Actions	Compliance	Procedures
(4) Do not install: (i) Any P/N 532.10.12.077 (or FAA-approved equivalent part number) bolt that does not have a white primed and painted head in any MLG assembly (P/N 532.10.12.049, P/N 532.10.12.050, or FAA-approved equivalent part number); and (ii) Any MLG assembly (P/N 532.10.12.049, P/N 532.10.12.050 or FAA-approved equivalent part number) that does not have P/N 532.10.12.077F (or FAA-approved equivalent part number) bolts with white primed and painted heads.	As of December 19, 2005 (the effective date of this AD).	Not Applicable.

Note: The FAA recommends that you return any removed bolts to Pilatus.

May I Request an Alternative Method of Compliance?

(f) You may request a different method of compliance or a different compliance time for this AD by following the procedures in 14 CFR 39.19. Unless FAA authorizes otherwise, send your request to your principal inspector. The principal inspector may add comments and will send your request to the Manager, Standards Office, Small Airplane Directorate, FAA. For information on any already approved alternative methods of compliance, contact Doug Rudolph, Aerospace Engineer, FAA, Small Airplane Directorate, 901 Locust, Room 301, Kansas City, Missouri 64106; telephone: (816) 329–4059; facsimile: (816) 329–4090.

Is There Other Information That Relates to This Subject?

(g) Swiss AD Number HB–2005–288, dated June 29, 2005, also addresses the subject of this AD.

Does This AD Incorporate Any Material by Reference?

(h) You must do the actions required by this AD following the instructions in Pilatus PC12 Service Bulletin No. 32–018, dated May 2, 2005. The Director of the Federal Register approved the incorporation by reference of this service bulletin in accordance with 5 U.S.C. 552(a) and 1 CFR part 51. To get a copy of this service information, contact Pilatus Aircraft Ltd., Customer Liaison Manager, CH–6371 Stans, Switzerland; telephone: +41 41 619 6208; facsimile: +41 41 619 7311; e-mail: *SupportPC12@pilatus-aircraft.com* or from Pilatus Business Aircraft Ltd., Product Support Department, 11755 Airport Way, Broomfield, Colorado 80021; telephone: (303) 465–9099; facsimile: (303) 465–6040. To review copies of this service information, go to the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, go to: *http://www.archives.gov/federal_register/code_of_federal_regulations/ibr_locations.html* or call (202) 741–6030. To view the AD docket, go to the Docket Management Facility; U.S. Department of Transportation, 400 Seventh Street, SW., Nassif Building, Room PL–401, Washington, DC 20590–001 or on the Internet at *http://dms.dot.gov*. The docket number is FAA–2005–21835; Directorate Identifier 2005–CE–35–AD.

Issued in Kansas City, Missouri, on October 25, 2005.

David R. Showers,

Acting Manager, Small Airplane Directorate, Aircraft Certification Service.

[FR Doc. 05–21803 Filed 11–2–05; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF JUSTICE

Bureau of Prisons

28 CFR Part 523

[BOP–1112–F]

RIN 1120–AB12

Good Conduct Time: Aliens With Confirmed Orders of Deportation, Exclusion, or Removal

AGENCY: Bureau of Prisons, Justice.

ACTION: Final rule.

SUMMARY: In this document, the Bureau of Prisons (Bureau) amends its rules on Good Conduct Time (GCT). The purpose of this rule is to more effectively reduce the lengthy General Educational Development (GED) waiting lists and to reevaluate the ''satisfactory progress in a literacy program'' provision of the Violent Crime Control and Law Enforcement Act of 1994 (VCCLEA) and/or the Prison Litigation Reform Act of 1995 (PLRA) for aliens with confirmed orders of deportation, exclusion, or removal. This rule will increase the proportion of our literacy funds and resources that go to inmates who will remain in the U.S. after release. This rule will exempt inmate aliens with confirmed orders of deportation, exclusion, or removal from the ''satisfactory progress in a literacy program'' provision of the Violent Crime Control and Law Enforcement Act of 1994 (VCCLEA) and/or the Prison Litigation Reform Act of 1995 (PLRA). The Bureau's Literacy Program rules formerly comprised only GED attainment. This means that inmate aliens who have confirmed orders of deportation, exclusion, or removal, but do not have a high school diploma or GED, will not need to demonstrate satisfactory progress toward earning a GED credential to be considered for the full benefits of GCT. When considering GCT, we will allow 54 days GCT for each year served if the inmate is an alien with a confirmed order of deportation, exclusion, or removal from the Executive Office for Immigration Review (EOIR).

In this document, we also reorganize the rule for clarity and accuracy. Other than the substantive change regarding sentenced deportable aliens, we make no further substantive changes.

DATES: This rule is effective December 5, 2005.

FOR FURTHER INFORMATION CONTACT: Sarah Qureshi, Office of General Counsel, Bureau of Prisons, phone (202) 307–2105.

SUPPLEMENTARY INFORMATION: We published this change as a proposed rule on June 25, 2003 (68 FR 37776).

What Is the Purpose of This Rule Change?

The purpose of this rule is to more effectively reduce the lengthy General Educational Development (GED) waiting lists and to reevaluate the ''satisfactory progress in a literacy program'' provision of VCCLEA/PLRA for aliens with confirmed orders of deportation, exclusion, or removal. This rule will increase the proportion of our literacy funds and resources that go to inmates who will remain in the U.S. after release.

VCCLEA/PLRA requires that inmates lacking a high school diploma or GED

must participate satisfactorily in the literacy program to receive full benefits of GCT.

In November 1997, the Bureau's education staff implemented the literacy provision of VCCLEA and PLRA (see 28 CFR 544.70–544.75). Inmates sentenced under either of these two laws must enroll or re-enroll in a literacy program and make satisfactory progress towards earning a GED credential. If they do not do this, inmates may suffer negative consequences to their GCT credit. For PLRA inmates, this would mean not being eligible for the maximum, 54 days, of GCT (see 28 CFR 523.20(a)(1)). For VCCLEA inmates, this would result in their GCT not vesting.

Although we made extensive efforts to enroll as many inmates in literacy programs as possible, the waiting lists for enrollment in these programs grew from no appreciable waitlist in August 1997 to 12,829 in January 2004. Aliens with confirmed deportation orders represent a small fraction of all VCCLEA/PLRA sentenced inmates without a verified GED. On January 7, 2004, six percent of all VCCLEA/PLRA sentenced inmates without a verified GED were aliens with confirmed deportation orders (2,383 out of 41,892).

18 U.S.C. 3624(b)(4) gives the Director authority to make exemptions to the GED requirements as he deems appropriate. Through our literacy program, we help inmates compete for available jobs and cope with post-release community, family, and other responsibilities. Because we must concentrate resources on inmates who will be released into U.S. communities, we will not require inmates with confirmed orders of deportation, exclusion, or removal to participate in the literacy program.

In this rule, we make an exemption to the GED requirements to provide relief to the growing demand for literacy programs by amending 28 CFR 523.20 to allow the full benefit of GCT provisions for aliens with confirmed orders of deportation, exclusion, or removal. These inmates may still participate in the literacy program, even though it will not affect their GCT.

Comments

We received eight comments. Six were identical form letters in support of the rule change. We respond to the remaining two comments below.

One commenter recommended that the Director provide an exemption for any inmate currently subject to a detainer for later determination of deportability. The commenter states that this would allow inmates who know that they will be found deportable to request the exemption, thus freeing space in the GED program for inmates who will be released within the U.S.

We considered this option and decided against creating an exemption for inmates subject to a detainer pending a hearing to determine deportability. If the Bureau of Prisons allows such an exception for inmates with detainers, but the Department of Homeland Security (DHS), Bureau of Immigration and Customs Enforcement (ICE) determines that the inmate *cannot be removed* to the country of origin, there are two possible consequences for that inmate: (1) The inmate may have to be on a GED waiting list for an indeterminate amount of time, possibly not getting into the program until close to the expiration of his/her sentence; and/or (2) Any good conduct time earned by the inmate under the exception would have to be forfeited to the extent that it exceeded the good conduct time that inmate would have earned had his/her immigration status been known earlier.

In both situations, the inmate faces potentially negative consequences. We determined that it would more likely benefit alien inmates in this situation to accumulate good conduct time and move up in the waitlist or possibly even have the opportunity to benefit from the GED program, while his/her hearing is pending.

Another commenter wanted to know how the rule would affect inmates who are of Cuban citizenship, whose removal from the U.S. cannot be executed, and who, therefore, will be released into the community. We intend this rule to operate as follows: Any inmate who is subject to an EOIR order of removal, deportation, or exclusion does not need to participate in the GED program to earn the full amount of good conduct time. Therefore, regardless of whether or not that order can actually be executed, the fact of the EOIR order triggers the effect of this rule. However, if DHS re-evaluates the inmate's situation and makes a formal determination that the inmate is no longer subject to an order of removal, deportation, or exclusion, that inmate will then be required to participate in the GED program or be placed on the waitlist to earn the full amount of good conduct time.

For the aforementioned reasons, we finalize the proposed rule without change.

Executive Order 12866

This regulation has been drafted and reviewed in accordance with Executive Order 12866, ''Regulatory Planning and Review'', section 1(b), Principles of Regulation. The Director of the Bureau of Prisons has determined that this rule is not a ''significant regulatory action'' under Executive Order 12866, section 3(f), and accordingly this rule has not been reviewed by the Office of Management and Budget.

Executive Order 13132

This regulation will not have substantial direct effects on the States, on the relationship between the National Government and the States, or on distribution of power and responsibilities among the various levels of government. Under Executive Order 13132, this rule does not have sufficient federalism implications for which we would prepare a federalism Assessment.

Regulatory Flexibility Act

The Director of the Bureau of Prisons, under the Regulatory Flexibility Act (5 U.S.C. 605(b)), reviewed this regulation. By approving it, the Director certifies that it will not have a significant economic impact upon a substantial number of small entities because: This rule is about the correctional management of offenders committed to the custody of the Attorney General or the Director of the Bureau of Prisons, and its economic impact is limited to the Bureau's appropriated funds.

Unfunded Mandates Reform Act of 1995

This rule will not cause State, local and tribal governments, or the private sector, to spend $100,000,000 or more in any one year, and it will not significantly or uniquely affect small governments. We do not need to take action under the Unfunded Mandates Reform Act of 1995.

Small Business Regulatory Enforcement Fairness Act of 1995

This rule is not a major rule as defined by § 804 of the Small Business Regulatory Enforcement Fairness Act of 1995. This rule will not result in an annual effect on the economy of $1000,000,000 or more; a major increase in costs or prices; or significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-b ased companies to compete with foreign-based companies in domestic and export markets.

List of Subjects in 28 CFR Part 523

Prisoners.

Harley G. Lappin,

Director, Bureau of Prisons.

■ Under the rulemaking authority vested in the Attorney General in 5

U.S.C. 552(a) and delegated to the Director, Bureau of Prisons, we amend 28 CFR part 523 as follows.

Subchapter B—Inmate Admission, Classification, and Transfer

PART 523—COMPUTATION OF SENTENCE

■ 1. The authority citation for 28 CFR part 523 is revised to read as follows:

Authority: 5 U.S.C. 301; 18 U.S.C. 3568 (repealed November 1, 1987 as to offenses committed on or after that date), 3621, 3622, 3624, 4001, 4042, 4081, 4082 (Repealed in part as to conduct occurring on or after November 1, 1987), 4161–4166 (repealed October 12, 1984 as to offenses committed on or after November 1, 1987), 5006–5024 (Repealed October 12, 1984 as to conduct occurring after that date), 5039; 28 U.S.C. 509, 510.

■ 2. Revise § 523.20 to read as follows:

§ 523.20 Good conduct time.

(a) For inmates serving a sentence for offenses committed on or after November 1, 1987, but before September 13, 1994, the Bureau will award 54 days credit toward service of sentence (good conduct time credit) for each year served. This amount is prorated when the time served by the inmate for the sentence during the year is less than a full year.

(b) For inmates serving a sentence for offenses committed on or after September 13, 1994, but before April 26, 1996, all yearly awards of good conduct time will vest for inmates who have earned, or are making satisfactory progress (see § 544.73(b) of this chapter) toward earning a General Educational Development (GED) credential.

(c) For inmates serving a sentence for an offense committed on or after April 26, 1996, the Bureau will award

(1) 54 days credit for each year served (prorated when the time served by the inmate for the sentence during the year is less than a full year) if the inmate has earned or is making satisfactory progress toward earning a GED credential or high school diploma; or

(2) 42 days credit for each year served (prorated when the time served by the inmate for the sentence during the year is less than a full year) if the inmate has not earned or is not making satisfactory progress toward earning a GED credential or high school diploma.

(d) Notwithstanding the requirements of paragraphs (b) and (c) of this section, an alien who is subject to a final order of removal, deportation, or exclusion is eligible for, but is not required to, participate in a literacy program, or to be making satisfactory progress toward earning a General Educational Development (GED) credential, to be eligible for a yearly award of good conduct time.

(e) The amount of good conduct time awarded for the year is also subject to disciplinary disallowance (see tables 3 through 6 in § 541.13 of this chapter).

[FR Doc. 05–21969 Filed 11–2–05; 8:45 am]

BILLING CODE 4410–05–P

DEPARTMENT OF THE TREASURY

31 CFR Part 103

RIN 1506–AA70

Financial Crimes Enforcement Network; Amendment to the Bank Secrecy Act Regulations—Anti-Money Laundering Programs for Insurance Companies

AGENCY: Financial Crimes Enforcement Network, Treasury.

ACTION: Final rule.

SUMMARY: The Financial Crimes Enforcement Network is issuing this final rule to prescribe minimum standards applicable to insurance companies pursuant to the provision in the Bank Secrecy Act that requires financial institutions to establish anti-money laundering programs and to define the companies and insurance products that are subject to that requirement.

DATES: *Effective Date:* December 5, 2005.

Applicability Date: May 2, 2006. *See* 31 CFR 103.137(b) of the final rule contained in this document.

FOR FURTHER INFORMATION CONTACT: Financial Crimes Enforcement Network, Regulatory Policy and Programs Division on (202) 354–6400 (not a toll-free number).

SUPPLEMENTARY INFORMATION:

I. Background

A. Statutory Provisions

The Bank Secrecy Act, Public Law 91–508, as amended, codified at 12 U.S.C. 1829b, 12 U.S.C. 1951–1959, and 31 U.S.C. 5311–14, 5316–5332, authorizes the Secretary of the Treasury to issue regulations requiring financial institutions to keep records and file reports that are determined to have a high degree of usefulness in criminal, tax, and regulatory matters, or in the conduct of intelligence or counter-intelligence activities, including analysis, to protect against international terrorism, and to implement anti-money laundering programs and compliance procedures.[1] Regulations implementing Title II of the Bank Secrecy Act appear at 31 CFR Part 103. The authority of the Secretary to administer the Bank Secrecy Act has been delegated to the Director of the Financial Crimes Enforcement Network.

On October 26, 2001, the President signed into law the USA PATRIOT Act. Section 352 of the USA PATRIOT Act, which became effective on April 24, 2002, amended 31 U.S.C. 5318(h) to require anti-money laundering programs for all financial institutions defined in 31 U.S.C. 5312(a)(2). At a minimum, the anti-money laundering programs are required to include:

(A) The development of internal policies, procedures, and controls; (B) the designation of a compliance officer; (C) an ongoing employee training program; and (D) an independent audit function to test programs. 31 U.S.C. 5318(h)(1).

Section 352(c) of the USA PATRIOT Act directs the Secretary to prescribe regulations for anti-money laundering programs that are ''commensurate with the size, location, and activities'' of the financial institutions to which such regulations apply. Section 5318(h)(2) permits the Secretary to exempt from this anti-money laundering program requirement those financial institutions not currently subject to the Financial Crimes Enforcement Network's regulations implementing the Bank Secrecy Act. Section 5318(a)(6) further provides that the Secretary may exempt any financial institution from any Bank Secrecy Act requirement. Taken together, these provisions authorize the issuance of anti-money laundering program regulations that may differ with respect to certain kinds of financial institutions, and that may exempt certain financial institutions from the requirements of section 5318(h)(1).

Although insurance companies have long been defined as financial institutions under the Bank Secrecy Act (*see* 31 U.S.C. 5312(a)(2)(M)), we, prior to the notice of proposed rulemaking preceding this final rule,[2] had neither defined ''insurance companies'' for purposes of the Bank Secrecy Act nor issued regulations regarding insurance companies. In April 2002, we deferred the anti-money laundering program requirement contained in 31 U.S.C. 5318(h) that would have applied to the insurance industry.[3] The deferral

[1] Language expanding the scope of the Bank Secrecy Act to intelligence or counter-intelligence activities, including analysis, to protect against international terrorism was added by section 358 of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (the USA PATRIOT Act), Public Law 107–56.

[2] *See* 67 FR 60625 (Sept. 26, 2002).

[3] *See* 31 CFR 103.170, as codified by interim final rule published at 67 FR 21110 (Apr. 29, 2002), as