.30 and 26 CFR 1.6050I, respectively. Every business must ensure that it has appropriate procedures to report such transactions to FinCEN and the IRS using the single Form 8300 jointly prescribed by those agencies. All financial institutions are further reminded of the importance of reporting suspected terrorist activities or otherwise suspicious transactions to the appropriate law enforcement authorities. In addition, Form 8300 contains a box that may be checked to indicate that a particular transaction appears suspicious.

III. Administrative Procedure Act

The provisions of section 352 of the Act, which requires all financial institutions to establish anti-money laundering programs, became effective April 24, 2002. This interim final rule imposes no requirements on any financial institution, and continues the exemption for certain financial institutions from these requirements. Accordingly, good cause is found to dispense with notice and public procedure as unnecessary pursuant to 5 U.S.C. 553(b)(B), and to make the provisions of the interim rule effective in less than 30 days pursuant to 5 U.S.C. 553(d)(1) and (3).

IV. Regulatory Flexibility Act

Because no notice of proposed rulemaking is required for this interim final rule, the provisions of the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) do not apply.

V. Executive Order 12866

This interim final rule is not a ''significant regulatory action'' as defined in Executive Order 12866. Accordingly, a regulatory assessment is not required.

List of Subjects in 31 CFR Part 103

Banks and banking, Brokers, Counter money laundering, Counter-terrorism, Currency, Foreign banking, Reporting and recordkeeping requirements.

Authority and Issuance

For the reasons set forth above, FinCEN is amending 31 CFR Part 103 as follows:

PART 103—FINANCIAL RECORDKEEPING AND REPORTING OF CURRENCY AND FOREIGN TRANSACTIONS

1. The authority citation for part 103 is revised to read as follows:

Authority: 12 U.S.C. 1829b and 1951–1959; 31 U.S.C. 5311–5314 and 5316–5332; title III, secs. 312, 313, 314, 319, 352, Pub. L. 107–56, 115 Stat. 307.

Subpart I—Anti-Money Laundering Programs

2. Section 103.170 is amended by revising the section heading and paragraphs (b) and (c), and adding paragraph (d) to read as follows:

§ 103.170 Exempted anti-money laundering programs for certain financial institutions.

* * * * *

(b) *Temporary exemption for certain financial institutions.* (1) Subject to the provisions of paragraphs (c) and (d) of this section, the following financial institutions (as defined in 31 U.S.C. 5312(a)(2) or (c)(1)) are exempt from the requirement in 31 U.S.C. 5318(h)(1) concerning the establishment of anti-money laundering programs:

(i) Dealer in precious metals, stones, or jewels;

(ii) Pawnbroker;

(iii) Loan or finance company;

(iv) Travel agency;

(v) Telegraph company;

(vi) Seller of vehicles, including automobiles, airplanes, and boats;

(vii) Person involved in real estate closings and settlements;

(viii) Private banker;

(ix) Insurance company;

(x) Commodity pool operator;

(xi) Commodity trading advisor; or

(xii) Investment company.

(2) Subject to the provisions of paragraphs (c) and (d) of this section, a bank (as defined in § 103.11(c)) that is not subject to regulation by a Federal functional regulator (as defined in § 103.120(a)(2)) is exempt from the requirement in 31 U.S.C. 5318(h)(1) concerning the establishment of anti-money laundering programs.

(3) Subject to the provisions of paragraphs (c) and (d) of this section, a person described in § 103.11(n)(7) is exempt from the requirement in 31 U.S.C. 5318(h)(1) concerning the establishment of anti-money laundering programs.

(c) *Limitation on exemption.* The exemptions described in paragraphs (a)(2) and (b) of this section shall not apply to any financial institution that is otherwise required to establish an anti-money laundering program by this subpart I.

(d) *Compliance obligations of deferred financial institutions.* Nothing in this section shall be deemed to relieve an exempt financial institution from its responsibility to comply with any other applicable requirement of law or regulation, including title 31 of the U.S.C. and this part.

Dated: October 28, 2002.

James F. Sloan,

Director, Financial Crimes Enforcement, Network.

[FR Doc. 02–27770 Filed 11–5–02; 8:45 am]

BILLING CODE 4810–02–P

DEPARTMENT OF TRANSPORTATION

Coast Guard

33 CFR Part 117

[CGD01–02–122]

RIN 2115–AE47

Drawbridge Operation Regulations; Shrewsbury River, NJ

AGENCY: Coast Guard, DOT.

ACTION: Temporary final rule.

SUMMARY: The Coast Guard is temporarily changing the drawbridge operation regulations that govern the Monmouth County highway bridge, at mile 4.0, across the Shrewsbury River at Sea Bright, New Jersey. This temporary change to the drawbridge operation regulations allows the bridge to remain closed to navigation with required openings only at 6 a.m., 10 a.m., 2 p.m., and 6 p.m. after a twelve-hour advance notice is given, from November 8, 2002 through February 28, 2003. This action is necessary to facilitate structural repairs at the bridge.

DATES: This rule is effective from November 8, 2002 through February 28, 2003.

ADDRESSES: Documents indicated in this preamble as being available in the docket are part of docket (CGD01–02–122) and are available for inspection or copying at the First Coast Guard District, Bridge Administration Office, 408 Atlantic Avenue, Boston, Massachusetts, 02110–3350, between 7 a.m. and 3 p.m., Monday through Friday, except Federal holidays.

FOR FURTHER INFORMATION CONTACT: Mr. Joseph Arca, Project Officer, First Coast Guard District, (212) 668–7165.

SUPPLEMENTARY INFORMATION:

Regulatory Information

We did not publish a notice of proposed rulemaking (NPRM) for this regulation. Under 5 U.S.C. 553(b)(B), the