



DEPARTMENT OF COMMERCE

International Trade Administration

19 CFR Part 351

RIN: 0625-AA92

Docket No.: 120613168-2168-01

Regulation Strengthening Accountability of Attorneys and Non-Attorney Representatives Appearing before the Department

AGENCY: Import Administration, International Trade Administration, Department of Commerce.

ACTION: Notice of proposed rulemaking and request for comments.

SUMMARY: The Department of Commerce (the Department) proposes to amend its regulations to add a subsection that strengthens the accountability of attorneys and non-attorney representatives who appear in proceedings before the Import Administration (IA). If this proposed rule is implemented, the Department will continue its long-standing practice of permitting attorneys and non-attorney representatives to appear before IA. The proposed rule provides that both attorneys and non-attorney representatives will be subject to disciplinary action for misconduct based upon good cause. The proposed rule will assist the Department in maintaining the integrity of its proceedings by deterring misconduct by those who appear before it in antidumping duty (AD) and countervailing duty (CVD) proceedings. The Department is requesting comments on the proposed rule as discussed in more detail below.

DATES: The Department is requesting public comment on this proposed rule. To be assured consideration, all comments must be received no later than [INSERT DATE 45 DAYS AFTER PUBLICATION IN THE FEDERAL REGISTER]. All comments should refer to RIN 0625-AA92.

ADDRESSES: To ensure the timely receipt and consideration of comments, the Department requires all comments to be submitted on-line through the Federal eRulemaking portal at www.regulations.gov, unless they do not have access to the internet. Comments to this notice should be submitted under docket number ITA-2012-0003. To find this docket, enter the docket number in the “Enter Keyword or ID” window at the www.regulations.gov home page and click “Search.” The site will provide a search-results page listing all documents associated with that docket number. Find a reference to the proposed rule notice by selecting “Rule” under “Document Type” on the search-results page, and click on the link entitled “Submit a Comment.” The www.regulations.gov website provides the option of making submissions by filling in a comments field, or by attaching a document. The International Trade Administration (ITA) prefers submissions to be provided in an attached document. (For further information on using the www.regulations.gov website, please consult the resources provided on the website by clicking on the “Help” tab.)

Commenters who do not have access to the internet may submit the original and two copies of each set of comments by mail or hand delivery/courier. All comments should be addressed to Paul Piquado, Assistant Secretary for Import Administration, Room 1870, Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230.

The Department will consider all relevant comments regarding the proposed rule that are received before the close of the comment period. The Department will not accept comments accompanied by a request that part or all of the material be treated confidentially because of its business proprietary nature or for any other reason. All comments responding to this notice will be a matter of public record and will be available for inspection at IA’s Central Records Unit (Room 7046 of the Herbert C. Hoover Building) or on the Federal eRulemaking Portal at

www.regulations.gov.

Any questions concerning file formatting, document conversion, access to the internet, or other electronic filing issues should be addressed to Andrew Lee Beller, Import Administration Webmaster, at (202) 482-0866, e-mail address: webmaster-support@ita.doc.gov.

FOR FURTHER INFORMATION CONTACT: Michele Lynch, Senior Counsel, Office of the General Counsel, Office of Chief Counsel for Import Administration, or Eric Greynolds, International Trade Program Manager, Office 3, Import Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230, 202-482-2879 or 202-482-6071, respectively.

SUPPLEMENTARY INFORMATION:

In August 2010, in support of the National Export Initiative (NEI), the Department announced a number of proposals to strengthen the administration of the U.S. AD and CVD laws. One proposal addressed strengthening the accountability of attorneys and non-attorneys who practice before the Department. This proposal advances the purpose of the NEI by continuing rigorous enforcement of U.S. trade laws.

For decades, consistent with IA's regulations, attorneys and non-attorney representatives have practiced before IA without completing an application or obtaining a license from the Department. The proposed rule continues this long-standing practice and expressly identifies persons who may appear before the agency, including both attorneys and non-attorney representatives, and provides that such practitioners may be required to demonstrate to the agency their acceptability to act as practitioners. The proposed rule also (i) establishes a good cause standard for the application of sanctions for misconduct, (ii) identifies possible sanctions for misconduct including suspension and barring one from practice before the agency or a lesser

sanction (that may be public or private) at the Secretary's discretion, and (iii) permits attorneys and representatives to have an opportunity to present their views on the matter to the Department. If attorneys or representatives are suspended or barred from practice before the Department, the proposed rule provides that their names will appear on a public register of suspended or barred attorneys and representatives.

The proposed rule is modeled after the U.S. International Trade Commission's rule, 19 CFR 201.15, with some modifications. Certain of the modifications are necessary to ensure that the proposed rule uses the same terms already used by IA in its regulations or that two terms have the same intended meaning. Another modification provides that the Department will maintain a public registry of persons who are suspended or barred from practice. The public nature of the registry will assist the Department in its objective, *i.e.*, maintaining the integrity of its proceedings by deterring misconduct by attorneys and non-attorney representatives who appear before it.

Related Rulemaking

In 2004, the Department published a notice of inquiry seeking public comment about IA's certification requirements. *See Certification and Submission of False Statements to Import Administration During Antidumping and Countervailing Duty Proceedings – Notice of Inquiry*, 69 FR 3562 (January 26, 2004) (*2004 Notice of Inquiry*) and *Certification and Submission of False Statements to Import Administration During Antidumping and Countervailing Duty Proceedings – Notice of Proposed Rulemaking and Request for Comments*, 69 FR 56738 (September 22, 2004). In response, IA received public comment on whether it should strengthen its certification process or promulgate regulations concerning those who provide false statements or engage in fraudulent activity before the Department. The certification process is currently the

subject of a separate rulemaking. *See Certification of Factual Information to Import Administration During Antidumping and Countervailing Duty Proceedings: Interim Final Rule*, 76 FR 7491 (February 10, 2011) (*2011 Interim Final Rule*) and *Certification of Factual Information to Import Administration During Antidumping and Countervailing Duty Proceedings: Supplemental Interim Final Rule*, 76 FR 54697 (September 2, 2011). However, one of the questions asked by the Department in 2004 was whether attorneys and other professionals appearing before the Department should be subject to regulation for misconduct before the Department. The Department received comments in 2004 both supporting and opposing such regulation. Those comments are not part of this proposed rulemaking and will not be considered. As set forth above, the Department seeks public comment on this 2012 proposed rule.

In promulgating the *2011 Interim Final Rule*, the Department included in the proposed revision to the certification regulation a reference to 18 U.S.C. 1001, reminding individuals conducting business with the Department and their representatives that U.S. law imposes criminal sanctions upon parties who knowingly and willfully make material false statements to the U.S. Government. In its response to public comments, the Department stated that it intended to continue to refer certification violations to offices better equipped to handle such matters, such as the Department's Office of the Inspector General (OIG). *See 2011 Interim Final Rule*, 76 FR at 2493-94. The promulgation of this proposed rule strengthening the accountability of attorney and non-attorney representatives is consistent with the *2011 Interim Final Rule*. The Department will refer instances of alleged certification violations to the OIG. However, not every case of misconduct constitutes a certification violation. Under this proposed rule, when the Department either receives allegations that an attorney or non-attorney representative appearing before it has

engaged in misconduct or inappropriate behavior, or is otherwise aware of such misconduct or behavior, for good cause and to protect the integrity of its proceedings, it will take disciplinary action against the offending attorney or non-attorney representative. Attorneys and non-attorney representatives who are found, after referral to the appropriate office, to have engaged in a certification violation when appearing before the Department will also be subject to disciplinary action under this proposed rule. In all cases, disciplinary action may involve reprimand (public or private), suspension or disbarment from appearing before the Department.

Classification

Regulatory Flexibility Act

In accordance with the Regulatory Flexibility Act, 5 U.S.C. 601 et seq., the Chief Counsel for Regulation at the Department of Commerce certified to the Chief Counsel for Advocacy, Small Business Administration, that the proposed rule, if adopted, would not have a significant economic impact on a substantial number of small entities. A description of the action, why it is being considered, and the legal basis for this action are contained in the preamble to this proposed rule. The factual basis for this certification is as follows.

The purpose of this rule is to strengthen the accountability of attorneys and non-attorney representatives who appear before the Department. The objective of the amendment is to implement measures which continue to permit attorneys and non-attorneys to represent persons appearing in proceedings before the Department while at the same time providing that all such persons are subject to public disciplinary action for misconduct before the Department.

The entities who would be impacted by this rule are attorneys and non-attorney representatives who appear in proceedings before the Import Administration. The Department cannot elaborate on how many of the regulated entities would be considered small under the

Small Business Administration's size standards because it does not collect such data. Although the Department does not collect data on attorneys or non-attorney representatives appearing before it, historically, firms have included major law firms in business in Washington, D.C., New York, and Chicago. We do not anticipate that a substantial number of small entities would be impacted by this rule.

This proposed rule is expected to have very small economic impacts to the regulated entities as it is procedural in nature. The rule establishes a "good cause" standard to be applied to discipline attorneys and non-attorney representatives appearing before the Department, yet it does not alter the Department's long-standing practice of allowing such representation. There is no application fee to appear before the Department. There also are no monetary penalties assessed if the Department determines that good cause exists for sanctioning an attorney or non-attorney representative. The proposed rule could be beneficial to small entities impacted by this rule because it continues to allow parties to use non-attorney representatives in Department proceedings, rather than requiring them to retain an attorney, which might result in financial savings to the small entities. However, if the Department suspends or disbars an attorney or non-attorney representative as a result of this rule, it may result in some economic impact, unquantifiable at this time, as that person would not be able to practice before the Department. But, the Department does not anticipate that a substantial number of small entities would be impacted because it anticipates that attorneys and non-attorney representatives appearing before it will conduct themselves professionally and, historically, many of the attorneys and non-attorney representatives who appear before the Department are from larger firms. For these reasons, the Chief Counsel for Regulation certified this rule would not result in a significant economic impact to a substantial number of small entities.

Paperwork Reduction Act

It has been determined that this rulemaking does not contain an information collection subject to the Paperwork Reduction Act.

Executive Order 12866

It has been determined that the proposed rulemaking is not significant for purposes of Executive Order 12866.

Executive Order 13132

It has been determined that the proposed rulemaking does not contain federalism implications warranting the preparation of a federalism assessment.

List of Subjects in 19 CFR Part 351

Administrative practice and procedure, Antidumping duties, Countervailing duties.

Dated: June 15, 2012

Paul Piquado
Assistant Secretary for Import Administration

For the reasons stated above, the Department proposes to amend 19 CFR part 351 as follows:

PART 351 - ANTIDUMPING AND COUNTERVAILING DUTIES

1. The authority citation for 19 CFR part 351 continues to read as follows:

Authority: 5 U.S.C. 301; 19 U.S.C. 1202 note; 19 U.S.C. 1303 note; 19 U.S.C. 1671 et seq.; and 19 U.S.C. 3538.

2. Add § 351.313 to subpart C to read as follows:

§ 351.313 Attorneys or representatives.

No register of attorneys or representatives who may practice before the Department is maintained. No application for admission to practice is required. Any person desiring to appear as attorney or representative before the Department may be required to show to the satisfaction of the Secretary his acceptability in that capacity. Any attorney or representative practicing before the Department, or desiring so to practice, may for good cause shown be suspended or barred from practicing before the Department, or have imposed on him such lesser sanctions (e.g., public or private reprimand) as the Secretary deems appropriate, but only after he has been accorded an opportunity to present his views in the matter. The Department will maintain a public register of attorneys and representatives suspended or barred from practice. “Attorney” pursuant to this subpart and “legal counsel” in § 351.303(g) have the same meaning. “Representative” pursuant to this subpart and in § 351.303(g) has the same meaning.

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