

the symbol "A*" and inserting an "A" in lieu thereof.

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BILLING CODE 3190-01-M

OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

[Docket No. 301-116]

Termination of Action: Protection of Intellectual Property Rights by the Government of Honduras

AGENCY: Office of the United States
Trade Representative.

ACTION: Notice of termination of action
and monitoring and request for public
comments.

SUMMARY: On March 16, 1998, the USTR determined that the failure by the Government of Honduras to provide adequate and effective protection of intellectual property rights was unreasonable and burdened or restricted United States commerce and that the appropriate action was to suspend preferential treatment accorded under the Generalized System of Preferences (GSP) and Caribbean Basin Initiative (CBI) programs to certain products of Honduras, including certain cucumbers, watermelons, and cigars. In view of the Government of Honduras' measures to combat piracy and to protect intellectual property rights of the United States, the USTR has terminated that action taken under Section 301(b) of the Trade Act of 1974 ("Trade Act"). USTR will monitor Honduras' compliance in protecting the intellectual property rights of the United States pursuant to Section 306 of the Trade Act.

ADDRESSES: Office of the United States
Trade Representative, 600 17th Street,
NW, Washington, DC 20508.

FOR FURTHER INFORMATION CONTACT:
Mary Barnicle, Office of the Western
Hemisphere, (202) 396-5190 or William
Busis, Office of the General Counsel,
(202) 395-3150, Office of the United
States Trade Representatives.

SUPPLEMENTARY INFORMATION: In 1992, the Motion Picture Association filed a petition under the Generalized System of Preferences program asking that tariff preference benefits to Honduras under the GSP and CBI programs be withdrawn due to widespread, blatant copyright piracy. In May 1997, the Trade Policy Staff Committee (TPSC) recommended that GSP and CBI benefits be suspended unless the Government of Honduras improved its intellectual property rights enforcement within four months. On October 31, 1997, in order to implement the TPSC

recommendation, the USTR initiated an investigation under Section 302(b) of the Trade Act (19 U.S.C. 2412(b)) with respect to certain acts and policies of the Government of Honduras concerning its protection of intellectual property rights, including the failure to provide adequate and effective copyright protection and enforcement of rights of copyright owners, resulting in, for example, the wise-spread unauthorized broadcasting in Honduras of pirated videos and the rebroadcasting of U.S. satellite-carried television programming. See 62 FR 60299 of November 7, 1997. The USTR proposed to determine that the practices under investigation were actionable under Section 301 of the Trade Act and that the appropriate response would be a partial suspension of tariff preferences for certain Honduran imports.

After the initiation of the investigation, the United States consulted repeatedly with the Government of Honduras regarding the matters under investigation. However, while the Honduran government established a television regulatory authority and initiated criminal actions against two stations engaged in broadcast piracy, blatant broadcast piracy continued and U.S. copyright-based industries continued to suffer harm. On March 16, 1998, the USTR determined pursuant to sections 301(b)(1) and 304(a)(1)(A)(ii) of the Trade Act that the Government of Honduras failed to provide adequate and effective protection of intellectual property rights and the acts, policies or practices of Honduras under investigation were unreasonable and burdened or restricted U.S. commerce. The USTR further determined pursuant to sections 304(a)(1)(B), 301(b)(2), and 301(c)(1)(C) of the Trade Act that the appropriate and feasible action was to suspend the duty-free GSP and CBI treatment accorded to certain products of Honduras, including certain cucumbers, watermelons, and cigars. See 63 FR 16608 of April 3, 1998.

Following the USTR determinations as to the actionability and specific action to be taken, the Government of Honduras has taken a number of steps to stop broadcast piracy. It temporarily shut down two television stations and imposed and collected fines from the stations in an effort to provide adequate copyright protection. The Government of Honduras has also made a written promise to impose higher fines and to temporarily shut down the television stations again for a longer period if piracy resumes. Section 307(a)(1)(C) of the Trade Act authorizes the USTR to terminate any action, subject to the

specific direction, if any, of the President, if such action is being taken under Section 301(b) and is no longer appropriate. In light of the foregoing, the USTR has determined that the existing Section 301(b) action should be terminated and, as specified in the annex to this notice, the suspended GSP and CBI benefits should be restored. Restoration of benefits will be effective with regard to articles entered, or withdrawn from warehouse for consumption, on or after the date of publication of this notice. The USTR has also decided to terminate the GSP review initiated in 1993.

Section 604 of the Trade Act, as amended (19 U.S.C. 2463), authorizes the President to modify the Harmonized Tariff Schedule of the United States (HTS) to reflect laws, and actions thereunder, affecting the treatment of imports. In Proclamation 6969 of Jan. 27, 1997 (62 FR 4415 of Jan. 29, 1997), the President delegated to USTR the authority under Section 604 to embody rectifications, technical or conforming changes, or similar modifications in the HTS.

The notice that suspended GSP and CBI benefits for certain imports from Honduras renumbered HTS general note 7(d)(iv)—which embodied in the HTS Section 213(d) of the CBERA, as amended (19 U.S.C. 2703(d))—as HTS general note 7(g). See 63 FR 16608 of April 3, 1998. Pursuant to the authority delegated by the President to USTR in Proclamation 6969, the annex to this notice makes a technical correction to HTS general note 7(g) in order to make the provision a complete sentence.

Prior to terminating this 301 action, the USTR consulted with the domestic industry concerned regarding the modification and termination of the existing action. An opportunity for public comment prior to this action was not possible in view of the need for expeditious action. Immediate termination of the Section 301 action was required to ensure full and prompt implementation of measures taken by the Government of Honduras to prevent resumption of piracy.

Interested members of the public are now invited to submit comments to USTR regarding this action. USTR will review these comments upon receipt.

Public Comments

Comments must be filed in accordance with the requirements set forth in 15 CFR 2006.8(b) (55 FR 20593) and must be filed on or before noon on July 31, 1998. Comments must be in English and provided in twenty copies to: Sybia Harrison, Staff Assistant to the Section 301 Committee, Room 223,

Office of the U.S. Trade Representative, 600 17th Street, NW, Washington, DC 20508.

Comments will be placed in a file (Docket 301-116) open to public inspection pursuant to 15 CFR 2006.13, except confidential business information exempt from public inspection in accordance with 15 CFR 2006.15. Confidential business information submitted in accordance with 15 CFR 2006.15 must be clearly marked "BUSINESS CONFIDENTIAL" in a contrasting color ink at the top of each page on each of 20 copies, and must be accompanied by a nonconfidential summary of the confidential information. The nonconfidential summary shall be placed in the file that is open to public inspection. Copies of the public version of the petition and other relevant documents are available for public inspection in the USTR Reading Room. An appointment to review the docket (Docket No. 301-116) may be made by calling Brenda Webb (202) 395-6186. The USTR Reading Room is open to the public from 9:30 a.m. to 12 noon and 1:00 p.m. to 4:00 p.m., Monday through Friday, and is located in Room 101.

Susan G. Esserman,

Acting United States Trade Representative.

Annex

The Harmonized Tariff Schedule of the United States ("HTS") is modified as set forth below with respect to articles entered, or withdrawn from warehouse for consumption, on or after the effective specified for the enumerated actions:

1. With respect to articles both: (i) imported on or after January 1, 1976, and (ii) entered, or withdrawn from warehouse for consumption, on or after June 30, 1998:

(a). General note 4(d) of the HTS is modified by deleting the following subheadings and the country set out opposite them: 0707.020 Honduras; 0707.00 Honduras; 0807.11.30 Honduras.

(b). For the following subheadings, the Rates of Duty 1—Special subcolumn is modified by deleting the symbol "A*" and inserting an "A" in lieu thereof: 0707.20; 0707.00; 0807.11.30.

2. With respect to articles entered, or withdrawn from warehouse for consumption, on or after June 30, 1998.

(a). General note 7(d) of the HTS is modified by:

(i). in subdivision (ii) deleting "of the CBERA;" and inserting "of the CBERA; or" in lieu thereof;

(ii) in subdivision (iii) deleting "provided for in this note; or" and

inserting "provided for in this note." in lieu thereof; and

(iii). deleting subdivision (iv).

(b). For the following subheadings, the Rates of Duty 1—Special subcolumn is modified by deleting the symbol "E*" and inserting an "E" in lieu thereof: 0707.00.20; 0707.00.40; 0807.11.30; 2402.10.60.

3. With respect to articles entered, or withdrawn from warehouse for consumption, on or after the April 20, 1998, general note 7 to the HTS is modified by deleting subdivision 7(g) and inserting the following new subdivision 7(g) in lieu thereof:

"(g) The duty-free treatment provided under the CBERA shall not apply to any agricultural product of chapters 2 through 52, inclusive, that is subject to a tariff-rate quota, if entered in a quantity in excess of the in-quota quantity for such produce."

[FR Doc. 98-17485 Filed 6-26-98; 12:56 pm]

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DEPARTMENT OF TRANSPORTATION

Office of the Secretary

[Docket No. OST-96-1437]

Privacy Act of; Notice to Amend Systems of Records

AGENCY: Office of the Secretary, DOT.

ACTION: Proposed amendments to numerous Privacy Act systems of records.

SUMMARY: As part of the biennial review of systems of records required by the Privacy Act, DOT discovered outdated room numbers for some records system notices and the failure to identify a second repository of records in one system. This notice proposes to make the appropriate changes.

EFFECTIVE DATE: August 10, 1998.

ADDRESSES: Interested individuals may comment on this publication by writing to Robert I. Ross, C-10, U.S. Department of Transportation, Office of the General Counsel, 400 7th Street, SW., Washington, DC 20590; telephone: 202-366-9156; fax: 202-366-9170; e-mail: bob.ross@ost.dot.gov.

FOR FURTHER INFORMATION CONTACT:

Inquiries or comments concerning this proposed altered system should be directed to Robert I. Ross, Office of the General Counsel, C-10, US Department of Transportation, Washington, DC 20590; telephone: 202-366-9156; fax: 202-366-9170; e-mail: bob.ross@ost.dot.gov. If no comments are received, the proposed change will become effective on the above-

mentioned date. If comments are received, the comments will be considered and where adopted, the document will be republished with the change.

SUPPLEMENTARY INFORMATION: DOT systems of records notices subject to the Privacy Act of 1974 (5 U.S.C. 552a), as amended, have been published in the **Federal Register** and are available from the above mentioned address. The specific change to each record system being amended is highlighted in italics below in the notice, as amended, which is being published in its entirety. None of the proposed amendments is within the purview of subsection (r) of the Privacy Act, as amended, which requires the submission of a new or altered systems report.

DOT/OST 003

SYSTEM NAME:

Allegations of Infringement of United States Patents.

SECURITY CLASSIFICATION:

Unclassified

SYSTEM LOCATION:

Office of the Secretary of Transportation, Office of the General Counsel, 400 7th Street, SW., Room 10102, Washington, DC, 20590.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Individuals who believe that an agency of the Department of Transportation is infringing a United States patent owned by the individual.

CATEGORIES OF RECORDS IN THE SYSTEM:

Copies of correspondence alleging that agencies of the Department of Transportation have infringed, or are infringing, United States patents owned by the originator of the correspondence. Copies of replies by the Department Patent Counsel to the originator of the allegation. Copies of correspondence forwarding the allegation to the particular Department agency accused for their comment; their replies to Patent Counsel. Copies of correspondence between the Department of Transportation and the Department of Justice concerning the allegations.

AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

49 CFR 1.57

PURPOSE(S):

The purpose of the system is to document allegations that agencies of the Department of Transportation have infringed, or are infringing, United States patents.