As noted above, section 920(a)(4)(B) specifically directs the Board to consider in establishing the interchange fee standard the costs “incurred by the issuer for the role of the issuer in the authorization, clearance or settlement of a particular transaction.” Transactions monitoring is an integral part of the authorization process, so that the costs incurred in that process are part of the authorization costs that the Board is required by the statute to consider when establishing the interchange fee standard. In addition, the statutory language of section 920(a)(5), which differs in important respects from section 920(a)(4)(B), supports the Board’s decision to include transactions-monitoring costs in the interchange fee standard rather than in the separate fraud prevention adjustment. The costs considered in section 920(a)(5)(A)(i) are those of preventing fraud “in relation to electronic debit transactions,” rather than costs of “a particular electronic debit transaction” referenced in section 920(a)(4)(B). Congress’s elimination of the word “particular” and its use of the more general phrase “in relation to,” along with its use of the plural “transactions,” indicates that the fraud-prevention adjustment may take into account an issuer’s fraud prevention costs over a broad spectrum of transactions that are not linked to a particular transaction.

Moreover, section 920(a)(5) permits the Board to adopt a separate adjustment “to make allowance for costs incurred by the issuer in preventing fraud in relation to electronic debit transactions involving that issuer” if certain standards are met, and directs that those standards include that the issuers take steps to “reduce the occurrence of, and costs from, fraud in relation to electronic debit transactions,” including “development and implementation of cost-effective fraud prevention technology.” Section 920(a)(5)(A)(i), (A)(ii)(II) (emphasis supplied). The use of the general phrase “fraud in relation to electronic debit transactions” and the specific reference to developing fraud prevention technology suggest a Congressional intent to use the fraud prevention adjustment to encourage issuers to develop and adopt programmatic improvements to address fraud outside of the context of particular transactions that incur costs for authorization, clearance, or settlement. The types of costs the Board included in the separate fraud prevention adjustment are programmatic costs, such as researching and developing new fraud prevention technologies and data security, and other costs that encourage enhanced fraud prevention that are not necessary to effect particular transactions.

The Board is publishing this explanation in accordance with the opinion of the Court of Appeals.

By order of the Board of Governors of the Federal Reserve System, August 10, 2015.

Robert Dev. Frierson, Secretary of the Board.

DEPARTMENT OF TRANSPORTATION
Federal Aviation Administration

14 CFR Part 1
Definitions and Abbreviations

CFR Correction

In Title 14 of the Code of Federal Regulations, Parts 1 to 59, revised as of January 1, 2015, on pages 12 and 13, in §1.1, the definitions beginning with $V_A$ and ending with $V_S$ are removed.

DEPARTMENT OF TRANSPORTATION
Federal Aviation Administration

14 CFR Part 71


Amendment of Class D and E Airspace; Santa Rosa, CA

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule, technical amendment.

SUMMARY: This action amends Class D airspace and Class E airspace designated as an extension at Santa Rosa, CA, by updating the geographic coordinates of Charles M. Schulz-Sonoma County Airport to coincide with the FAA’s aeronautical database. This action does not involve a change in the dimensions or operating requirements of the airspace.

DATES: Effective 0901 UTC, October 15, 2015. The Director of the Federal Register approves this incorporation by reference action under title 1, Code of Federal Regulations, part 51, subject to the annual revision of FAA Order 7400.9 and publication of conforming amendments.

ADDRESSES: FAA Order 7400.9Y, Airspace Designations and Reporting Points, and subsequent amendments can be viewed online at http://www.faa.gov/airtraffic/publications/. The Order is also available for inspection at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, call (202) 741–6030, or go to http://www.archives.gov/federal_register/code_of_federal_regulations/ibr_locations.html.

FAA Order 7400.9, Airspace Designations and Reporting Points, is published yearly and effective on September 15. For further information, you can contact the Airspace Policy and ATC Regulations Group, Federal Aviation Administration, 800 Independence Avenue SW., Washington DC 20591; Telephone: (202) 267–8783.

FOR FURTHER INFORMATION CONTACT: Rob Riedl, Federal Aviation Administration, Operations Support Group, Western Service Center, 1601 Lind Avenue SW., Renton, WA, 98057; Telephone (425) 203–4534.

SUPPLEMENTARY INFORMATION:

Authority for this Rulemaking

The FAA’s authority to issue rules regarding aviation safety is found in Title 49 of the United States Code. Subtitle I, Section 106, describes the authority of the FAA Administrator. Subtitle VII, Aviation Programs, describes in more detail the scope of the agency’s authority. This rulemaking is promulgated under the authority described in Subtitle VII, Part A, Subpart I, Section 40103. Under that section, the FAA is charged with prescribing regulations to assign the use of airspace necessary to ensure the safety of aircraft and the efficient use of airspace. This regulation is within the scope of that authority as it amends Class D and Class E airspace at Santa Rosa, CA.

History

The FAA’s Aeronautical Information Services identified that the airport reference point (ARP) was not coincidental with the FAA’s aeronautical database. This action makes these corrections. Accordingly, since this action merely adjusts the geographic coordinates of the airport, notice and public procedure under §533(b) are unnecessary.

Class D and E airspace designations are published in paragraphs 5000 and 6004, respectively, of FAA Order 7400.9Y, dated August 6, 2014, and