require Commission approval pursuant to section 203 in order to acquire an interest in a QF or an EWG.[26] Finally, it notes that the Commission in Order No. 669 stated that this would hold true even if the holding company were a holding company solely by reason of its ownership interest in QFs, EWGs and foreign utility companies (FUCOs).

26. The Non-Utility QF Group states that, while it understands why the Commission would want some review of acquisitions of large QFs by holding companies having real generation or transmission market power, it disagrees with the Commission's suggestion in Order No. 669 that holding companies otherwise exempted by Congress from PUHCA 2005, *i.e.*, owners only of QFs, EWGs and FUCOs, should be subject to section 203 requirements. It argues that this assertion represents a potential dramatic increase in regulatory oversight over independent companies that own precisely the types of smaller, non-traditional generating plants that Congress has long sought to encourage. It argues that it is ''silly'' to require every 500 KW landfill gas or hydroelectric plant to be subject to section 203 just because it is being acquired by the owner of another small QF.

27. The Non-Utility QF Group argues that a better balance is provided by Order No. 671. It argues that, by exempting QFs from PUHCA 2005's definition of ''electric utility company,'' a QF would not be an ''electric utility company'' under PUHCA 2005, and therefore its upstream 10 percent owners would not be ''holding companies'' under PUHCA 2005—and therefore would not be ''holding companies'' for purposes of section 203(a)(2) of the FPA.[27]

Commission Determination

28. The Non-Utility QF Group is correct that there was an inconsistency in the treatment of QFs with regards to their status under PUHCA 2005. However, the Commission has corrected this inconsistency in its order on rehearing of Order No. 667,[28] the final rule which amended the Commission's regulations to implement the repeal of PUHCA 1935 and the enactment of PUHCA 2005. In that order on rehearing, the Commission clarified that QFs will not be excluded from the definition of ''electric utility company'' but added that the Commission intends nevertheless to exempt QFs from PUHCA 2005 and most FPA requirements pursuant to the Commission's PURPA authority to grant such exemptions.[29] Accordingly, we will on rehearing here revise 18 CFR 292.602 to remove the statement that a QF is not an ''electric utility company'' within the meaning of PUHCA 2005, and to provide an exemption from PUHCA 2005. As to FPA section 203, the definition of ''electric utility company'' in that context was addressed in Order No. 669–A.[30]

The Commission orders:

Rehearing is hereby denied and clarification is hereby granted in part, as discussed in the body of this order.

List of Subjects in 18 CFR Part 292

Electric Power Plants, Electric utilities, Natural gas, Reporting and recordkeeping requirements.

By the Commission.

Magalie R. Salas,

Secretary.

■ In consideration of the foregoing, under the authority of EPAct 2005, the Commission is amending part 292 in Chapter I of Title 18 of the *Code of Federal Regulations,* as set forth below:

PART 292—[AMENDED]

■ 1. The authority citation for part 292 continues to read as follows:

Authority: 16 U.S.C. 791a–825r, 2601–2645; 31 U.S.C. 9701; 42 U.S.C. 7101–7352.

■ 2. In § 292.602, paragraph (b) is revised to read as follows.

§ 292.602 Exemption of qualifying facilities from the Public Utility Holding Company Act of 2005 and certain State law and regulation.

* * * * *

(b) *Exemption from the Public Utility Holding Company Act of 2005.* A qualifying facility described in paragraph (a) of this section or a utility geothermal small power production facility shall be exempt from the Public Utility Holding Company Act of 2005, 42 U.S.C. 16,451–63.

* * * * *

[FR Doc. E6–8204 Filed 5–26–06; 8:45 am]

BILLING CODE 6717–01–P

[26] *Id.* (citing Order No. 669 at P 59–60 and 70).

[27] *Id.* at 6 (citing Order No. 671 at P 92–94).

[28] *Repeal of the Public Utility Holding Company Act of 1935 and Enactment of the Public Utility Holding Company Act of 2005,* Order No. 667, 70 FR 75,592 (December 20, 2005), FERC Stats. & Regs. ¶ 31,197 (2005), *order on reh'g,* Order No. 667–A, 71 FR 28,446 (May 16, 2006), FERC Stats. & Regs. ¶ 31,213 (2006).

[29] See Order No. 667 at P 14 n. 31.

[30] Order No. 669–A at P 41–54.

DEPARTMENT OF STATE

22 CFR Part 41

[Public Notice 5422]

RIN 1400–AC06

Visas: Documentation of Nonimmigrants Under the Immigration and Nationality Act, as Amended

AGENCY: State Department.

ACTION: Final rule.

SUMMARY: This rule amends the Department of State's regulations to require the presentation of Mexican Federal passports as a necessary condition for Mexican citizens applying for combined Border Crossing Cards (BCC) and B–1/B–2 visas (laser visas). It also removes the conditions under which certain beneficiaries of Immigration and Nationality Act 212(d)(3)(A) waivers of ineligibility could receive laser visas.

DATES: *Effective Date:* This rule is effective on May 30, 2006.

FOR FURTHER INFORMATION CONTACT: Charles E. Robertson, Legislation and Regulations Division, Visa Services, Department of State, Washington, DC 20520–0106. Phone: 202–663–3969. E-mail: *robertsonce3@state.gov.*

SUPPLEMENTARY INFORMATION:

What Is a Laser Visa?

The biometric border-crossing card (BCC/B–1/B–2 NIV) is a laminated, credit card-style document with many security features. It has a ten-year validity period. The card is commonly called a ''laser visa.'' Most Mexican visitors to the U.S., whether traveling to the border region or beyond, receive a laser visa.

Who Has Authority Over the Issuance of Laser Visas?

The Department of State and the Bureau of Citizenship and Immigration Services (BCIS) in the Department of Homeland Security jointly administer the laser visa program. The Department of State issues the BCC/B–½ as it possesses exclusive authority over visa issuance.

How Was This Authority Derived?

In 1996, Congress established new procedures for issuing a more secure border-crossing document (Section 104 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (IIRIRA) Pub. L. 104–208, 110 Stat. 3546). The law required every border crossing identification card issued after April 1, 1998 to contain a biometric identifier such as a fingerprint, and be

machine-readable. The law also mandated that all pre-April 1, 1998 BCCs expire effective October 1, 1999. In recognition of the magnitude of the task of replacing over five million existing cards, Congress subsequently extended the deadline to September 30, 2001.

How Was the Transitional Program Handled?

To deal with the transition to the new border-crossing document, BCIS handled the actual card production and our consular posts in Mexico coordinated the application process. As part of the transitional program, we opened a new consulate in Nogales and expanded our consulate in Nuevo Laredo. We also established U.S. government-owned contractor-operated Temporary Processing Facilities (TPFs) along the border. This transitional period is now over.

From April 1, 1998 through August 21, 2001, the American Embassy in Mexico City and our American Consulates adjudicated over 4.8 million applications, approving slightly more than 4.0 million. Somewhat less than half were for replacement cards; the rest were for first time applicants.

What Is the Basic Requirement for Obtaining a Laser Visa?

Applicants must demonstrate that they qualify for a visitor visa for business or pleasure under INA 101(a)(15)(B). Under INA 214(b), applicants for certain nonimmigrant visitor visas (including classification B–1 and/or B–2) are presumed by law to be applicants for immigrant visas until they satisfy the consular officer that they are qualified for the nonimmigrant visa sought. In order to be approved for a visitor visa, applicants must satisfy the interviewing officer that they are visiting the United States temporarily for business or pleasure for appropriate purposes and activities and that they have a residence in a foreign country that they have no intention of abandoning. For the latter, applicants must demonstrate strong social, economic and/or familial ties to a place outside the United States that will ensure their return.

Prior to This Final Rule What Identity Documents Were Required for Initially Obtaining a Laser Visa?

Section 41.32(a)(iii) has allowed Mexican nationals to present any of the following three identity documents as part of the BCC application process:

(1) A valid Mexican Federal passport, or;

(2) A Certificate of Mexican Nationality (as long as the Certificate of Mexican Nationality was supported by another form of identification which included a photograph), or;

(3) A valid or expired United States visa, BCC, or B1/B2 visa which had been neither been voided by operation of law nor revoked by a consular or immigration officer.

Prior to This Final Rule What Identity Documents Were Required for Obtaining a Replacement Laser Visa?

Applicants with old-style BCCs did not need a passport in order to get a laser visa. In the absence of a Mexican Federal passport they were permitted to present their old BCC card and a recently produced photo identity card. For example, a Mexican voter registration card was often used as the identity document.

Prior to This Final Rule Were Beneficiaries of a 212(d)(3)(A) Waiver Eligible To Receive a Laser Visa?

Prior to this Final Rule applicants who were the beneficiaries of a waiver under INA 212(d)(3)(A), were eligible to receive laser visas. In such circumstances, the waiver was normally valid for multiple applications for admission into the United States and for a period of at least ten years and contained no restrictions as to extensions of temporary stay or itinerary.

How Does the New Rule Affect the Laser Visa Application Process?

Mexican Citizens now must present a Mexican Federal passport as part of their laser visa application and must be eligible for a B–1 or B–2 temporary visitor visa in order to obtain a laser visa.

What Is the Reasoning Behind this Change?

As mentioned above, from April 1, 1998 through August 21, 2001, the American Embassy in Mexico City and our American Consulates adjudicated over 4.8 million applications, approving slightly more than 4.0 million. Somewhat less than half were for replacement cards; the rest were for first time applicants. Because of the massive nature of the program, the fact that historically many applicants for BCCs had presented old BCCs or other Mexican nationality documents that do not fit the definition of a passport, and the perception at the time of a relatively low security risk among Mexican BCC applicants, the standard passport requirement for a visa was eliminated for BCC/B–1/2 processing. See 63 FR 16892.

The BCC replacement program required by IIRIRA is now complete. Additionally, in view of the continued national security concerns relating to foreign document identity, we believe the presentation of a Mexican Federal passport to be in the United States' national interest and, therefore, an appropriate and prudent BCC application requirement which can now be implemented with minimal inconvenience to the applicants. At the same time, there is currently no practical way to properly annotate the laser visa to indicate the conditions of an INA 212(d)(3)(A) waiver. Such applicants can receive a properly annotated B–1/B–2 MRV (visa) in their passport.

Regulatory Findings

Administrative Procedure Act

The Department's implementation of this regulation involves a foreign affairs function of the United States and, therefore, in accordance with 5 U.S.C. 553(a)(1), is not subject to the rule making procedures set forth at 5 U.S.C. 553.

Regulatory Flexibility Act/Executive Order 13272: Small Business

This rule is not subject to the notice-and-comment rulemaking provisions of the Administrative Procedure Act or any other act, and, accordingly it does not require analysis under the Regulatory Flexibility Act (5 U.S.C. 601, *et seq.*) and Executive Order 13272, section 3(b).

The Small Business Regulatory Enforcement Fairness Act of 1996

This rule is not a major rule as defined by 5 U.S.C. 804, for purposes of congressional review of agency rulemaking under the Small Business Regulatory Enforcement Fairness Act of 1996, Public Law No. 104–121. This rule will not result in an annual effect on the economy of $100 million or more; a major increase in costs or prices; or adverse effects on competition, employment, investment, productivity, innovation, or the ability of United States-based companies to compete with foreign based companies in domestic and import markets.

The Unfunded Mandates Reform Act of 1995

This rule is not subject to the notice-and-comment rulemaking provisions of the Administrative Procedure Act or any other act, and, accordingly it does not require analysis under the Unfunded Mandates Reform Act of 1995 (Pub. L. 104–4). Moreover, this rule is not

expected to result in an annual expenditure of $100 million or more by State, local, or tribal governments, or by the private sector. Nor will it significantly or uniquely affect small governments.

Executive Orders 12372 and 13132: Federalism

The Department finds that this regulation will not have substantial direct effects on the States, on the relationship between the national government and the States, or the distribution of power and responsibilities among the various levels of government. Nor does the rule have federalism implications warranting the application of Executive Orders No. 12372 and No. 13132.

Executive Order 12866: Regulatory Review

The Department does not consider this rule to be a ''significant regulatory action'' under Executive Order 12866, section 3(f), Regulatory Planning and Review. In addition, the Department is exempt from Executive Order 12866 except to the extent that it is promulgating regulations in conjunction with a domestic agency that are significant regulatory actions. The Department has nevertheless reviewed the regulation to ensure its consistency with the regulatory philosophy and principles set forth in this Executive Order.

Executive Order 12988: Civil Justice Reform

The Department has reviewed the regulations in light of sections 3(a) and 3(b)(2) of Executive Order No. 12988 to eliminate ambiguity, minimize litigation, establish clear legal standards, and reduce burden.

The Paperwork Reduction Act of 1995

This rule does not impose information collection requirements under the provisions of the Paperwork Reduction Act, 44 U.S.C., Chapter 35.

List of Subjects in 22 CFR Part 41

Aliens, Foreign officials, Immigration, Nonimmigrants, Passports and visas, Students.

■ For the reasons stated in the preamble, the Department of State amends 22 CFR part 41 as follows:

PART 41—[AMENDED]

■ 1. The authority citation for part 41 shall continue to read as follows:

Authority: 8 U.S.C. 1104; Pub. L. No. 105–277, 112 Stat. 2681–795 through 2681–801. Additional authority is derived from Section 104 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (IIRIRA) Pub. L. 104–208, 110 Stat. 3546.

■ 2. In § 41.32, revise paragraphs (a)(1)(iii) and (a)(2)(iii) to read as follows:

§ 41.32 Nonresident alien Mexican border crossing identification cards; combined border crossing identification cards and B–1/B–2 visitor visas.

(a) * * *

(1) * * *

(iii) Is otherwise eligible for a B–1 or a B–2 temporary visitor visa.

(2) * * *

(iii) A valid Mexican Federal passport.

* * * * *

Dated: May 17, 2006.

Maura Harty,

Assistant Secretary for Consular Affairs, Department of State.

[FR Doc. E6–8288 Filed 5–26–06; 8:45 am]

BILLING CODE 4710–05–P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Parts 1 and 602

[TD 9264]

RIN 1545–BF26

Guidance Necessary to Facilitate Business Electronic Filing and Burden Reduction

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Final and temporary regulations.

SUMMARY: These regulations affect taxpayers that file Federal income tax returns. They simplify, clarify, or eliminate reporting burdens and also eliminate regulatory impediments to the electronic filing of certain statements that taxpayers are required to include on or with their Federal income tax returns. The text of the temporary regulations also serves as the text of the proposed regulations set forth in the notice of proposed rulemaking on this subject in the Proposed Rules section in this issue of the **Federal Register**.

DATES: *Effective Date:* These regulations are effective on May 30, 2006.

Applicability Date: For dates of applicability, see §§ 1.302–2T(d), 1.302–4T(h), 1.331–1T(f), 1.332–6T(e), 1.338–10T(c), 1.351–3T(f), 1.355–5T(e), 1.368–3T(e), 1.381(b)-1T(e), 1.382–8T(j)(4), 1.382–11T(b), 1.1081–11T(f), 1.1221–2T(j), 1.1502–13T(m), 1.1502–31T(j), 1.1502–32T(j), 1.1502–33T(k), 1.1502–35T(k), 1.1502–76T(d), 1.1502–95T(g), 1.1563–1T(e), 1.1563–3T(e) and 1.6012–2T(k). The applicability of these regulations will expire on May 26, 2009.

FOR FURTHER INFORMATION CONTACT: Grid Glyer, (202) 622–7930 (not a toll-free number).

SUPPLEMENTARY INFORMATON:

Paperwork Reduction Act

These temporary regulations are being issued without prior notice and public procedure pursuant to the Administrative Procedure Act (5 U.S.C. 553). For this reason, the collection of information contained in these regulations has been reviewed and, pending receipt and evaluation of public comments, approved by the Office of Management and Budget under control number 1545–2019. Responses to this collection of information are mandatory.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection of information displays a valid control number.

For further information concerning this collection of information, and where to submit comments on the collection of information and the accuracy of the estimated burden, and suggestions for reducing this burden, please refer to the preamble to the cross-referencing notice of proposed rulemaking published in the Proposed Rules section of this issue of the **Federal Register**.

Books and records relating to a collection of information must be retained as long as their contents may become material in the administration of any internal revenue law. Generally, tax returns and tax return information are confidential, as required by 26 U.S.C. 6103.

Background

This Treasury Decision amends Treasury regulations under sections 279, 302, 331, 332, 338, 351, 355, 368, 381, 382, 1081, 1221, 1502, 1563, and 6012 of the Internal Revenue Code (Code) that require taxpayers to include a statement on or with their Federal income tax returns. In some cases, these statements are the method by which taxpayers elect (or elect out of) a particular income tax treatment. In other cases, these statements are the method by which taxpayers report that they undertook a particular type of transaction. In both cases, these regulations often require taxpayers to include detailed amounts of information in these statements, or do