

DEPARTMENT OF THE TREASURY

Bureau of Alcohol, Tobacco and Firearms

27 CFR Parts 47 and 55

[T.D. ATF-419; Ref: T.D. ATF-387 and Notice No. 847]

RIN: 1512-AB63

Implementation of Public Law 104-132, the Antiterrorism and Effective Death Penalty Act of 1996, Relating to the Marking of Plastic Explosives for the Purpose of Detection (96R-029P)

AGENCY: Bureau of Alcohol, Tobacco and Firearms (ATF), Department of the Treasury.

ACTION: Final rule, Treasury decision.

SUMMARY: This final rule implements certain provisions of the Antiterrorism and Effective Death Penalty Act of 1996 (Pub. L. 104-132). These regulations implement the law by requiring detection agents for plastic explosives. The final rule also authorizes the use of four specific detection agents to mark plastic explosives and provides for the designation of other detection agents.

DATES: This rule is effective December 13, 1999.

FOR FURTHER INFORMATION CONTACT: James P. Ficareta, Regulations Division, Bureau of Alcohol, Tobacco and Firearms, 650 Massachusetts Avenue, NW., Washington, DC 20226 (202-927-8230).

SUPPLEMENTARY INFORMATION:

Background

Public Law 104-132, 110 Stat. 1214, the Antiterrorism and Effective Death Penalty Act of 1996 (hereafter, "the Act") was enacted on April 24, 1996. Title VI of the Act, "Implementation of Plastic Explosives Convention," added new requirements to the Federal explosives laws in 18 U.S.C. Chapter 40. Section 607 of the Act states that, except as otherwise provided, the amendments made by Title VI shall take effect 1 year after the date of enactment, i.e., on April 24, 1997. The stated purpose of Title VI is to fully implement the Convention on the Marking of Plastic Explosives for the Purpose of Detection, Done at Montreal on March 1, 1991 (hereafter, "the Convention").

The Convention represents an important achievement in international cooperation in response to the threat posed to the safety and security of international civil aviation by virtually undetectable plastic explosives in the hands of terrorists. Such explosives were used in the tragic destruction of Pan Am flight 103 over Lockerbie, Scotland, in December 1988, and UTA flight 772 in September 1989. In the aftermath of these bombings, the international community moved to draft a multilateral

treaty to ensure that plastic explosives would thereafter contain a chemical marking agent to render them detectable.

Temporary Rule

On February 25, 1997, ATF published in the Federal Register a temporary rule implementing certain provisions of the Act (T.D. ATF-387, 62 FR 8374). The new statutory provisions and the regulation changes necessitated by the law are as follows:

(1) Definitions. Section 602 of the Act added three definitions to section 841 of title 18, U.S.C. The term "Convention on the Marking of Plastic Explosives" is defined in the law to mean the Convention on the Marking of Plastic Explosives for the Purpose of Detection, Done at Montreal on March 1, 1991.

The term "detection agent" is defined as any one of the following substances when introduced into a plastic explosive or formulated in such explosive as a part of the manufacturing process in such a manner as to achieve homogeneous distribution in the finished explosive:

(1) Ethylene glycol dinitrate (EGDN), $C_2H_4(NO_3)_2$, molecular weight 152, when the minimum concentration in the finished explosive is 0.2 percent by mass;

(2) 2,3-Dimethyl-2,3-dinitrobutane (DMNB), $C_6H_{12}(NO_2)_2$, molecular weight 176, when the minimum concentration in the finished explosive is 0.1 percent by mass;

(3) Para-Mononitrotoluene (p-MNT), $C_7H_7NO_2$, molecular weight 137, when the minimum concentration in the finished explosive is 0.5 percent by mass;

(4) Ortho-Mononitrotoluene (o-MNT), $C_7H_7NO_2$, molecular weight 137, when the minimum concentration in the finished explosive is 0.5 percent by mass; and

(5) any other substance added by the Secretary of the Treasury by regulation, after consultation with the Secretary of State and the Secretary of Defense. Permitting the Secretary to designate detection agents other than the four listed in the statute would facilitate the use of other substances without the need for legislation. However, as specified in the law, only those substances which have been added to the table in part 2 of the Technical Annex to the Convention on the Marking of Plastic Explosives may be designated as approved detection agents. ATF would have no authority to issue a regulation adding to the list of approved detection agents until the Technical Annex has been so modified.

The last term added to section 841 of title 18, U.S.C., "plastic explosive," is defined as an explosive material in flexible or elastic sheet form formulated with one or more high explosives which in their pure form has a vapor pressure less than 10^{-4} Pa at a temperature of $25^{\circ}C$, is formulated with a binder material, and is as a mixture malleable or flexible at normal room temperature. Pursuant to part I of the Technical Annex to the Convention, high explosives include, but are not restricted to, cyclotetramethylenetetranitramine (HMX), pentaerythritol tetranitrate (PETN), and cyclotrimethylenetrinitramine (RDX).

The above changes to regulations are prescribed in § 55.180.

(2) *Requirement of Detection Agents for Plastic Explosives.* The Act amended the Federal explosives laws in 18 U.S.C. Chapter 40 by adding new subsections (l)-(o) to section 842. Section 842(l) makes it unlawful for any person to manufacture any plastic explosive that does not contain a detection agent.

Section 842(m) makes it unlawful for any person to import or bring into the U.S. or export from the U.S. any plastic explosive that does not contain a detection agent. The provisions of this section do not apply to the importation or bringing into the U.S. or the exportation from the U.S. of any

plastic explosive that was imported or brought into or manufactured in the U.S. prior to the date of enactment of the Act by or on behalf of any agency of the U.S. performing military or police functions (including any military reserve component) or by or on behalf of the National Guard of any State, not later than 15 years after the Convention enters into force with respect to the U.S. Pursuant to Article XIII of the Convention, the Convention will enter into force on the sixtieth day following the date of deposit of the thirty-fifth instrument of ratification, acceptance, approval or accession with the Depository, i.e., the International Civil Aviation Organization, provided that no fewer than five such States (nations) have declared that they are producer States. (A “producer State” means any State in whose territory explosives are manufactured.) Should thirty-five such instruments be deposited prior to the deposit of their instruments by five producer States, the Convention will enter into force on the sixtieth day following the date of deposit of the instrument of ratification, acceptance, approval or accession of the fifth producer State. For other States, the Convention will enter into force sixty days following the date of deposit of their instruments of ratification, acceptance, approval or accession.

Section 842(n) provides that it is unlawful for any person to ship, transport, transfer, receive, or possess any plastic explosive that does not contain a detection agent. Exceptions to the prohibitions are provided for any plastic explosive that was imported or brought into, or manufactured in the U.S. prior to the date of enactment of the Act by any person during the period beginning on that date, i.e., April 24, 1996, and ending 3 years after that date, i.e., April 24, 1999. Exceptions to the prohibitions are also provided for any plastic explosive that was imported or brought into, or manufactured in the U.S. prior to the date of enactment of the Act by or on behalf of any agency of the U.S. performing a military or police function (including any military reserve component) or by or on behalf of the National Guard of any State, not later than 15 years after the date of entry into force of the Convention on the marking of Plastic Explosives with respect to the U.S.

The above changes to the regulations are prescribed in § 55.180.

Section 842(o) provides that any person, other than an agency of the U.S. (including any military reserve component) or the National Guard of any State, possessing any plastic explosive on the date of enactment, shall report to the Secretary within 120 days after the date of enactment the quantity of such explosives possessed, the manufacturer or importer, any marks of identification on such explosives, and such other information as the Secretary may prescribe by regulation. Regulations implementing this provision of the Act were prescribed in T.D. ATF-382, published in the Federal Register on July 23, 1996 (61 FR 38084). However, T.D. ATF-387 made a technical amendment to Sec. 55.181 to include the control number assigned by the Office of Management and Budget (OMB).

(3) *Criminal Sanctions.* The Act amended section 844(a) of title 18, U.S.C., by providing that any person who violates any of the provisions of section 842(l)-(o) shall be fined under title 18, imprisoned for not more than 10 years, or both. Changes to the regulations in § 55.185 have been made to implement this provision of the law.

(4) *Exceptions.* The Act amended 18 U.S.C. 845(a) to provide that the exemptions from the requirements of 18 U.S.C. Chapter 40 that apply to governmental entities and other specified uses of explosives do not apply to section 842(l)-(o). Changes to the regulations in § 55.141(a) have been made to implement this provision of the law.

The Act also made a technical amendment to 18 U.S.C. 845(a)(1) to clarify the current exemption from the requirements of 18 U.S.C. Chapter 40 for aspects of the transportation of explosives regulated by the U.S. Department of Transportation. The amendment makes it clear

that the exemption applies only to those aspects of the transportation related to safety. Changes to the regulations in § 55.141(a)(1) have been made to implement this change in the law.

The Act also amended section 845 of title 18, U.S.C., by adding a new subsection (c). This amendment provides that it is an affirmative defense against any proceeding involving section 842(l)-(o) of title 18, U.S.C., if the proponent proves by a preponderance of the evidence that the plastic explosive--

(1) Consisted of a small amount of plastic explosive intended for and utilized solely in lawful--

(a) Research, development, or testing of new or modified explosive materials;

(b) Training in explosives detection or development or testing of explosives detection equipment;
or

(c) Forensic science purposes; or

(2) Was plastic explosive that, within 3 years after the date of enactment of the Act, will be or is incorporated in a military device within the territory of the U.S. and remains an integral part of such military device, or is intended to be, or is incorporated in, and remains an integral part of a military device that is intended to become, or has become, the property of any agency of the U.S. performing military or police functions (including any military reserve component) or the National Guard of any State, wherever such device is located.

As defined in the Act, the term “military device” includes, but is not restricted to, shells, bombs, projectiles, mines, missiles, rockets, shaped charges, grenades, perforators, and similar devices lawfully manufactured exclusively for military or police purposes.

The affirmative defenses provided in the law could be asserted in a criminal case, a judicial forfeiture case, or an administrative license or permit denial or revocation.

Changes to the regulations in § 55.182 have been made to implement the provisions of section 845(c) of title 18, U.S.C.

(5) *Seizure and Forfeiture of Plastic Explosives.* The Act amended section 596(c)(1) of the Tariff Act of 1930, 19 U.S.C. 1595a(c)(1), to provide for the seizure or forfeiture of plastic explosive that does not contain a detection agent that is introduced or attempted to be introduced into the U.S. Changes to the regulations in Sec. 55.186 have been made to implement this provision of the law.

Miscellaneous. In order to fully implement the provisions of the Act, regulations are prescribed in Sec. 55.184 which authorize the Director to request from licensed manufacturers and licensed importers accurate and complete statements of process with regard to any plastic explosive or any detection agent that is to be introduced into a plastic explosive or formulated in such explosive. The regulations also give ATF the authority to require samples of any plastic explosive or detection agent from such licensees.

As stated in Article III of the Convention, “[e]ach State Party shall take the necessary and effective measures to prohibit and prevent the movement into or out of its territory of unmarked [plastic] explosives” so as to prevent their diversion or use for purposes inconsistent with the Convention. In order to comply with the objectives of the Convention, regulations are prescribed in § 55.183 which require persons filing Form 6 applications for importation of plastic explosives on or after April 24, 1997, to attach to the application a statement certifying that the plastic explosive to be imported contains a detection agent or is a “small amount” to be used for research, training, or testing purposes and is exempt from the detection agent requirement.

Finally, the temporary rule made certain technical amendments and conforming changes to the regulations in Part 55. For example, §§. 55.49, 55.52, and 55.55 were amended to remove the reference to § 55.182. Section 55.182, Classes of explosive materials, was replaced by § 55.202 pursuant to T.D. ATF-87 (August 7, 1981; 46 FR 40382).

Notice of Proposed Rulemaking--Analysis of Comments

On February 25, 1997, ATF also published a notice of proposed rulemaking cross-referenced to the temporary regulations (Notice No. 847, 62 FR 8412). The comment period for Notice No. 847 closed on May 27, 1997.

ATF received four comments in response to Notice No. 847. One commenter expressed support for the temporary regulations. The remaining commenters raised several concerns with respect to the temporary regulations. Three commenters contend that current owners of unmarked plastic explosives should be “grandfathered” and allowed to retain their existing stocks and use them up at their normal attrition rate, beyond the 3-year period specified in the Act. To accomplish this, however, legislative action would be necessary. One commenter argues that State and local law enforcement agencies should be exempt from the marking requirement. Such an exemption, however, would also necessitate a statutory change.

Two commenters argue that the Government should purchase all unmarked plastic explosives from current owners. ATF has no authority to use appropriated funds to purchase unmarked plastic explosives. These commenters also suggest that the Federal Government supply the detection agent to all possessors of unmarked plastic explosives so that they may come into compliance. As stated above, ATF has no authority to use appropriated funds for this purpose.

The same commenters contend that a definition of the term “small quantity” is needed for purposes of the Act. As noted, the law provides that it is an affirmative defense against any proceeding involving section 842(l)-(o) of Title 18, U.S.C., if the proponent proves by a preponderance of the evidence that the plastic explosive consisted of a small quantity intended for and utilized solely in lawful--

- (a) Research, development, or testing of new or modified explosive materials;
 - (b) Training in explosives detection or development or testing of explosives detection equipment;
- or
- (c) Forensic science purposes.

One of the commenters states that he possesses “a small quantity (less than 170 pounds) of plastic explosives” for research purposes. However, he points out the following:

By manufactures [sic] standards, small quantity is referred to as 500 lbs. or less, however, to detection personnel the term “small quantity” may mean 10 lbs. or less. A company providing explosive training may term “small quantity” as between 500-2000 lbs. of plastic explosives.

The other commenter states that he possesses approximately 3,000 pounds of PBX for training purposes.

The above comments illustrate the difficulty in specifying a particular amount of explosive that is appropriate for all possessors.

As indicated, the amount of explosives required for a particular type of research may be far greater than the amount required for another type of research. Accordingly, ATF believes that such determinations should be made on a case-by-case basis after consideration of all relevant facts. ATF emphasizes that the statute makes it clear that the burden is on the possessor to prove that the quantity of unmarked plastic explosives is a “small amount” possessed for one of the exempt purposes.

Finally, one commenter suggests that an exemption be given to individuals using unmarked plastic explosives for training purposes. The commenter trains law enforcement, military, and

civilian personnel in explosives safety. As indicated above, one of the affirmative defenses to any proceeding involving the plastic explosive provisions of the law is for a small quantity of plastic explosive utilized solely in training in explosive detection or development. There is no exception for training in explosives safety. Such an exception would require legislative action.

Miscellaneous--Final Rule

The Convention on the Marking of Plastic Explosives for the Purpose of Detection, Done at Montreal on March 1, 1991, entered into force on June 21, 1998. Thirty-eight countries have ratified, including 11 producing states. As noted, for the Convention to enter into force internationally, 35 countries were required to ratify, 11 of which are producing states. Section 55.180 of the final regulations is being amended to incorporate the actual date that the Convention entered into force.

Accordingly, the temporary regulations published in the Federal Register on February 25, 1997 (T.D. ATF-387) are adopted as final upon the effective date of this Treasury decision.

Executive Order 12866

It has been determined that this final rule is not a significant regulatory action as defined in E.O. 12866, because the economic effects flow directly from the underlying statute and not from this final rule. Therefore, this final rule is not subject to the analysis required by this Executive order.

Regulatory Flexibility Act

The provisions of the Regulatory Flexibility Act relating to an initial and final regulatory flexibility analysis (5 U.S.C. 604) are not applicable to this final rule because the agency was not required to publish a notice of proposed rulemaking under 5 U.S.C. 553 or any other law. Accordingly, a regulatory flexibility analysis is not required.

Paperwork Reduction Act

The collection of information contained in this final regulation has been reviewed and approved by the Office of Management and Budget in accordance with the requirements of the Paperwork Reduction Act (44 U.S.C. 3507(d)) under control number 1512-0539. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid control number assigned by the Office of Management and Budget.

The collection of information in this regulation is in 27 CFR 55.184(a). This information is required to ensure compliance with the provisions of Public Law 104-132. This information will be used to ensure that plastic explosives contain a detection agent as required by law. The collection of information is mandatory. The likely respondents are individuals and businesses. The estimated average annual burden associated with the collection of information in this regulation is 12 hours per respondent. Comments concerning the accuracy of this burden estimate and suggestions for reducing this burden should be directed to the Chief, Document Services Branch, Room 3110, Bureau of Alcohol, Tobacco and Firearms, 650 Massachusetts Avenue, NW., Washington, DC

20226, and to the Office of Management and Budget, Attention: Desk Officer for the Department of the Treasury, Bureau of Alcohol, Tobacco and Firearms, Office of Information and Regulatory Affairs, Washington, DC 20503.

Disclosure

Copies of the temporary rule, the notice of proposed rulemaking, all written comments, and this final rule will be available for public inspection during normal business hours at: ATF Public Reading Room, Room 6480, 650 Massachusetts Avenue, NW., Washington, DC. Drafting Information: The author of this document is James P. Ficaretta, Regulations Division, Bureau of Alcohol, Tobacco and Firearms.

List of Subjects

27 CFR Part 47

Administrative practice and procedure, Arms control, Arms and munitions, Authority delegation, Chemicals, Customs duties and inspection, Imports, Penalties, Reporting and recordkeeping requirements, Scientific equipment, and Seizures and forfeitures.

27 CFR Part 55

Administrative practice and procedure, Authority delegations, Customs duties and inspection, Explosives, Hazardous materials, Imports, Penalties, Reporting and recordkeeping requirements, Safety, Security measures, Seizures and forfeitures, Transportation, and Warehouses.

Authority and Issuance

Accordingly, parts 47 and 55 are amended as follows:

Paragraph 1. The temporary rule published on February 25, 1997 (62 FR 8374) is adopted as final with the following changes.

PART 55--COMMERCE IN EXPLOSIVES

Par. 2. The authority citation for 27 CFR part 55 continues to read as follows:

Authority: 18 U.S.C. 847.

Par. 3. Section 55.180 is amended by revising paragraphs (b), (c)(2), and (d)(2) to read as follows:

Sec. 55.180 Prohibitions relating to unmarked plastic explosives.

* * * * *

(b) No person shall import or bring into the United States, or export from the United States, any plastic explosive that does not contain a detection agent. This paragraph does not apply to the importation or bringing into the United States, or the exportation from the United States, of any plastic explosive that was imported or brought into, or manufactured in the United States prior to April 24, 1996, by or on behalf of any agency of the United States performing military or police functions (including any military reserve component) or by or on behalf of the National Guard of any State, not later than 15 years after the date of entry into force of the Convention on the Marking of Plastic Explosives with respect to the United States, i.e., not later than June 21, 2013.

(c) * * *

(2) The shipment, transportation, transfer, receipt, or possession of any plastic explosive that was imported or brought into, or manufactured in the United States prior to April 24, 1996, by or on behalf of any agency of the United States performing a military or police function (including any military reserve component) or by or on behalf of the National Guard of any State, not later than 15 years after the date of entry into force of the Convention on the Marking of Plastic Explosives with respect to the United States, i.e., not later than June 21, 2013.

(d) * * *

(2) "Date of entry into force" of the Convention on the Marking of Plastic Explosives means that date on which the Convention enters into force with respect to the U.S. in accordance with the provisions of Article XIII of the Convention on the Marking of Plastic Explosives. The Convention entered into force on June 21, 1998.

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Signed: February 10, 1999.

John W. Magaw,
`Director.

Approved: March 10, 1999.

John P. Simpson,
Deputy Assistant Secretary (Regulatory, Tariff and Trade Enforcement).

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