FEDERAL REGISTER

Vol. 81 Monday,
No. 49 March 14, 2016

Pages 13263–13712

OFFICE OF THE FEDERAL REGISTER

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NUCLEAR REGULATORY COMMISSION

10 CFR Part 37

[NRC–2015–0109]

Physical Protection of Category 1 and Category 2 Quantities of Radioactive Material

AGENCY: Nuclear Regulatory Commission.

ACTION: Request for comment.

SUMMARY: On March 19, 2013, the U.S. Nuclear Regulatory Commission (NRC) published a final rule that amended its regulations to establish security requirements for the use and transport of category 1 and category 2 quantities of radioactive material. Specifically, the final rule provided reasonable assurance of preventing the theft or diversion of category 1 and category 2 quantities of radioactive material, and included security requirements for the transportation of irradiated reactor fuel that weighs 100 grams or less in net weight of irradiated fuel. In December 2014, the Committees on Appropriations of the House of Representatives and the Senate directed the NRC to evaluate the effectiveness of the new regulations and determine whether the requirements are adequate to protect ''high-risk radiological material.'' In response to this mandate, the NRC is implementing a retrospective program review to provide an objective assessment of the new requirements and associated implementation guidance. This action seeks information that will be used in developing a report to Congress.

The NRC plans to hold a series of public meetings to facilitate public participation. These meetings will consist of a public meeting and a series of webinar teleconferences, and the staff will publicly notice the date and times of these meetings. The staff is planning to conduct these meetings in March 2016.

DATES: Submit comments by May 13, 2016. Comments received after this date will be considered if it is practical to do so, but the NRC is able to ensure consideration only for comments received on or before this date.

ADDRESSES: You may submit comments by any of the following methods (unless this document describes a different method for submitting comments on a specific subject):

- *Federal Rulemaking Web site:* Go to *http://www.regulations.gov* and search for Docket ID NRC–2015–0109. Address questions about NRC dockets to Carol Gallagher; telephone: 301–415–3463; email: *Carol.Gallagher@nrc.gov.* For technical questions, contact the individual listed in the **FOR FURTHER INFORMATION CONTACT** section of this document.
- *Mail comments to:* Cindy Bladey, Office of Administration, Mail Stop: OWFN–12–H08, U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001. Please include the Docket ID NRC–2015–0109 in the subject line of your submission.

For additional direction on obtaining information and submitting comments, see ''Obtaining Information and Submitting Comments'' in the **SUPPLEMENTARY INFORMATION** section of this document.

FOR FURTHER INFORMATION CONTACT: George Smith, Office of Nuclear Material Safety and Safeguards, U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001; telephone: 301–415–7201, email: *George.Smith@nrc.gov.*

SUPPLEMENTARY INFORMATION:

I. Obtaining Information and Submitting Comments

A. Obtaining Information

Please refer to Docket ID NRC–2015–0109 when contacting the NRC about the availability of information for this action. You may obtain publicly-available information related to this action by any of the following methods:

- *Federal Rulemaking Web site:* Go to *http://www.regulations.gov* and search for Docket ID NRC–2015–0109.
- *NRC's Agencywide Documents Access and Management System (ADAMS):* You may obtain publicly-available documents online in the ADAMS Public Documents collection at *http://www.nrc.gov/reading-rm/adams.html.* To begin the search, select *''ADAMS Public Documents''* and then select *''Begin Web-based ADAMS Search.''* For problems with ADAMS, please contact the NRC's Public Document Room (PDR) reference staff at 1–800–397–4209, 301–415–4737, or by email to *pdr.resource@nrc.gov.* The ADAMS accession number for each document referenced (if it is available in ADAMS) is provided the first time that it is mentioned in the **SUPPLEMENTARY INFORMATION** section.
- *NRC's PDR:* You may examine and purchase copies of public documents at the NRC's PDR, Room O1–F21, One White Flint North, 11555 Rockville Pike, Rockville, Maryland 20852.

B. Submitting Comments

Please include Docket ID NRC–2015–0109 in your comment submission.

The NRC cautions you not to include identifying or contact information that you do not want to be publicly disclosed in your comment submission. The NRC will post all comment submissions at *http://www.regulations.gov* as well as enter the comment submissions into ADAMS. The NRC does not routinely edit comment submissions to remove identifying or contact information.

If you are requesting or aggregating comments from other persons for submission to the NRC, then you should inform those persons not to include identifying or contact information that they do not want to be publicly disclosed in their comment submission. Your request should state that the NRC does not routinely edit comment submissions to remove such information before making the comment submissions available to the public or entering the comment into ADAMS.

II. Background

The NRC and Agreement States ensure the safety and security of approximately 80,000 category 1 and category 2 radioactive sources used in medical, commercial, and research activities. The NRC considers category 1 and category 2 quantities of radioactive material to be risk significant, and these quantities refer specifically to 16 radioactive materials listed in appendix A to part 37 of title 10 of the *Code of Federal Regulations* (10 CFR), ''Physical Protection of Category 1 and Category 2

Quantities of Radioactive Material.'' The NRC and its partners in 37 Agreement States took steps to strengthen the security of risk-significant radioactive materials immediately after the terrorist attacks of September 11, 2001. Since that time, the NRC issued various orders imposing increased controls, implemented requirements for fingerprinting and criminal background checks for people with access to certain radioactive materials, and established the National Source Tracking System. The NRC cooperates with the U.S. Departments of Homeland Security and Energy as well as other Federal, State, and local agencies on security matters, and chairs the inter-agency Radiation Source Protection and Security Task Force (Task Force).

The Task Force was established by the Energy Policy Act of 2005, which directed this Task Force to evaluate and provide recommendations relating to the security of radiation sources in the United States from potential terrorist threats, including acts of sabotage, theft, or use of a radiation source in a radiological dispersal device or a radiation exposure device. The Task Force is comprised of experts from 13 Federal agencies and one State organization. The Task Force members represent agencies with broad authority over all aspects of radioactive source control, including regulatory security, intelligence, and international activities. This Task Force concluded in its 2006, 2010, and 2014 reports to Congress and the President that the risk-significant radioactive sources were being protected and found no significant gaps in security that were not already being addressed. These reports can be found on the NRC's public Web site at *http://www.nrc.gov/security/byproduct/task-force.html.*

On June 15, 2010 (75 FR 33902), the NRC published a proposed rule to establish security requirements for the use and transport of category 1 and category 2 quantities of radioactive material, which the NRC considers to be risk-significant and, therefore, to warrant additional protection. The NRC received and addressed over 1,500 comments on the proposed rule from licensees, State agencies, industry organizations, individuals, and a Federal agency.

On March 19, 2013 (78 FR 16922), the NRC published a final rule amending its regulations to establish security requirements for the use and transport of category 1 and category 2 quantities of radioactive material. The category 1 and category 2 thresholds are based on the quantities established by the International Atomic Energy Agency in its Code of Conduct on the Safety and Security of Radioactive Sources, which the NRC endorses (*http://www-ns.iaea.org/tech-areas/radiation-safety/code-of-conduct.asp*). The objective of this final rule is to provide reasonable assurance of preventing the theft or diversion of category 1 and category 2 quantities of radioactive material. The regulations also include security requirements for the transportation of irradiated reactor fuel that weighs 100 grams or less in net weight of irradiated fuel. The final rule incorporated lessons learned by the NRC and the Agreement States in implementing security measures resulting from the events on September 11, 2001, as well as stakeholder input on the proposed rule.

The final rule became effective on May 20, 2013, and NRC licensees were required to comply by March 19, 2014. Agreement States licensees were issued NRC orders that provided for the same level of physical protection as NRC licensees, pending Agreement States issuing compatible requirements. Agreement States will have until March 19, 2016, to issue compatible requirements for their licensees.

In February 2013, the NRC published a guidance document, NUREG–2155, ''Implementation Guidance for 10 CFR part 37, 'Physical Protection of Category 1 and Category 2 Quantities of Radioactive Material' '' (ADAMS Accession No. ML13053A061). Subsequently, in January 2015, the NRC published Revision 1 to NUREG–2155 (ADAMS Accession No. ML15016A172).

The guidance document is intended for use by applicants, licensees, and NRC and Agreement State staff, and describes optional approaches and methods acceptable for implementing the requirements of the regulations. As a guidance document, NUREG–2155 does not establish additional requirements, and licensees are able to propose alternative ways for demonstrating compliance with the requirements in 10 CFR part 37.

In May 2014, the NRC published NUREG–2166, ''Physical Security Best Practices for the Protection of Risk-Significant Radioactive Material'' (ADAMS Accession No. ML14150A382). This NUREG provides guidance to NRC licensees and applicants on developing and implementing a physical protection program for the protection of risk-significant radioactive material (*e.g.,* category 1 and category 2 quantities of radioactive material). The intent of NUREG–2166 is to provide NRC licensees or applicants guidance with specific emphasis on physical security best practices. The approaches and methods in this document are not requirements; however, the NRC considers them to be acceptable for demonstrating compliance with the requirements in 10 CFR part 37.

On December 16, 2014, the President of the United States signed Public Law 113–235, ''Consolidated and Further Continuing Appropriations Act, 2015.'' The statute provides annual funding for Federal agencies, including the NRC. Section 403 of the legislation requires '' . . . the Nuclear Regulatory Commission (NRC) shall provide a report to the Committees on Appropriations of the House of Representatives and the Senate that evaluates the effectiveness of the requirements of 10 CFR part 37 and determines whether such requirements are adequate to protect high-risk radiological material.''

As part of the NRC's commitment to the principles of good regulation—independence, openness, efficiency, clarity, and reliability—and consistent with the direction in the Public Law 113–235, the NRC is now conducting a review and assessment of the requirements in 10 CFR part 37, and is requesting input from members of the public.

The information received from this request will provide insights for this process and will be used by the NRC to develop a report to Congress.

III. Specific Considerations

The NRC is requesting general and specific comments on the overall effectiveness and clarity of the requirements for security measures to protect category 1 and category 2 sources of radioactive material as defined in appendix A to 10 CFR part 37, as presented by the questions in this section. For example, the NRC would like to gain insight on different regulatory requirements in 10 CFR part 37 that may conflict or need to be modified to maximize effectiveness and provide greater clarification. The NRC is also requesting comments on the usefulness of the guidance documents associated with its regulations in 10 CFR part 37.

To facilitate comments, the questions are categorized by the specific subparts of 10 CFR part 37: Subpart A—General Provisions; subpart B—Background Investigations and Access Control Program; subpart C—Physical Protection Requirements During Use; and subpart D—Physical Protection in Transit.

Please be cautious in providing comments that contain specific examples and do not provide any specific official-use-only, safeguards, and/or classified information related to the security at a specific facility.

Subpart A—General Provisions:

1. Are the definitions (in 10 CFR 37.5, ''Definitions'') clear, unambiguous, and consistent with their usage in other parts of the regulations?

2. Is the rule clear as to when a licensee can use physical barriers to render aggregated sources below the category 2 aggregated quantity?

Subpart B—Background Investigations and Access Control Program:

3. Are the requirements of subpart B clear for use in determining individuals to be trustworthy and reliable?

4. While the regulations provide the type of information that must be gathered before making a Trustworthiness and Reliability (T&R) determination, NUREG–2155 provides additional guidance on determining whether someone is T&R. Is the information in Annex A to NUREG–2155 adequate in helping a Reviewing Official make a T&R determination?

Subpart C—Physical Protection Requirements During Use:

5. Do the requirements of subpart C clearly define what is needed to support the physical protection of licensed category 1 and category 2 quantities of radioactive material during use?

6. Which requirements in 10 CFR 37.45, ''LLEA [local law enforcement agency] coordination,'' have you found to be instrumental in ensuring an adequate LLEA response, should an LLEA response be needed? Is there other information you think should be required to be shared with an LLEA?

7. Isolation of category 1 and category 2 quantities of radioactive material by the use of continuous physical barriers that allow access to the security zone only through established access control points is required in 10 CFR 37.37, ''Security zones.'' Is the rule clear as to what qualifies as an adequate physical barrier?

8. Do the requirements in 10 CFR 37.57, ''Reporting of events,'' clearly define a licensee's responsibility to notify the LLEA and the NRC's Operations Center?

Subpart D—Physical Protection in Transit:

9. Do the requirements of subpart D clearly define what is needed to support the physical protection of licensed category 1 and category 2 quantities of radioactive material in transit?

10. Are the requirements in 10 CFR 37.81, ''Reporting of events,'' clear in defining the licensee's responsibility to notify LLEA and the NRC's Operations Center within 1 hour when a determination is made that a shipment of a category 1 quantity of radioactive material is lost or missing?

Implementation Guidance Documents:

Please specify the sections of NUREG–2155 and NUREG–2166 in your responses to the extent practicable.

11. How have you utilized NUREG–2155 to implement the 10 CFR part 37 regulatory requirements in order to protect your licensed category 1 and category 2 quantities of radioactive material? If utilized, are there certain areas of NUREG–2155 that you have found to be particularly useful? Are there areas of NUREG–2155 that you think could be clarified or supplemented to make it a more useful tool?

12. How have you utilized NUREG–2166 to implement the 10 CFR part 37 regulatory requirements in order to protect your licensed category 1 and category 2 quantities of radioactive material? If utilized, are there certain areas of NUREG–2166 that you have found to be particularly useful?

Are there areas of NUREG–2166 that you think could be clarified or supplemented to make it a more useful tool?

IV. Public Comments Process

The NRC is committed to keeping the public informed and values public involvement in its assessment effort. Responses to this solicitation will be considered by NRC in preparing a report to the Committees on Appropriations of the House of Representatives and the Senate, pursuant to Public Law 113–235, Section 403. The NRC, however, does not intend to provide specific responses to comments or other information submitted in response to this request.

V. Public Meetings

The NRC plans to hold a series of licensee-specific webinars, and one in-person meeting, during the public comment period for this action. The public meetings will provide forums for the NRC staff to discuss the issues and questions with members of the public. The information received will be used by NRC to develop a report to the Committees on Appropriations of the House of Representatives and the Senate. The NRC does not intend to provide detailed responses to information or other comments submitted during the public meetings. Each public meeting will be noticed on the NRC's public meeting Web site at least 10 calendar days before the meeting. Members of the public should monitor the NRC's public meeting Web site for additional information about the public meetings at *http://www.nrc.gov/public-involve/public-meetings/index.cfm.* The NRC will post the notices for the public meetings and may post additional material related to this action to the Federal rulemaking Web site at *www.regulations.gov* under Docket ID NRC–2015–0109. The Federal rulemaking Web site allows you to receive alerts when changes or additions occur in a docket folder. To subscribe: (1) Navigate to the docket folder (NRC–2015–0109); (2) click the ''Sign up for Email Alerts'' link; and (3) enter your email address and select how frequently you would like to receive emails (daily, weekly, or monthly).

Dated at Rockville, Maryland, this 1st day of March, 2016.

For the Nuclear Regulatory Commission.

Daniel S. Collins,

Director, Division of Material Safety, State, Tribal and Rulemaking Programs, Office of Nuclear Material Safety and Safeguards.

[FR Doc. 2016–05260 Filed 3–11–16; 8:45 am]

BILLING CODE 7590–01–P

NUCLEAR REGULATORY COMMISSION

10 CFR Part 72

[NRC–2015–0270]

RIN 3150–AJ71

List of Approved Spent Fuel Storage Casks: Holtec International HI–STORM 100 Cask System; Certificate of Compliance No. 1014, Amendment No. 10

AGENCY: Nuclear Regulatory Commission.

ACTION: Direct final rule.

SUMMARY: The U.S. Nuclear Regulatory Commission (NRC) is amending its spent fuel storage regulations by revising the Holtec International (Holtec or applicant) HI–STORM 100 Cask System listing within the ''List of approved spent fuel storage casks'' to include Amendment No. 10 to Certificate of Compliance (CoC) No. 1014. Amendment No. 10 adds new fuel classes to the contents approved for the loading of 16×16-pin fuel assemblies into a HI–STORM 100 Cask System; allows a minor increase in manganese in an alloy material for the system's overpack and transfer cask; clarifies the minimum water displacement required of a dummy fuel rod (*i.e.,* a rod not filled with uranium pellets); and clarifies the design pressures needed for normal operation of forced helium drying systems. Additionally, Amendment No. 10 revises Condition

No. 9 of CoC No. 1014 to provide clearer direction on the measurement of air velocity and modeling of heat distribution through the storage system. Each of these changes is described in Section IV, ''Discussion of Changes,'' in the **SUPPLEMENTARY INFORMATION** section of this document.

DATES: The direct final rule is effective May 31, 2016, unless significant adverse comments are received by April 13, 2016. If the direct final rule is withdrawn as a result of such comments, timely notice of the withdrawal will be published in the **Federal Register.** Comments received after this date will be considered if it is practical to do so, but the Commission is able to ensure consideration only for comments received on or before this date. Comments received on this direct final rule will also be considered to be comments on a companion proposed rule published in the Proposed Rules section of this issue of the **Federal Register.**

ADDRESSES: You may submit comments by any of the following methods (unless this document describes a different method for submitting comments on a specific subject):

- *Federal Rulemaking Web site:* Go to *http://www.regulations.gov* and search for Docket ID NRC–2015–0270. Address questions about NRC dockets to Carol Gallagher; telephone: 301–415–3463; email: *Carol.Gallagher@nrc.gov.* For technical questions contact the individual listed in the **FOR FURTHER INFORMATION CONTACT** section of this document.
- *Email comments to: Rulemaking.Comments@nrc.gov.* If you do not receive an automatic email reply confirming receipt, then contact us at 301–415–1677.
- *Fax comments to:* Secretary, U.S. Nuclear Regulatory Commission at 301–415–1101.
- *Mail comments to:* Secretary, U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001, ATTN: Rulemakings and Adjudications Staff.
- *Hand deliver comments to:* 11555 Rockville Pike, Rockville, Maryland 20852, between 7:30 a.m. and 4:15 p.m. (Eastern Time) Federal workdays; telephone: 301–415–1677.

For additional direction on obtaining information and submitting comments, see ''Obtaining Information and Submitting Comments'' in the **SUPPLEMENTARY INFORMATION** section of this document.

FOR FURTHER INFORMATION CONTACT: Robert D. MacDougall, Office of Nuclear Material Safety and Safeguards, U.S. Nuclear Regulatory Commission, Washington DC 20555–0001; telephone: 301–415–5175; email: *Robert.MacDougall@nrc.gov.*

SUPPLEMENTARY INFORMATION:

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I. Obtaining Information and Submitting Comments

A. Obtaining Information

Please refer to Docket ID NRC–2015–0270 when contacting the NRC about the availability of information for this action. You may obtain publicly-available information related to this action by any of the following methods:

- *Federal Rulemaking Web site:* Go to *http://www.regulations.gov* and search for Docket ID NRC–2015–0270.
- *NRC's Agencywide Documents Access and Management System (ADAMS):* You may obtain publicly-available documents online in the ADAMS Public Documents collection at *http://www.nrc.gov/reading-rm/adams.html.* To begin the search, select *''ADAMS Public Documents''* and then select *''Begin Web-based ADAMS Search.''* For problems with ADAMS, please contact the NRC's Public Document Room (PDR) reference staff at 1–800–397–4209, 301–415–4737, or by email to *pdr.resource@nrc.gov.* For the convenience of the reader, instructions about obtaining materials referenced in this document are provided in the ''Availability of Documents'' section.
- *NRC's PDR:* You may examine and purchase copies of public documents at the NRC's PDR, Room O1–F21, One White Flint North, 11555 Rockville Pike, Rockville, Maryland 20852.

B. Submitting Comments

Please include Docket ID NRC–2015–0270 in your comment submission.

The NRC cautions you not to include identifying or contact information that you do not want to be publicly disclosed in your comment submission. The NRC will post all comment submissions at *http://www.regulations.gov* as well as enter the comment submissions into ADAMS. The NRC does not routinely edit comment submissions to remove identifying or contact information.

If you are requesting or aggregating comments from other persons for submission to the NRC, then you should inform those persons not to include identifying or contact information that they do not want to be publicly disclosed in their comment submission. Your request should state that the NRC does not routinely edit comment submissions to remove such information before making the comment submissions available to the public or entering the comment into ADAMS.

II. Procedural Background

This rule is limited to the changes contained in Amendment No. 10 to CoC No. 1014 and does not include other aspects of the Holtec HI–STORM 100 Cask System design. The NRC is using the ''direct final rule procedure'' to issue this amendment because it represents a limited and routine change to an existing CoC that is expected to be noncontroversial. Adequate protection of public health and safety continues to be ensured. The amendment to the rule will become effective on May 31, 2016. However, if the NRC receives significant adverse comments on this direct final rule by April 13, 2016, then the NRC will publish a document that withdraws this action and will subsequently address the comments received in a final rule as a response to the companion proposed rule published in the Proposed Rule section of this issue of the **Federal Register**. Absent significant modifications to the proposed revisions requiring republication, the NRC will not initiate a second comment period on this action.

A significant adverse comment is a comment where the commenter explains why the rule would be inappropriate, including challenges to the rule's underlying premise or approach, or would be ineffective or unacceptable without a change. A comment is adverse and significant if:

(1) The comment opposes the rule and provides a reason sufficient to require a substantive response in a notice-and-comment process. For example, a substantive response is required when:

(a) The comment causes the NRC staff to reevaluate (or reconsider) its position or conduct additional analysis;

(b) The comment raises an issue serious enough to warrant a substantive response to clarify or complete the record; or

(c) The comment raises a relevant issue that was not previously addressed or considered by the NRC staff.

(2) The comment proposes a change or an addition to the rule, and it is apparent that the rule would be ineffective or unacceptable without incorporation of the change or addition.

(3) The comment causes the NRC staff to make a change (other than editorial) to the rule, CoC, or technical specifications (TSs).

For detailed instructions on filing comments, please see the companion proposed rule published in the Proposed Rule section of this issue of the **Federal Register.**

III. Background

Section 218(a) of the Nuclear Waste Policy Act (NWPA) of 1982, as amended, requires that ''the Secretary [of the Department of Energy] shall establish a demonstration program, in cooperation with the private sector, for the dry storage of spent nuclear fuel at civilian nuclear power reactor sites, with the objective of establishing one or more technologies that the [Nuclear Regulatory] Commission may, by rule, approve for use at the sites of civilian nuclear power reactors without, to the maximum extent practicable, the need for additional site-specific approvals by the Commission.'' Section 133 of the NWPA states, in part, that ''[the Commission] shall, by rule, establish procedures for the licensing of any technology approved by the Commission under Section 219(a) [sic: 218(a)] for use at the site of any civilian nuclear power reactor.''

To implement this mandate, the Commission approved dry storage of spent nuclear fuel in NRC-approved casks under a general license by publishing a final rule which added a new subpart K in part 72 of title 10 of the *Code of Federal Regulations* (10 CFR) entitled, ''General License for Storage of Spent Fuel at Power Reactor Sites'' (55 FR 29181; July 18, 1990). This rule also established a new subpart L in 10 CFR part 72 entitled, ''Approval of Spent Fuel Storage Casks,'' which contains procedures and criteria for obtaining NRC approval of spent fuel storage cask designs. The NRC subsequently issued a final rule on May 1, 2000 (65 FR 25241) that approved the Holtec HI–STORM 100 Cask System design and added it to the list of NRC-approved cask designs in 10 CFR 72.214 as CoC No. 1014.

IV. Discussion of Changes

On January 5, 2015, Holtec submitted a request to the NRC to amend CoC No. 1014. Amendment No. 10 (1) adds new fuel classes to the contents approved for the loading of 16X16-pin fuel assemblies into a HI–STORM 100 Cask System; (2) allows a minor increase in manganese in an alloy material for the system's overpack and transfer cask; (3) clarifies the minimum water displacement required of a dummy fuel rod (*i.e.,* a rod not filled with uranium pellets); and (4) clarifies the design pressures expected for normal operation of forced helium drying systems. Additionally, Amendment No. 10 revises Condition No. 9 of CoC No. 1014 to provide clearer direction on the measurement of air velocity and modeling of heat distribution through the storage system. These changes are further discussed in this section, and the changes to the affected TS Appendices are identified with revision bars in the margin of each document.

1. Addition of New 16X16B and 16X16C Fuel Classes to the Contents Approved for Storage in a HI–STORM 100 Cask System

The contents, enrichment, weight, and dimensions of the new 16X16 fuel assembly classes are all bounded by previously approved 16X16 classes. The NRC staff determined that the applicant's analysis of the adequacy of the HI–STORM 100 package's shielding for the new fuel classes supports the conclusion that this shielding evaluation is also bounded by the previously evaluated classes of 16X16 fuel. From its criticality evaluations in the safety evaluation report (SER), the NRC staff also determined that the calculated maximum neutron fluences of the 16X16B and 16X16C fuel classes are statistically similar to the already-approved 16X16A fuel class, and both are well bounded by the design basis fuel. The staff therefore has reasonable assurance that the new fuel classes are consistent with the appropriate standards for shielding, criticality, and other required safety analyses, and that the package design and contents satisfy the radiation protection and criticality safety requirements in 10 CFR 72.14, 72.124, 72.106, and 72.236.

2. Addition to American Society of Mechanical Engineers (ASME) Boiler and Pressure Vessel Code Alternative Table To Allow a Newer Alloy Material

In its request for this amendment, Holtec proposed an additional exemption to the ASME Boiler and Pressure Vessel Code Alternative Table to allow the use of more recent Code versions of material SA–516/516A Grade 70, an alloy like the one used in the overpack and transfer cask of the HI–STORM 100 Cask System. All SA–516 material used in the HI–STORM 100 Cask System is required to meet the material composition described in ASME Boiler and Pressure Vessel Code Section II, 2007 edition. This edition allows for a different manganese content from the 1995 edition, but does not change the structural or thermal properties of the material. The applicant's request proposed no change in mechanical properties and no alteration in the form, fit, or function of these system components resulting from the minor change in composition of the alloy. The NRC staff therefore finds the requested exemption acceptable for the affected structures, systems, and components of CoC No. 1014.

3. Editorial Clarifications

3.a. Clarification of Minimum Displacement of Dummy Fuel Rods

When reactor operators become aware of a damaged or malfunctioning fuel pin in a fuel assembly, they may remove the assembly from the reactor core, replace the problem pin with a dummy fuel rod containing no uranium, and return the assembly to the reactor core to recover the assembly's remaining energy value. An assembly with a dummy rod may or may not be considered ''intact'' for handling purposes when it is finally removed from the reactor core. In Appendix A of the TSs, the definition of ''Intact Fuel Assemblies'' now clarifies the description of ''dummy fuel rod'' to specify that it must displace at least the same amount of water as would a fuel rod in the active fuel region of the assembly, because criticality safety analyses are based on displacement of water in that location. Specifically, the definition states that ''[f]uel assemblies without fuel rods in fuel rod locations shall not be classified as INTACT FUEL ASSEMBLIES unless dummy fuel rods are used to displace an amount of water greater than or equal to that displaced by the fuel rod(s) in the active region [of the fuel assembly].'' Intact fuel assemblies are by definition those that can be handled by normal means. In effect, this clarification of the minimum volume of a dummy rod provides that a fuel assembly with any such rods may not be handled by normal means unless these rods displace an equal or greater volume of water than rods containing fuel in the region of the assembly where there is nuclear material. The greater volume of fresh (unborated) water displaced by the dummy rod results in correspondingly less water available to moderate neutrons to a speed that could sustain a nuclear reaction, and consequently, the greater displacement will reduce reactivity in an accident involving flooding with fresh water.

3.b. Clarification of Helium Pressure Limits for Drying and Backfilling of Multi-Purpose Canisters (MPCs) in Underground Installations

As indicated in Table 3–1 of Appendix A–100U for HI–STORM 100 Cask Systems intended for deployment in underground spent fuel storage installations, use of a closed-loop forced helium dehydration (FHD) system is an alternative to vacuum drying for an MPC containing moderate burnup fuel, and FHD is mandatory for drying MPCs with one or more high burnup fuel assemblies or a higher heat load. Section 3.6.2.2 of Appendix B–100U for HI–STORM Cask Systems was revised to clarify that the design pressure limit for normal operation of the FHD system is for drying only and not for backfilling the MPC with helium at lower pressures for long-term storage.

4. Revised Condition No. 9 of CoC No. 1014

The NRC staff revised Condition No. 9, ''Special Requirements for First Systems in Place,'' to provide a more appropriate location to perform air velocity measurements to gauge the cooling effect of air convection in the dry cask storage system. The previous language in the CoC required the measurements at the annular gap between the canister and the overpack. This location is difficult to access, and the measured data proved to be unreliable because air velocities can vary chaotically, especially at a location close to the top of the canister. The revised Condition No. 9 directs the user to make the measurements at the inlet vents, where the user can obtain the total mass flow rate of the air and perform a meaningful comparison with predicted results.

The NRC staff also revised Condition No. 9 to specify that measurements of the Supplemental Cooling System be used to validate the analytical methods described in the applicant's final safety analysis report (FSAR) for the cask. The cask user will therefore need to develop a thermal model of this cask using the analytical methods described in the FSAR. This will avoid unnecessary approximations in the thermal model that could add uncertainty in the predicted results. The revised language more precisely specifies the parameters to be measured and the analysis necessary to satisfy the Condition.

5. Conclusions

As documented in the SER for Amendment No. 10, the NRC staff performed a detailed safety evaluation of the proposed CoC amendment request. There are no significant changes to cask design requirements in the proposed CoC amendment. Considering the specific design requirements for each accident condition, the design of the cask would prevent loss of containment, shielding, and criticality control. If there is no loss of containment, shielding, or criticality control, the environmental impacts would be insignificant. This amendment does not reflect a significant change in design or fabrication of the cask. In addition, any resulting changes in occupational exposure or offsite dose from the implementation of Amendment No. 10 would remain well within 10 CFR part 20 limits.

Therefore, based on these findings of the SER and those of the environmental assessment below, the NRC staff concludes that the proposed CoC changes will not result in any radiological or non-radiological environmental impacts that differ significantly from the environmental impacts evaluated in the environmental assessment (EA) supporting the May 1, 2000, final rule approving CoC No. 1014. There will be no significant change in the types or amounts of any effluent released, no significant increase in individual or cumulative radiation exposures, and no significant increase in the potential for or consequences of radiological accidents.

This direct final rule revises the Holtec HI–STORM 100 Cask System listing in 10 CFR 72.214 by adding Amendment No. 10 to CoC No. 1014. The amendment consists of the changes previously described, as set forth in the revised CoC and TSs. The revised TSs are identified in the SER.

The amended Holtec HI–STORM 100 Cask System design, when used under the conditions specified in the CoC, the TSs, and the NRC's regulations, will meet the requirements of 10 CFR part 72; therefore, adequate protection of public health and safety will continue to be ensured. When this direct final rule becomes effective, persons who hold a general license under 10 CFR 72.210 may load spent nuclear fuel into HI–STORM 100 Cask Systems that meet the criteria of Amendment No. 10 to CoC No. 1014 under 10 CFR 72.212.

V. Voluntary Consensus Standards

The National Technology Transfer and Advancement Act of 1995 (Pub. L. 104–113) requires that Federal agencies use technical standards developed or adopted by voluntary consensus standards bodies unless the use of any such standard is inconsistent with applicable law or otherwise impractical. In this direct final rule, the NRC will revise the Holtec HI–STORM 100 Cask System design listed in 10 CFR 72.214, ''List of approved spent fuel storage casks.'' This action does not constitute the establishment of a standard that contains generally applicable requirements.

VI. Agreement State Compatibility

Under the ''Policy Statement on Adequacy and Compatibility of Agreement State Programs'' approved by the Commission on June 30, 1997, and published in the **Federal Register** on September 3, 1997 (62 FR 46517), this rule is classified as Compatibility Category ''NRC.'' Compatibility is not required for Category ''NRC'' regulations. The NRC program elements in this category are those that relate directly to areas of regulation reserved to the NRC by the Atomic Energy Act of 1954, as amended, or the provisions of 10 CFR. Although an Agreement State may not adopt program elements reserved to the NRC, and a Category ''NRC'' does not confer regulatory authority on the State, the State may wish to inform its licensees of certain requirements by means consistent with the particular State's administrative procedure laws.

VII. Plain Writing

The Plain Writing Act of 2010 (Pub. L. 111–274) requires Federal agencies to write documents in a clear, concise, and well-organized manner. The NRC has written this document to be consistent with the Plain Writing Act as well as the Presidential Memorandum, ''Plain Language in Government Writing,'' published June 10, 1998 (63 FR 31883).

VIII. Environmental Assessment and Finding of No Significant Environmental Impact

A. The Action

The action is to amend 10 CFR 72.214 to revise the Holtec HI–STORM 100 Cask System listing within the ''List of approved spent fuel storage casks'' to include Amendment No. 10 to CoC No. 1014. Under the National Environmental Policy Act of 1969, as amended (NEPA), and the NRC's regulations in subpart A of 10 CFR part 51, ''Environmental Protection Regulations for Domestic Licensing and Related Regulatory Functions,'' the NRC has determined that this rule, if adopted, would not be a major Federal action significantly affecting the quality of the human environment, and therefore, an environmental impact statement (EIS) is not required. The NRC has made a finding of no significant impact on the basis of this EA.

B. The Need for the Action

This direct final rule is needed to allow users of HI–STORM 100 Cask Systems under Amendment No. 10 to load for dry storage under a general license additional classes of fuel assemblies that would otherwise have to remain in spent fuel storage pools. This direct final rule amends the CoC for the Holtec HI–STORM 100 Cask System design within the list of approved spent fuel storage casks that power reactor licensees can use to store spent fuel at reactor sites under a general license.

Specifically, Amendment No. 10 (1) adds new fuel classes to the contents approved for the loading of 16X16-pin fuel assemblies into a HI–STORM 100 Cask System; (2) allows a minor increase in manganese in an alloy material for the system's overpack and transfer cask; (3) clarifies the minimum water displacement required of a dummy fuel rod (*i.e.,* a rod not filled with uranium pellets); and (4) clarifies the design pressures expected for normal operation of forced helium drying systems. Additionally, Amendment No. 10 revises Condition No. 9 of CoC No. 1014 to provide clearer direction on the measurement of air velocity and modeling of heat distribution through the storage system.

C. Environmental Impacts of the Action

On July 18, 1990 (55 FR 29181), the NRC issued an amendment to 10 CFR part 72 to provide for the storage of spent fuel under a general license in cask designs approved by the NRC. The potential environmental impact of using NRC-approved storage casks was initially analyzed in the EA for the 1990 final rule. The EA for Amendment No. 10 tiers off of the EA for the July 18, 1990, final rule. Tiering on past EAs is a standard process under NEPA by which impact analyses in a previous EA can be cited by a subsequent EA as bounding the expected impacts of a new proposed action within the scope of the previous EA.

The Holtec HI–STORM 100 Cask System is designed to mitigate the effects of design basis accidents that could occur during storage. Design basis accidents account for human-induced events and the most severe natural phenomena reported for the site and surrounding area. Postulated accidents analyzed for an Independent Spent Fuel Storage Installation, the type of facility at which a holder of a power reactor operating license would store spent fuel in casks in accordance with 10 CFR part 72, include tornado winds and tornado-generated missiles, a design basis earthquake, a design basis flood, an accidental cask drop, lightning effects, fire, explosions, and other incidents.

Considering the specific design requirements for each accident condition, the design of the cask would prevent loss of confinement, shielding, and criticality control. If there is no loss of confinement, shielding, or criticality control, the environmental impacts would be insignificant. This proposed CoC amendment does not reflect a significant change in cask design or fabrication requirements. Because there are no significant design or production process changes, any resulting occupational exposure or offsite dose rates from the implementation of Amendment No. 10 would remain well within all applicable 10 CFR part 20 limits. Therefore, the proposed CoC changes will not result in any radiological or non-radiological environmental impacts that significantly differ from the environmental impacts evaluated in the EA supporting the July 18, 1990, final rule. There will be no significant change in the types or amounts of any effluent released, no significant increase in individual or cumulative radiation exposures, and no significant increase in the potential for or consequences of radiological accidents. The NRC staff documented these safety findings in the SER.

D. Alternative to the Action

The alternative to this action is to deny approval of Amendment No. 10 and withdraw the direct final rule. Consequently, any 10 CFR part 72 general licensee that seeks to load spent nuclear fuel into the Holtec HI–STORM 100 Cask System in accordance with the changes described in proposed Amendment No. 10 would have to request an exemption from the requirements of 10 CFR 72.212 and 72.214. Under this alternative, interested licensees would have to prepare, and the NRC would have to review, each separate exemption request, thereby increasing the administrative burden upon the NRC and the costs to each licensee. The environmental impacts of this alternative would therefore be the same as or greater than the preferred action.

E. Alternative Use of Resources

Approval of Amendment No. 10 to CoC No. 1014 would result in no irreversible commitments of resources.

F. Agencies and Persons Contacted

No agencies or persons outside the NRC were contacted in connection with the preparation of this EA.

G. Finding of No Significant Impact

The environmental impacts of the action have been reviewed under the requirements in 10 CFR part 51. Based on the foregoing EA, the NRC concludes that this direct final rule entitled, ''List of Approved Spent Fuel Storage Casks: Holtec International HI–STORM 100 Cask System; Certificate of Compliance No. 1014, Amendment No. 10,'' will not have a significant effect on the human environment. Therefore, the NRC has determined that an EIS for this direct final rule is not necessary.

IX. Paperwork Reduction Act Statement

This rule does not contain any information collection requirements, and is therefore not subject to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*).

Public Protection Notification

The NRC may not conduct or sponsor, and a person is not required to respond to a request for information or an information collection requirement unless the requesting document displays a currently valid Office of Management and Budget control number.

X. Regulatory Flexibility Certification

Under the Regulatory Flexibility Act of 1980 (5 U.S.C. 605(b)), the NRC certifies that this rule will not, if issued, have a significant economic impact on a substantial number of small entities. This direct final rule affects only nuclear power plant licensees and Holtec. These entities do not fall within the scope of the definition of small entities set forth in the Regulatory Flexibility Act or the size standards established by the NRC (10 CFR 2.810).

XI. Regulatory Analysis

On July 18, 1990 (55 FR 29181), the NRC issued an amendment to 10 CFR part 72 to provide for the storage of spent nuclear fuel under a general license in cask designs approved by the NRC. Any nuclear power reactor licensee can use NRC-approved cask designs to store spent nuclear fuel if it notifies the NRC in advance, the spent fuel is stored under the conditions specified in the cask's CoC, and the conditions of the general license are met. A list of NRC-approved cask designs is contained in 10 CFR 72.214. On May 1, 2000 (65 FR 25241), the NRC issued an amendment to 10 CFR part 72 that approved the Holtec HI–STORM 100 Cask System design by adding it to the list of NRC-approved cask designs in 10 CFR 72.214.

On January 5, 2015, Holtec submitted an application to amend the HI–STORM 100 Cask System CoC as described in Section IV, ''Discussion of Changes,'' of this document.

The alternative to this action is to withhold approval of Amendment No. 10 and require any 10 CFR part 72 general licensee seeking to load spent nuclear fuel into the Holtec HI–STORM 100 Cask System under the changes described in Amendment No. 10 to request an exemption from the requirements of 10 CFR 72.212 and 72.214. Under this alternative, each interested 10 CFR part 72 licensee would have to prepare, and the NRC would have to review, a separate exemption request, thereby increasing the administrative burden upon the NRC and the costs to each licensee.

Approval of the direct final rule is consistent with previous NRC actions. Further, as documented in the SER and the EA, the direct final rule will have no adverse effect on public health and safety or the environment. This direct final rule has no significant identifiable impact on or benefit to other Government agencies. Based on this regulatory analysis, the NRC concludes that the requirements of the direct final rule are commensurate with the NRC's responsibilities for public health and safety and the common defense and security. No other available alternative is believed to be as satisfactory, and therefore, this action is recommended.

XII. Backfitting and Issue Finality

The NRC has determined that the backfit rule (10 CFR 72.62) does not apply to this direct final rule. Therefore, a backfit analysis is not required. This direct final rule revises CoC No. 1014 for the Holtec HI–STORM 100 Cask System, as currently listed in 10 CFR 72.214, ''List of approved spent fuel storage casks.'' The revision consists of Amendment No. 10, which (1) adds new fuel classes to the contents approved for the loading of 16X16-pin fuel assemblies into a HI–STORM 100 Cask System; (2) allows a minor increase in manganese in an alloy material for the system's overpack and transfer cask; (3) clarifies the minimum water displacement required of a dummy fuel rod (*i.e.,* a rod not filled with uranium pellets); and (4) clarifies the design pressures expected for normal operation of forced helium drying systems. Additionally, Amendment No. 10 revises Condition No. 9 of CoC No. 1014 to provide clearer direction on the measurement of air velocity and modeling of heat distribution through the storage system.

Amendment No. 10 to CoC No. 1014 for the Holtec HI–STORM 100 Cask System was initiated by Holtec, and was not submitted in response to new NRC requirements or an NRC request for amendment. Amendment No. 10 applies only to new casks fabricated and used under Amendment No. 10. These changes do not affect existing users of the Holtec HI–STORM 100 Cask System; the current Amendment No. 9 and earlier amendments continue to be effective for existing users. While current CoC users may comply with the new requirements in Amendment No. 10, this would be a voluntary decision on the part of current users. For these reasons, Amendment No. 10 to CoC No. 1014 does not constitute backfitting under 10 CFR 72.62, 10 CFR 50.109(a)(1), or otherwise represent an inconsistency with the issue finality provisions applicable to combined licenses in 10 CFR part 52. Accordingly, no backfit analysis or additional documentation addressing the issue finality criteria in 10 CFR part 52 has been prepared by the NRC staff.

XIII. Congressional Review Act

The Office of Management and Budget has not found this to be a major rule as defined in the Congressional Review Act.

XIV. Availability of Documents

The documents identified in the following table are available to interested persons as indicated.

Document	ADAMS Accession No.
Holtec International HI–STORM 100 Cask System—License Amendment Request (1014–10)	ML15007A435.
Proposed CoC No. 1014, Amendment No. 10	ML15331A307.
Appendix A for Proposed CoC No. 1014, Amendment No. 10	ML15331A310.
Appendix B for Proposed CoC No. 1014, Amendment No. 10	ML15331A311.
Appendix A—100U for Proposed CoC No. 1014, Amendment No. 10	ML15331A312.
Appendix B—100U for Proposed CoC No. 1014, Amendment No. 10	ML15331A313.
Preliminary SER for Proposed CoC No. 1014, Amendment No. 10	ML15331A309.

The NRC may post materials related to this document, including public comments, on the Federal Rulemaking Web site at *http://www.regulations.gov* under Docket ID NRC–2015–0270. The Federal Rulemaking Web site allows you to receive alerts when changes or additions occur in a docket folder. To subscribe: (1) Navigate to the docket folder (NRC–2015–0270); (2) click the ''Sign up for Email Alerts'' link; and (3) enter your email address and select how frequently you would like to receive emails (daily, weekly, or monthly).

List of Subjects in 10 CFR Part 72

Administrative practice and procedure, Criminal penalties, Hazardous waste, Indians, Intergovernmental relations, Manpower training programs, Nuclear energy, Nuclear materials, Occupational safety and health, Penalties, Radiation protection, Reporting and recordkeeping requirements, Security measures, Spent fuel, Whistleblowing.

For the reasons set out in the preamble and under the authority of the Atomic Energy Act of 1954, as amended; the Energy Reorganization Act of 1974, as amended; the Nuclear Waste Policy Act of 1982, as amended; and 5 U.S.C. 552 and 553; the NRC is adopting the following amendments to 10 CFR part 72.

PART 72—LICENSING REQUIREMENTS FOR THE INDEPENDENT STORAGE OF SPENT NUCLEAR FUEL, HIGH-LEVEL RADIOACTIVE WASTE, AND REACTOR-RELATED GREATER THAN CLASS C WASTE

■ 1. The authority citation for part 72 continues to read as follows:

Authority: Atomic Energy Act of 1954, secs. 51, 53, 57, 62, 63, 65, 69, 81, 161, 182, 183, 184, 186, 187, 189, 223, 234, 274 (42 U.S.C. 2071, 2073, 2077, 2092, 2093, 2095, 2099, 2111, 2201, 2210e, 2232, 2233, 2234, 2236, 2237, 2238, 2273, 2282, 2021); Energy Reorganization Act of 1974, secs. 201, 202, 206, 211 (42 U.S.C. 5841, 5842, 5846, 5851); National Environmental Policy Act of 1969 (42 U.S.C. 4332); Nuclear Waste Policy Act of 1982, secs. 117(a), 132, 133, 134, 135, 137,

141, 145(g), 148, 218(a) (42 U.S.C. 10137(a), 10152, 10153, 10154, 10155, 10157, 10161, 10165(g), 10168, 10198(a)) 44 U.S.C. 3504 note.

■ 2. In § 72.214, Certificate of Compliance 1014 is revised to read as follows:

§ 72.214 List of approved spent fuel storage casks.

* * * * *

Certificate Number: 1014.

Initial Certificate Effective Date: May 31, 2000.

Amendment Number 1 Effective Date: July 15, 2002.

Amendment Number 2 Effective Date: June 7, 2005.

Amendment Number 3 Effective Date: May 29, 2007.

Amendment Number 4 Effective Date: January 8, 2008.

Amendment Number 5 Effective Date: July 14, 2008.

Amendment Number 6 Effective Date: August 17, 2009.

Amendment Number 7 Effective Date: December 28, 2009.

Amendment Number 8 Effective Date: May 2, 2012, as corrected on November 16, 2012 (ADAMS Accession No. ML12213A170).

Amendment Number 9 Effective Date: March 11, 2014.

Amendment Number 10 Effective Date: May 31, 2016.

SAR Submitted by: Holtec International.

SAR Title: Final Safety Analysis Report for the HI–STORM 100 Cask System.

Docket Number: 72–1014.

Certificate Expiration Date: May 31, 2020.

Model Number: HI–STORM 100.

* * * * *

Dated at Rockville, Maryland, this 2nd day of March, 2016.

For the Nuclear Regulatory Commission.

Victor M. McCree,

Executive Director of Operations.

[FR Doc. 2016–05711 Filed 3–11–16; 8:45 am]

BILLING CODE 7590–01–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2016–4222; Directorate Identifier 2016–NM–017–AD; Amendment 39–18433; AD 2016–06–02]

RIN 2120–AA64

Airworthiness Directives; The Boeing Company Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule; request for comments.

SUMMARY: We are adopting a new airworthiness directive (AD) for all The Boeing Company Model 737–300, –400, and –500 series airplanes. This AD requires repetitive inspections for cracking in the horizontal and vertical flanges of the rear spar upper chord of the horizontal stabilizer, and related investigative and corrective actions if necessary. This AD was prompted by a report of cracking in the center section of the horizontal stabilizer. We are issuing this AD to detect and correct cracking of the rear spar center section of the horizontal stabilizer that could lead to departure of the horizontal stabilizer from the airplane.

DATES: This AD is effective March 29, 2016.

The Director of the Federal Register approved the incorporation by reference of a certain publication listed in this AD as of March 29, 2016.

We must receive comments on this AD by April 28, 2016.

ADDRESSES: You may send comments, using the procedures found in 14 CFR 11.43 and 11.45, by any of the following methods:

- *Federal eRulemaking Portal:* Go to *http://www.regulations.gov*. Follow the instructions for submitting comments.
- *Fax:* 202–493–2251.
- *Mail:* U.S. Department of Transportation, Docket Operations, M–30, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue SE., Washington, DC 20590.
- *Hand Delivery:* U.S. Department of Transportation, Docket Operations, M–30, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue SE., Washington, DC 20590, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

For service information identified in this final rule, contact Boeing Commercial Airplanes, Attention: Data & Services Management, P.O. Box 3707, MC 2H–65, Seattle, WA 98124–2207; telephone 206–544–5000, extension 1; fax 206–766–5680; Internet *https://www.myboeingfleet.com*. You may view this referenced service information at the FAA, Transport Airplane Directorate, 1601 Lind Avenue SW., Renton, WA. For information on the availability of this material at the FAA, call 425–227–1221. It is also available on the Internet at *http://www.regulations.gov* by searching for and locating Docket No. FAA–2016–4222.

Examining the AD Docket

You may examine the AD docket on the Internet at *http://www.regulations.gov* by searching for and locating Docket No. FAA–2016–4222; or in person at the Docket Management Facility between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this AD, the regulatory evaluation, any comments received, and other information. The street address for the Docket Office (phone: 800–647–5527) is in the **ADDRESSES** section. Comments will be available in the AD docket shortly after receipt.

FOR FURTHER INFORMATION CONTACT: Payman Soltani, Aerospace Engineer, Airframe Branch, ANM–120L, FAA, Los Angeles Aircraft Certification Office (ACO), 3960 Paramount Boulevard, Lakewood, CA 90712–4137; phone: 562–627–5313; fax: 562–627–5210; email: *Payman.Soltani@faa.gov.*

SUPPLEMENTARY INFORMATION:

Discussion

We have received a report of cracking in the center section of the horizontal stabilizer. A review of empennage loading of the Model 737–300, –400, and –500 series airplanes identified several loading discrepancies that included landing rollout (LRO) buffet condition within the ground-air-ground (GAG) operational loads. These loading discrepancies impact the operating stress level on the rear spar upper chord of the horizontal stabilizer center section, which can lead to cracking. We have determined that the inspection threshold for detecting the cracking needs to be lower than the existing required compliance threshold of 66,000 total flight cycles. This horizontal stabilizer center section cracking, if not corrected, could result in departure of the horizontal stabilizer from the airplane.

Related Rulemaking

On April 8, 2008, we issued AD 2008–09–13, Amendment 39–15494 (73 FR 24164, May 2, 2008), for all Boeing Model 737–300, –400, and –500 series

airplanes. AD 2008–09–13 requires revising the FAA-approved maintenance or inspection program to include inspections that will give no less than the required damage tolerance rating for each structural significant item (SSI), doing repetitive inspections to detect cracks of all SSIs, and repairing cracked structure.

Related Service Information Under 1 CFR Part 51

We reviewed Boeing Alert Service Bulletin 737–55A1100, dated January 26, 2016. This service information describes procedures for inspections for cracking in the horizontal and vertical flanges of the rear spar upper chord of the horizontal stabilizer, an inspection to identify the fasteners common to the rear spar upper chord upper gusset of the horizontal stabilizer center section, and related investigative and corrective actions if necessary. This service information is reasonably available because the interested parties have access to it through their normal course of business or by the means identified in the **ADDRESSES** section.

FAA's Determination

We are issuing this AD because we evaluated all the relevant information and determined the unsafe condition described previously is likely to exist or develop in other products of the same type design.

AD Requirements

This AD requires accomplishing the actions specified in the service information described previously, except as discussed under ''Differences Between this AD and the Service Information.'' For information on the procedures and compliance times, see this service information at *http://www.regulations.gov* by searching for and locating Docket No. FAA–2016–4222.

The phrase ''related investigative actions'' is used in this AD. Related investigative actions are follow-on actions that (1) are related to the primary action, and (2) further investigate the nature of any condition found. Related investigative actions in an AD could include, for example, inspections.

The phrase ''corrective actions'' is used in this AD. Corrective actions are actions that correct or address any condition found. Corrective actions in an AD could include, for example, repairs.

Differences Between the AD and the Service Information

Boeing Alert Service Bulletin 737–55A1100, dated January 26, 2016, specifies to contact the manufacturer for instructions on how to repair certain conditions, but this AD would require repairing those conditions in one of the following ways:

- In accordance with a method that we approve; or
- Using data that meet the certification basis of the airplane, and that have been approved by the Boeing Commercial Airplanes Organization Designation Authorization (ODA) whom we have authorized to make those findings.

Boeing Alert Service Bulletin 737–55A1100, dated January 26, 2016, specifies compliance using ''horizontal stabilizer center section flight cycles'' or ''center section flight cycles;'' this AD requires compliance for those conditions or compliance times in terms of airplane flight cycles.

FAA's Justification and Determination of the Effective Date

An unsafe condition exists that requires the immediate adoption of this AD. The FAA has found that the risk to the flying public justifies waiving notice and comment prior to adoption of this rule because cracking of the rear spar center section of the horizontal stabilizer could lead to departure of the horizontal stabilizer from the airplane. Therefore, we find that notice and opportunity for prior public comment are impracticable and that good cause exists for making this amendment effective in less than 30 days.

Comments Invited

This AD is a final rule that involves requirements affecting flight safety and was not preceded by notice and an opportunity for public comment. However, we invite you to send any written data, views, or arguments about this AD. Send your comments to an address listed under the **ADDRESSES** section. Include the docket number FAA–2016–4222 and Directorate Identifier 2016–NM–017–AD at the beginning of your comments. We specifically invite comments on the overall regulatory, economic, environmental, and energy aspects of this AD. We will consider all comments received by the closing date and may amend this AD because of those comments.

We will post all comments we receive, without change, to *http://www.regulations.gov,* including any personal information you provide. We will also post a report summarizing each substantive verbal contact we receive about this AD.

Costs of Compliance

We estimate that this AD affects 400 airplanes of U.S. registry.

We estimate the following costs to comply with this AD:

ESTIMATED COSTS

Action	Labor cost	Parts cost	Cost per product	Cost on U.S. operators
Inspections	Up to 15 work-hours × $85 per hour = $1,275 per inspection cycle.	$0	Up to $1,275 per inspection cycle.	Up to $510,000 per inspection cycle.

We estimate the following costs to do any necessary repairs that would be required based on the results of the inspection. We have no way of determining the number of aircraft that might need these repairs:

ON-CONDITION COSTS

Action	Labor cost	Parts cost	Cost per product
Repair	8 work-hours × $85 per hour = $680	(1)	$680

[1] We have received no definitive data that would enable us to provide parts cost estimates for the actions specified in this AD.

Authority for This Rulemaking

Title 49 of the United States Code specifies the FAA's authority to issue rules on aviation safety. 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.

We are issuing this rulemaking under the authority described in Subtitle VII, Part A, Subpart III, Section 44701: ''General requirements.'' Under that section, Congress charges the FAA with promoting safe flight of civil aircraft in air commerce by prescribing regulations for practices, methods, and procedures the Administrator finds necessary for safety in air commerce. This regulation is within the scope of that authority because it addresses an unsafe condition that is likely to exist or develop on products identified in this rulemaking action.

Regulatory Findings

This AD will not have federalism implications under Executive Order 13132. This AD will not have a substantial direct effect on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government.

For the reasons discussed above, I certify that this AD:

(1) Is not a ''significant regulatory action'' under Executive Order 12866,

(2) Is not a ''significant rule'' under DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979),

(3) Will not affect intrastate aviation in Alaska, and

(4) Will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Incorporation by reference, Safety.

Adoption of the Amendment

Accordingly, under the authority delegated to me by the Administrator, the FAA amends 14 CFR part 39 as follows:

PART 39—AIRWORTHINESS DIRECTIVES

■ 1. The authority citation for part 39 continues to read as follows:

Authority: 49 U.S.C. 106(g), 40113, 44701.

§ 39.13 [Amended]

■ 2. The FAA amends § 39.13 by adding the following new airworthiness directive (AD):

2016–06–02 The Boeing Company: Amendment 39–18433; Docket No. FAA–2016–4222; Directorate Identifier 2016–NM–017–AD.

(a) Effective Date

This AD is effective March 29, 2016.

(b) Affected ADs

None.

(c) Applicability

This AD applies to all The Boeing Company Model 737–300, –400, and –500 series airplanes, certificated in any category.

(d) Subject

Air Transport Association (ATA) of America Code 55, Stabilizers.

(e) Unsafe Condition

This AD was prompted by a report of cracking in the center section of the horizontal stabilizer. We are issuing this AD to detect and correct cracking of the rear spar center section of the horizontal stabilizer that could lead to departure of the horizontal stabilizer from the airplane.

(f) Compliance

Comply with this AD within the compliance times specified, unless already done.

(g) Actions for the Rear Spar Upper Chord Horizontal Flange of the Horizontal Stabilizer Center Section

At the applicable times specified in table 1 of paragraph 1.E., ''Compliance,'' of Boeing Alert Service Bulletin 737–55A1100, dated January 26, 2016, except as required by paragraphs (j)(1), (j)(2), and (j)(3) of this AD: Do the actions required by paragraph (g)(1) or (g)(2) of this AD; and do all applicable related investigative and corrective actions; in accordance with the Accomplishment Instructions of Boeing Alert Service Bulletin 737–55A1100, dated January 26, 2016, except as required by paragraph (j)(4) of this AD. Do all applicable related investigative and corrective actions at the applicable times specified in tables 5, 6, 7, and 8 of paragraph 1.E., ''Compliance,'' of Boeing Alert Service Bulletin 737–55A1100, dated January 26, 2016. For airplanes on which ''Option 1'' of ''CONDITION 15: SURFACE HFEC INSPECTION OF THE CHORD AROUND THE GUSSETS—NO CRACK FOUND'' is done as specified in the Accomplishment Instructions of Boeing Alert Service Bulletin 737–55A1100, dated January 26, 2016, repeat the inspection specified in paragraph (g)(2) of this AD thereafter at the applicable times specified in table 8 of paragraph 1.E., ''Compliance,'' of Boeing Alert Service Bulletin 737–55A1100, dated January 26, 2016.

(1) Do an inspection to identify the fasteners common to the rear spar upper chord upper gusset of the horizontal stabilizer center section.

(2) Do a surface high frequency eddy current (HFEC) inspection of the rear spar upper chord around the two inboard gusset plates common to the thrust and auxiliary beams for any crack.

(h) Repetitive Inspections of the Vertical Flange of the Rear Spar Upper Chord on the Horizontal Stabilizer Center Section

At the applicable times specified in table 2 of paragraph 1.E., ''Compliance,'' of Boeing Alert Service Bulletin 737–55A1100, dated January 26, 2016, except as required by paragraphs (j)(1) and (j)(2) of this AD: Do a surface HFEC inspection of the vertical flange of the rear spar upper chord; and do all applicable corrective actions; in accordance with the Accomplishment Instructions of Boeing Alert Service Bulletin 737–55A1100, dated January 26, 2016, except as required by paragraph (j)(4) of this AD. Do all applicable corrective actions before further flight. Repeat the inspection of the vertical flange of the rear spar upper chord thereafter at the time specified in table 2 of paragraph 1.E., ''Compliance,'' of Boeing Alert Service Bulletin 737–55A1100, dated January 26, 2016.

(i) Repetitive Inspections of the Vertical Flange Stiffener Fasteners of the Rear Spar Upper Chord on the Horizontal Stabilizer Center Section

At the applicable times specified in table 3 of paragraph 1.E., ''Compliance,'' of Boeing Alert Service Bulletin 737–55A1100, dated January 26, 2016, except as required by paragraphs (j)(1) and (j)(2) of this AD: Do the actions required by paragraph (i)(1) or (i)(2) of this AD; and do all applicable related investigative and corrective actions; in accordance with the Accomplishment Instructions of Boeing Alert Service Bulletin 737–55A1100, dated January 26, 2016, except as required by paragraph (j)(4) of this AD. Do all applicable related investigative and corrective actions at the applicable times specified in tables 3 and 4 of paragraph 1.E., ''Compliance,'' of Boeing Alert Service Bulletin 737–55A1100, dated January 26, 2016. Repeat the inspection specified in paragraph (i)(2) of this AD thereafter at the applicable times specified in tables 3 and 4 of paragraph 1.E., ''Compliance,'' of Boeing Alert Service Bulletin 737–55A1100, dated January 26, 2016.

(1) Do an open hole HFEC inspection of the vertical flange at the stiffeners of the rear spar upper chord on the horizontal stabilizer center section for any crack.

(2) Do a surface HFEC inspection of the vertical flange around the stiffeners of the rear spar upper chord on the horizontal stabilizer center section for any crack.

(j) Exceptions to Service Information

(1) Where paragraph 1.E., ''Compliance,'' of Boeing Alert Service Bulletin 737–55A1100, dated January 26, 2016, specifies a compliance time ''after the original issue date of this service bulletin,'' this AD requires compliance within the specified compliance time after the effective date of this AD.

(2) Where paragraph 1.E., ''Compliance,'' of Boeing Alert Service Bulletin 737–55A1100, dated January 26, 2016, refers to condition or compliance time in ''horizontal stabilizer center section flight cycles'' or ''center section flight cycles,'' this AD requires

compliance for those conditions or compliance time in terms of airplane flight cycles.

(3) The Condition column of table 1 in paragraph 1.E., ''Compliance,'' of Boeing Alert Service Bulletin 737–55A1100, dated January 26, 2016, refers to ''horizontal stabilizer center section flight cycles.'' This AD, however, applies to the airplanes with the specified airplane total flight cycles as of the effective date of this AD.

(4) Where Boeing Alert Service Bulletin 737–55A1100, dated January 26, 2016; specifies to contact Boeing for appropriate action: Before further flight, repair using a method approved in accordance with the procedures specified in paragraph (k) of this AD.

(k) Alternative Methods of Compliance (AMOCs)

(1) The Manager, Los Angeles Aircraft Certification Office (ACO), FAA, has the authority to approve AMOCs for this AD, if requested using the procedures found in 14 CFR 39.19. In accordance with 14 CFR 39.19, send your request to your principal inspector or local Flight Standards District Office, as appropriate. If sending information directly to the manager of the ACO, send it to the attention of the person identified in paragraph (l) of this AD. Information may be emailed to *9-ANM-LAACO-AMOC-Requests@faa.gov.*

(2) Before using any approved AMOC, notify your appropriate principal inspector, or lacking a principal inspector, the manager of the local flight standards district office/certificate holding district office.

(3) An AMOC that provides an acceptable level of safety may be used for any repair, modification, or alteration required by this AD if it is approved by the Boeing Commercial Airplanes Organization Designation Authorization (ODA) that has been authorized by the Manager, Los Angeles ACO, to make those findings. To be approved, the repair method, modification deviation, or alteration deviation must meet the certification basis of the airplane, and the approval must specifically refer to this AD.

(4) Except as required by paragraph (j)(4) of this AD: For service information that contains steps that are labeled as Required for Compliance (RC), the provisions of paragraphs (k)(4)(i) and (k)(4)(ii) of this AD apply.

(i) The steps labeled as RC, including substeps under an RC step and any figures identified in an RC step, must be done to comply with the AD. An AMOC is required for any deviations to RC steps, including substeps and identified figures.

(ii) Steps not labeled as RC may be deviated from using accepted methods in accordance with the operator's maintenance or inspection program without obtaining approval of an AMOC, provided the RC steps, including substeps and identified figures, can still be done as specified, and the airplane can be put back in an airworthy condition.

(l) Related Information

For more information about this AD, contact Payman Soltani, Aerospace Engineer, Airframe Branch, ANM–120L, FAA, Los Angeles ACO, 3960 Paramount Boulevard, Lakewood, CA 90712–4137; phone: 562–627–5313; fax: 562–627–5210; email: *Payman.Soltani@faa.gov.*

(m) Material Incorporated by Reference

(1) The Director of the Federal Register approved the incorporation by reference (IBR) of the service information listed in this paragraph under 5 U.S.C. 552(a) and 1 CFR part 51.

(2) You must use this service information as applicable to do the actions required by this AD, unless the AD specifies otherwise.

(i) Boeing Alert Service Bulletin 737–55A1100, dated January 26, 2016.

(ii) Reserved.

(3) For Boeing service information identified in this AD, contact Boeing Commercial Airplanes, Attention: Data & Services Management, P. O. Box 3707, MC 2H–65, Seattle, WA 98124–2207; telephone 206–544–5000, extension 1; fax 206–766–5680; Internet *https://www.myboeingfleet.com.*

(4) You may view this service information at the FAA, Transport Airplane Directorate, 1601 Lind Avenue SW., Renton, WA. For information on the availability of this material at the FAA, call 425–227–1221.

(5) You may view this service information that is incorporated by reference 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/cfr/ibr-locations.html.*

Issued in Renton, Washington, on March 3, 2016.

Michael Kaszycki,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 2016–05515 Filed 3–11–16; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Part 117

[Docket No. USCG–2016–0182]

Drawbridge Operation Regulation; Willamette River, Portland, OR

AGENCY: Coast Guard, DHS.

ACTION: Notice of deviation from drawbridge regulation.

SUMMARY: The Coast Guard has issued a temporary deviation from the operating schedule that governs the Broadway Bridge across the Willamette River, mile 11.7, at Portland, OR. The deviation is necessary to accommodate the Portland Race for the Roses event. This deviation allows the bridge to remain in the closed-to-navigation position to facilitate the safe movement of event participants across the bridge.

DATES: This deviation is effective from 5 a.m. to 10:30 a.m. on April 17, 2016.

ADDRESSES: The docket for this deviation, [USCG–2016–0182] is available at *http://www.regulations.gov*. Type the docket number in the ''SEARCH'' box and click ''SEARCH.'' Click on Open Docket Folder on the line associated with this deviation.

FOR FURTHER INFORMATION CONTACT: If you have questions on this temporary deviation, call or email Mr. Steven Fischer, Bridge Administrator, Thirteenth Coast Guard District; telephone 206–220–7282, email *Steven.M.Fischer@uscg.mil.*

SUPPLEMENTARY INFORMATION:

Multnomah County requested for the Broadway Bridge to remain closed to vessel traffic to facilitate the safe, uninterrupted roadway passage of participants in the Portland Race for the Roses event. The Broadway Bridge crosses the Willamette River at mile 11.7, and provides 90 feet of vertical clearance above Columbia River Datum 0.0 while in the closed-to-navigation position. This bridge operates in accordance with 33 CFR 117.897. This deviation allows the bascule span of the Broadway Bridge across the Willamette River, mile 11.7, to remain in the closed-to-navigation position, and need not open for maritime traffic from 5:00 a.m. to 10:30 a.m. on April 17, 2016. The bridge shall operate in accordance to 33 CFR 117.897 at all other times. Waterway usage on this part of the Willamette River includes vessels ranging from commercial tug and barge to small pleasure craft. We have coordinated with the majority of waterway users and there were no objections to this schedule.

Vessels able to pass through the bridge in the closed positions may do so at anytime. The bridge will be able to open for emergencies and there is no immediate alternate route for vessels to pass. The Coast Guard will also inform the users of the waterways through our Local and Broadcast Notices to Mariners of the change in operating schedule for the bridge so that vessels can arrange their transits to minimize any impact caused by the temporary deviation.

In accordance with 33 CFR 117.35(e), the drawbridge must return to its regular operating schedule immediately at the end of the effective period of this temporary deviation. This deviation from the operating regulations is authorized under 33 CFR 117.35.

Dated: March 8, 2016.

Steven M. Fischer,

Bridge Administrator, Thirteenth Coast Guard District.

[FR Doc. 2016–05620 Filed 3–11–16; 8:45 am]

BILLING CODE 9110–04–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Parts 51, 52, and 97

[EPA–HQ–OAR–2009–0491; FRL–9943–36–OAR]

RIN 2060–AS40

Rulemaking To Affirm Interim Amendments to Dates in Federal Implementation Plans Addressing Interstate Transport of Ozone and Fine Particulate Matter

AGENCY: Environmental Protection Agency (EPA).

ACTION: Final rule.

SUMMARY: The Environmental Protection Agency (EPA) is affirming and making permanent certain amendments previously made on an interim basis to the *Code of Federal Regulations* (CFR) provisions implementing the Cross-State Air Pollution Rule (CSAPR). The purpose of the interim amendments was to correctly reflect CSAPR's compliance deadlines as revised by the effect of the action of the United States Court of Appeals for the District of Columbia Circuit (D.C. Circuit or Court) granting the EPA's motion to lift the previous stay of CSAPR and delay (toll) its deadlines by three years. Consistent with the Court's order, the interim amendments corrected the CFR text to indicate that CSAPR's Phase 1 emissions budgets apply in 2015 and 2016 and that CSAPR's Phase 2 emissions budgets and assurance provisions apply in 2017 and beyond. The interim amendments similarly corrected dates in the CFR text related to specific activities required or permitted under CSAPR by regulated sources, the EPA, and states, as well as dates related to the sunsetting of obligations arising under the Clean Air Interstate Rule (CAIR) upon its replacement by CSAPR. In this action, following consideration of comments received on the interim amendments, the EPA is affirming the interim amendments and making them permanent without change. This action is independent of a separate currently pending EPA proposal to update CSAPR to address the 2008 National Ambient Air Quality Standards for ozone.

DATES: The effective date of this action is May 13, 2016.

ADDRESSES: The EPA is including this action in Docket ID No. EPA–HQ–OAR–2009–0491, which is also the docket for the original CSAPR rulemaking and other related rulemakings. All documents in the docket are listed on the *www.regulations.gov* Web site. Although listed in the index, some information is not publicly available, *e.g.,* Confidential Business Information (CBI) or other information whose disclosure is restricted by statute. Certain other material, such as copyrighted material, is not placed on the Internet and will be publicly available only in hard copy form. Publicly available docket materials are available either electronically through *www.regulations.gov* or in hard copy at the Air and Radiation Docket, William Jefferson Clinton Building West, Room 3334, 1301 Constitution Avenue NW., Washington, DC. The Public Reading Room is open from 8:30 a.m. to 4:30 p.m., Monday through Friday, excluding legal holidays. The telephone number for the Public Reading Room is (202) 566–1744, and the telephone number for the Air and Radiation Docket is (202) 566–1742.

FOR FURTHER INFORMATION CONTACT: David Risley, Clean Air Markets Division, Office of Atmospheric Programs, U.S. Environmental Protection Agency, MC 6204M, 1200 Pennsylvania Avenue NW., Washington, DC 20460; telephone number: (202) 343–9177; email address: *Risley.David@epa.gov.* Electronic copies of this document can be accessed through the EPA Web site at: *http://www.epa.gov/airmarkets.*

SUPPLEMENTARY INFORMATION:

Regulated Entities. Entities regulated by CSAPR are fossil fuel-fired boilers and stationary combustion turbines that serve generators producing electricity for sale, including combined cycle units and units operating as part of systems that cogenerate electricity and other useful energy output. Regulated categories and entities include:

Category	NAICS * code	Examples of potentially regulated industries
Industry	221112	Fossil fuel electric power generation.

* North American Industry Classification System.

This table is not intended to be exhaustive, but rather provides a guide for readers regarding entities likely to be regulated. This table lists the types of entities of which the EPA is now aware that could potentially be regulated. Other types of entities not listed in the table could also be regulated. To determine whether your facility is regulated by CSAPR, you should carefully examine the applicability provisions in 40 CFR 97.404, 97.504, 97.604, and 97.704. If you have questions regarding the applicability of CSAPR to a particular entity, consult the person listed in the preceding **FOR FURTHER INFORMATION CONTACT** section.

Judicial Review. Judicial review of this rule is available only by filing a petition for review in the D.C. Circuit on or before May 13, 2016. Under section 307(b)(1) of the Clean Air Act (CAA), judicial review of EPA final action under the CAA that is ''nationally applicable'' or that the Administrator determines is of ''nationwide scope or effect'' is available only in the D.C. Circuit. Because the interim amendments that are being affirmed and made permanent in this rule apply to sources in 28 states, this rule is ''nationally applicable'' within the meaning of section 307(b)(1). For the same reason, the Administrator determines that this rule is of ''nationwide scope or effect'' for purposes of section 307(b)(1). CAA section 307(b)(1) also provides that filing a petition for reconsideration by the Administrator of this rule does not affect the finality of the rule for the purposes of judicial review, does not extend the time within which a petition for judicial review may be filed, and does not postpone the effectiveness of the rule. Under CAA section 307(b)(2), the requirements established by this rule may not be challenged separately in any civil or criminal proceedings brought by the EPA to enforce these requirements.

Outline. The following outline is provided to aid in locating information in this preamble.

I. Background on CSAPR and the Interim Amendments

In this section, the EPA summarizes the rulemaking and litigation history leading to the interim amendments and the content of the amendments.

The EPA issued the Cross-State Air Pollution Rule (CSAPR)[1] in July 2011 to address CAA requirements concerning interstate transport of air pollution and to replace the Clean Air Interstate Rule (CAIR), which the D.C. Circuit had remanded to the EPA for replacement. As subsequently amended, CSAPR requires 28 states to limit their state-wide emissions of sulfur dioxide (SO_2) and/or nitrogen oxides (NO_X) in order to reduce or eliminate the states' unlawful contributions to fine particulate matter and/or ground-level ozone pollution in other states. The emissions limitations are defined in terms of maximum state-wide ''budgets'' for emissions of annual SO_2, annual NO_X, and/or ozone-season NO_X by each state's large electricity generating units (EGUs). The emissions budgets are implemented in two phases of generally increasing stringency, with the Phase 1 budgets originally scheduled to apply to emissions in 2012 and 2013 and the Phase 2 budgets originally scheduled to apply to emissions in 2014 and later years.

As the mechanism for achieving compliance with the emissions limitations, CSAPR establishes federal implementation plans (FIPs) that require large EGUs in each affected state to participate in one or more new emissions trading programs that supersede the existing CAIR emissions trading programs. Interstate trading of CSAPR's emission allowances is permitted, but the rule includes ''assurance provisions'' designed to ensure that individual states' emissions in each Phase 2 compliance period do not exceed the states' respective emissions budgets for that period by more than specified ''variability limits.''

CSAPR allows states to elect to revise their state implementation plans (SIPs) to modify or replace the FIPs while continuing to rely on the rule's trading programs for compliance with the emissions limitations, and establishes certain requirements and deadlines related to those optional SIP revisions. The rule also contains provisions that sunset CAIR-related obligations on a schedule coordinated with the implementation of CSAPR compliance requirements.

Certain industry and state and local government petitioners challenged CSAPR in the D.C. Circuit and filed motions seeking a stay of the rule pending judicial review. On December 30, 2011, the Court granted a stay of the rule, ordering the EPA to continue administering CAIR on an interim basis.[2] In a subsequent decision on the merits, the Court vacated CSAPR based on a subset of petitioners' claims, but on April 29, 2014, the U.S. Supreme Court reversed that decision and remanded the case to the D.C. Circuit for further proceedings.[3] Throughout the initial round of D.C. Circuit proceedings and the ensuing Supreme Court proceedings, the stay remained in place and the EPA continued to implement CAIR. Following the Supreme Court decision, in order to allow CSAPR to replace CAIR in an equitable and orderly manner while further D.C. Circuit proceedings were held to resolve petitioners' remaining claims, the EPA filed a motion asking the D.C. Circuit to lift the stay and to toll by three years all CSAPR compliance deadlines that had not passed as of the date of the stay order.[4] On October 23, 2014, the Court granted the EPA's motion.[5] The Court later issued a decision denying most of petitioners' remaining claims while remanding certain state budgets to the EPA for reconsideration.[6]

Following the order lifting the stay, the EPA made ministerial amendments to the dates in the CSAPR regulatory text in 40 CFR parts 51, 52, and 97 to clarify how the EPA would implement the rule consistent with the D.C. Circuit's order granting the EPA's motion to lift the stay and toll the rule's deadlines. Generally, the amendments tolled all dates and years in the then-current regulatory text that had not passed as of December 30, 2011 (the date of the stay order) by three calendar years. The purpose of the ministerial amendments was to restore parties and the rule to the status that would have existed but for the stay, albeit three years later; preserve the rule's internal consistency; render moot questions as to whether the Court's order might not have tolled some of the individual dates being amended; and provide clarity to stakeholders and the public, thereby permitting orderly implementation of the rule. Implementation of Phase 1 of CSAPR began on January 1, 2015, consistent with the D.C. Circuit's order and with the amended deadlines in the CSAPR regulatory text.

The ministerial amendments were described in detail in a December 2014 **Federal Register** document.[7] The most fundamental amendments made clear that, consistent with the Court's order, compliance with CSAPR's Phase 1 emissions budgets is now required in 2015 and 2016 (instead of 2012 and 2013) and compliance with the rule's Phase 2 emissions budgets and assurance provisions is now required in 2017 and beyond (instead of 2014 and beyond).[8] Other amendments tolled specific deadlines for sources to certify monitoring systems and to start reporting emissions, for the EPA to allocate and record emission allowances, and for states to take optional steps to modify or replace their CSAPR FIPs through SIP revisions. Dates were also tolled in the regulatory provisions that sunsetted CAIR-related obligations upon the replacement of CAIR by CSAPR, and a new deadline was set for removal of CAIR NO_X allowances from allowance tracking system accounts. No regulatory text was amended other than dates, and no

[1] Federal Implementation Plans; Interstate Transport of Fine Particulate Matter and Ozone and Correction of SIP Approvals, 76 FR 48208 (August 8, 2011).

[2] Order, Document #1350421, *EME Homer City Generation, L.P.* v. *EPA,* No. 11–1302 (D.C. Cir. issued Dec. 30, 2011).

[3] *EPA* v. *EME Homer City Generation, L.P.,* 134 S. Ct. 1584 (2014), *reversing* 696 F.3d 7 (D.C. Cir. 2012).

[4] Respondents' Motion to Lift the Stay Entered on December 30, 2011, Document #1499505, *EME Homer City Generation, L.P.* v. *EPA,* No. 11–1302 (D.C. Cir. filed June 26, 2014); *see also* Reply in Further Support of Motion to Lift Stay, Document #1508914, *EME Homer City Generation, L.P.* v. *EPA,* No. 11–1302 (D.C. Cir. filed August 22, 2014). Both documents are available in the docket.

[5] Order, Document #1518738, *EME Homer City Generation, L.P.* v. *EPA,* No. 11–1302 (D.C. Cir. issued Oct. 23, 2014).

[6] *EME Homer City Generation, L.P.* v. *EPA,* 795 F.3d 118 (D.C. Cir. 2015).

[7] Rulemaking to Amend Dates in Federal Implementation Plans Addressing Interstate Transport of Ozone and Fine Particulate Matter, 79 FR 71663 (Dec. 3, 2014).

[8] The EPA also administratively converted the 2012-vintage and 2013-vintage CSAPR emission allowances previously recorded in tracking system accounts into 2015-vintage and 2016-vintage allowances, respectively.

substantive changes to CSAPR were made.

The December 2014 **Federal Register** document publishing the ministerial amendments also described the administrative process that the EPA is following with respect to the amendments. After the D.C. Circuit's October 23, 2014 order granting the EPA's motion to lift the stay and toll CSAPR's deadlines, insufficient time remained before the January 1, 2015 start of implementation for the EPA to complete notice-and-comment rulemaking to amend the CSAPR regulations in the CFR so as to reflect the new implementation schedule. In order to facilitate orderly implementation of CSAPR, the EPA therefore amended the CSAPR regulations in the CFR using rulemaking procedures authorized in section 553 of the Administrative Procedure Act (5 U.S.C. 551 *et seq.*) under which agencies may, upon finding good cause, issue rules without prior notice or opportunity for public comment and make rules effective immediately upon **Federal Register** publication. However, the EPA also implemented the amendments on an interim basis only and provided notice and an opportunity for comment on the content of the amendments. The December 2014 document stated that the EPA would issue a final rule confirming the interim amendments or making any further amendments that might be necessary following consideration of any comments received.

The scope of comment requested in the December 2014 **Federal Register** document regarding the interim amendments was tailored to the narrow character of the amendments. Specifically, the EPA requested comment on ''whether, *in order to be consistent with the Court's order tolling CSAPR deadlines by three years,* the provisions of this interim rule should become permanent or, alternatively, whether any date or year in the regulatory text amended by the interim final rule should either be restored to the date or year as it appeared in the regulatory text prior to promulgation of the interim final rule or should be changed to a date or year different from the date or year set in the interim final rule.'' 79 FR at 71670 (emphasis added). The document further expressly stated that ''[t]he EPA is not reopening for comment any provisions of CSAPR other than the dates and years amended in the interim final rule for consistency with the Court's order tolling CSAPR deadlines by three years.'' *Id.*

II. Consideration of Comments and Affirmation of Amendments

In this section, the EPA summarizes and responds to the comments received on the interim amendments and, following consideration of the comments, takes action to affirm the interim amendments and make them permanent.

The EPA received three comments on the interim amendments. None of the comments addresses the topic on which comment was sought, namely whether the interim amendments correctly tolled the deadlines in the CSAPR regulations by three years consistent with the D.C. Circuit's order granting the EPA's request to lift the stay. Instead, the comments raise issues outside the scope of the interim amendments and the request for comment.

The first commenter expresses general opposition to any tolling of the original CSAPR deadlines, stating that the industry could meet the CSAPR NO_X Ozone Season budgets without tolling and that tolling could lead to an increase in transported air pollution. Although related to the CSAPR deadlines and tolling, a comment generally opposing any tolling of the deadlines is outside the scope of comment requested and is clearly inconsistent with the D.C. Circuit's order granting the EPA's motion to lift the stay and toll CSAPR's deadlines. The commenter's remaining comments are unrelated to the CSAPR compliance deadlines or tolling. For example, the commenter states that the EPA should promulgate an additional rulemaking to address newer, more stringent ozone standards and in particular to address NO_X emissions on days of high electricity demand. The commenter also advocates that the EPA not allow compliance with CSAPR to be deemed to satisfy regulatory requirements to install best available retrofit technology (BART) or reasonably available control technology (RACT). Finally, the commenter states that the EPA should provide guidance on title V permitting and on replacement of a CSAPR FIP with an equally or more stringent SIP revision that would not include participation in CSAPR.

The second commenter states that the CSAPR deadlines should be tolled by four rather than three years in order to provide affected units with additional time to install controls and generally to enable affected units to avoid the need to undertake compliance activities while litigation regarding CSAPR continues. As the EPA explained in the motion to lift the stay and toll the deadlines for three years, immediate lifting of the stay was necessary to prevent further delay in implementation of CSAPR and its important health benefits. *See* Respondent's Motion, *supra* note 4, at 9–13. Tolling the CSAPR deadlines by four years instead of three would have exacerbated the implementation delay and frustrated this important public purpose. Further, as also explained in the motion, tolling the deadlines by three years restored parties and the rule to the status that would have existed but for the stay, albeit three years later, and available data showed that compliance was readily achievable on the schedule that the EPA proposed in the motion. *Id.* at 13–16. Emissions data reported over the first year of CSAPR implementation bear out the EPA's expectations regarding the feasibility of compliance and confirm the reasonableness of not delaying the deadlines beyond three years.[9]

In addition to these considerations, we also note that this comment, like the other comments received, is outside the scope of comment requested, even after taking account of the commenter's argument that the comment is in scope. The commenter asserts that this comment is on point, focusing on the phrase in the December 2014 **Federal Register** document asking whether any date ''should be changed to a date or year different from the date or year set in the'' interim amendments. However, the commenter takes that phrase out of context and thereby misconstrues the scope of comment requested. As already noted, the phrase cited by the commenter was qualified in the December 2014 **Federal Register** document by a preceding phrase making clear that the context of the request was whether a change to a particular date or year would improve the amendments' consistency with the D.C. Circuit's court's order granting the EPA's motion to lift the stay and toll CSAPR's deadlines by three years. Similarly, the following sentence in the December 2014 **Federal Register** notice stated that ''[t]he EPA is not reopening for comment any provisions of CSAPR other than the dates and years amended in the interim final rule for consistency with the Court's order tolling CSAPR deadlines by three years.'' Thus, notwithstanding the commenter's assertion to the contrary, the comment is outside the scope of comment requested and is clearly inconsistent with the D.C. Circuit's order granting the EPA's motion to lift the stay and toll CSAPR's deadlines by three years.

[9] *See* reported 2015 emissions data at EPA Air Markets Program Data Web site, *http://ampd.epa.gov/ampd/.*

The third commenter states that when tolling the CSAPR compliance deadlines, the EPA should also revise the unit-level allocations of allowances issued to affected units in the commenter's state for the first five program years for one of the CSAPR trading programs. When establishing the current unit-level allowance allocations, the EPA considered the annual emission limits imposed on certain units by consent decrees and generally capped the annual allocations to those units at those annual limits. *See* 77 FR 10324, 10329–30 (February 21, 2012). However, the annual allocations were based on the consent decree annual limits (as then known) for what would have been CSAPR's first five program years before tolling—*i.e.,* 2012 through 2016—rather than the consent decree annual limits for CSAPR's first five program years after tolling—*i.e.,* 2015 through 2019. Some of the commenter's units are subject to 2015–2019 consent decree annual limits lower than the 2012–2016 consent decree annual limits that the EPA considered when establishing the annual allocations for those units for the first five program years, with the consequence that, after tolling, the units' annual allocations will exceed their annual emission limits and the excess allowances will be subject to surrender under the terms of the consent decree.[10] However, notwithstanding the fact that the commenter seeks to have the EPA repeat the same general allocation procedure that the EPA followed in previous rulemakings when establishing CSAPR's current unit-level allowance allocations, this comment is outside the scope of comment requested. The EPA's motion to the D.C. Circuit sought only to lift the stay and toll CSAPR's deadlines, and the order granting the motion cannot be construed as authorizing changes beyond that narrow scope. Consistent with the D.C. Circuit's order, the interim amendments were limited to changing dates in the CFR as necessary to reflect the authorized tolling of CSAPR's deadlines, and the scope of comment requested was limited to whether the interim amendments correctly reflected tolling of the deadlines by three years. Revising the unit-level allocations established in previous rulemakings would require new notice-and-comment rulemaking beyond the scope of the EPA's motion, the D.C. Circuit's order, and the interim amendments, and comments seeking such new rulemaking are outside the scope of comment requested.

Having considered the comments received on the interim amendments, the EPA has determined to affirm the amendments and make them permanent without change. The EPA's authority to take this action is provided by CAA sections 110 and 301 (42 U.S.C. 7410 and 7601).

III. Statutory and Executive Order Reviews

Additional information about these statutes and Executive Orders can be found at *http://www2.epa.gov/laws-regulations/laws-and-executive-orders.*

A. Executive Order 12866: Regulatory Planning and Review, and Executive Order 13563: Improving Regulation and Regulatory Review

This action is not a significant regulatory action and was therefore not submitted to the Office of Management and Budget (OMB) for review.

B. Paperwork Reduction Act (PRA)

This action does not impose any new information collection burden under the Paperwork Reduction Act. OMB has previously approved the information collection activities contained in the existing regulations and has assigned OMB control number 2060–0667. This action simply affirms and makes permanent a previous interim action tolling the deadlines of CSAPR by three years, including the deadlines for the rule's information collection requirements.

C. Regulatory Flexibility Act (RFA)

I certify that this action will not have a significant economic impact on a substantial number of small entities under the Regulatory Flexibility Act. This action will not impose any requirements on small entities because it does not change existing regulatory requirements. This action simply affirms and makes permanent a previous interim action tolling the deadlines of CSAPR by three years.

D. Unfunded Mandates Reform Act (UMRA)

This action does not contain any unfunded mandate as described in the Unfunded Mandates Reform Act, 2 U.S.C. 1531–1538, and does not significantly or uniquely affect small governments. The action imposes no enforceable duty on any state, local, or tribal governments or the private sector. This action simply affirms and makes permanent a previous interim action tolling the deadlines of CSAPR by three years.

E. Executive Order 13132: Federalism

This action does not have federalism implications. It will not have substantial direct effects on the states, on the relationship between the national government and the states, or on the distribution of power and responsibilities among the various levels of government. This action simply affirms and makes permanent a previous interim action tolling the deadlines of CSAPR by three years.

F. Executive Order 13175: Consultation and Coordination With Indian Tribal Governments

This action does not have tribal implications as specified in Executive Order 13175. This action simply affirms and makes permanent a previous interim action tolling the deadlines of CSAPR by three years. Thus, Executive Order 13175 does not apply to this action. Consistent with the EPA Policy on Consultation and Coordination with Indian Tribes, the EPA consulted with tribal officials while developing CSAPR. A summary of that consultation is provided in the preamble for CSAPR, 76 FR 48208, 48346 (August 8, 2011).

G. Executive Order 13045: Protection of Children From Environmental Health and Safety Risks

The EPA interprets Executive Order 13045 as applying only to those regulatory actions that concern environmental health or safety risks that the EPA has reason to believe may disproportionately affect children, per the definition of ''covered regulatory action'' in section 2–202 of the Executive Order. This action is not subject to Executive Order 13045 because it simply affirms and makes permanent a previous interim action tolling the deadlines of the CSAPR FIPs implementing previously promulgated health or safety-based federal standards.

H. Executive Order 13211: Actions That Significantly Affect Energy Supply, Distribution, or Use

This action is not subject to Executive Order 13211, because it is not a significant regulatory action under Executive Order 12866.

I. National Technology Transfer Advancement Act (NTTAA)

This rulemaking does not involve technical standards.

[10] CSAPR allows states to submit SIP revisions to replace the EPA's default allowance allocations with state-determined allocations for any program year after 2015, and the state in which the commenter's units are located has submitted two SIP revisions with state-determined allocations that if approved would address the commenter's concern for program year 2016 and for program years 2017 through 2019, respectively. The EPA has already approved the SIP revision addressing program year 2016. 80 FR 50789 (Aug. 21, 2015).

J. Executive Order 12898: Federal Actions To Address Environmental Justice in Minority Populations and Low-Income Populations

The EPA believes the human health or environmental risk addressed by this action will not have potential disproportionately high and adverse human health or environmental effects on minority, low-income, or indigenous populations. This action simply affirms and makes permanent a previous interim action tolling the deadlines of CSAPR by three years. Consistent with Executive Order 12898 and the EPA's environmental justice policies, the EPA considered effects on low-income, minority, and indigenous populations while developing CSAPR. The process and results of that consideration are described in the preamble for CSAPR, 76 FR 48208, 48347–52 (August 8, 2011).

K. Congressional Review Act (CRA)

This action is subject to the Congressional Review Act, and the EPA will submit a rule report to each House of the Congress and to the Comptroller General of the United States. This action is not a ''major rule'' as defined by 5 U.S.C. 804(2).

List of Subjects

40 CFR Part 51

Environmental protection, Administrative practice and procedure, Air pollution control, Incorporation by reference, Intergovernmental relations, Nitrogen dioxide, Ozone, Particulate matter, Reporting and recordkeeping requirements, Sulfur oxides.

40 CFR Part 52

Environmental protection, Administrative practice and procedure, Air pollution control, Incorporation by reference, Intergovernmental relations, Nitrogen dioxide, Ozone, Particulate matter, Reporting and recordkeeping requirements, Sulfur oxides.

40 CFR Part 97

Environmental protection, Administrative practice and procedure, Air pollution control, Electric power plants, Nitrogen oxides, Reporting and recordkeeping requirements, Sulfur dioxide.

Accordingly, the interim rule amending 40 CFR parts 51, 52, and 97 which was published at 79 FR 71663 on December 3, 2014, is adopted as a final rule without change.

Dated: February 26, 2016.

Gina McCarthy,

Administrator.

[FR Doc. 2016–04889 Filed 3–11–16; 8:45 am]

BILLING CODE 6560–50–P

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

46 CFR Part 105

[Docket No. USCG–2014–0195]

RIN 1625–AC18

Commercial Fishing Vessels Dispensing Petroleum Products

AGENCY: Coast Guard, DHS.

ACTION: Final rule.

SUMMARY: The Coast Guard is revising its safety regulations for uninspected commercial fishing vessels (CFVs) carrying flammable or combustible liquid cargoes in bulk. The revisions align the regulations with the current applicable statute and make minor nonsubstantive changes. This rule promotes the Coast Guard's maritime safety and stewardship (environmental protection) missions.

DATES: This final rule is effective April 13, 2016. The incorporation by reference of certain publications listed in the regulations is approved by the Director of the Federal Register as of April 13, 2016.

ADDRESSES: Comments and material received from the public, as well as documents mentioned in this preamble as being available in the docket, are part of docket USCG–2014–0195 and are available on the Internet by going to *http://www.regulations.gov,* inserting USCG–2014–0195 in the ''Keyword'' box, and then clicking ''Search.''

FOR FURTHER INFORMATION CONTACT: If you have questions on this final rule, call or email Mr. Jack Kemerer, Fishing Vessel Safety Division (CG–CVC–3), Office of Commercial Vessel Compliance (CVC), U.S. Coast Guard; telephone 202–372–1249, email *Jack.A.Kemerer@uscg.mil.*

SUPPLEMENTARY INFORMATION:

Table of Contents for Preamble

I. Abbreviations

CFV Commercial fishing vessel
CFR Code of Federal Regulations
DHS Department of Homeland Security
E.O. Executive Order
FR Federal Register
MSM Marine Safety Manual
NPRM Notice of proposed rulemaking
OMB Office of Management and Budget
§ Section symbol
UL Underwriters Laboratories Inc.
U.S.C. United States Code

II. Basis, Purpose, and Background

The basis of this regulatory action is the Secretary of Homeland Security's regulatory authority under 46 U.S.C. 2103, 3703 and 49 U.S.C. 5103. The Secretary's authority under these sections was delegated to the Coast Guard in DHS Delegation No. 0170.1(II)(80), (92.a), and (92.b).

Section 2103 of Title 46 gives the Secretary general regulatory authority to implement Subtitle II of 46 U.S.C. (Chapters 21 through 147), including Chapter 37 (Carriage of Liquid Bulk Dangerous Cargoes). Section 3703 of Title 46 gives the Secretary both mandatory and discretionary regulatory authority for the specific implementation of Chapter 37. Section 5103 of Title 49 gives the Secretary the authority [1] to designate the hazardous material covered by Chapter 51 (Transportation of Hazardous Material) and to regulate the safety with which that material is transported.

The primary purpose of this rule is to revise Coast Guard regulations at 46 CFR part 105 so that they align with 46 U.S.C. 3702(c) and (d), as those provisions were last amended in 1984.

Incidentally to their main commercial fishing industry activities, some commercial fishing vessels (CFVs, a term that applies to fishing, fish tender, and fish processing vessels) carry petroleum and other combustible cargoes, to dispense or deliver to other CFVs at sea, or to remote villages (typically in Alaska) that in large part are economically dependent on the commercial fishing industry. Our

[1] This authority originally was conferred on the Secretary of Transportation and in 2002 transferred to the Secretary of Homeland Security; Pub. L. 107–296 (codified at 6 U.S.C. 468(b)). As we discuss in section III of this preamble, this final rule amends the ''Authority'' line of 46 CFR part 105 to reflect this transfer of authority.

NPRM [2] provided a detailed history of statutes addressing these vessels.[3] Congress last amended these statutes in 1984, and the currently applicable provisions appear in 46 U.S.C. chapter 37's provisions for the carriage of liquid bulk dangerous cargoes as section 3702(c) and (d). Chapter 37 generally applies to tank vessels, but under paragraph (c), it does not apply to a fishing or fish tender vessel of not more than 500 gross tons. Under paragraph (d), chapter 37 also does not apply to a fish processing vessel of not more than 5,000 gross tons, but that vessel is subject to regulation when carrying flammable or combustible liquid cargo in bulk.

We first issued our current 46 CFR part 105 safety regulations for CFVs dispensing petroleum or combustible cargoes in 1969. Part 105 generally applies to any fishing or fish tender vessel of not more than 500 gross tons, and to any fish processing vessel of not more than 5,000 gross tons, engaged in the Oregon, Washington, or Alaska salmon or crab fisheries, if it has, or proposes to have, permanently or temporarily installed tanks or containers for dispensing petroleum products of Grade B and lower flammable or combustible liquids, in bulk and in limited quantities.[4] Note, however, that under current 46 U.S.C. 3702(c) and (d), there is no longer any statutory basis for restricting our regulations to CFVs dispensing petroleum or combustible cargoes engaged in the Oregon, Washington, or Alaska salmon or crab fisheries, and that the only CFVs for which those regulations are authorized are the fish processors of not more than 5,000 gross tons discussed in 46 U.S.C. 3702(d).

III. Discussion of Comments on NPRM

We published a notice of proposed rulemaking on August 20, 2014.[5] The NPRM proposed the revisions that we are making in this final rule, and drew comments from one individual, who did not identify an affiliation with any industry or non-industry group. Neither that individual nor anyone else responded to our request for comments specifically addressing our proposed incorporation by reference of two industry consensus standards.

The commenter suggested that we modify our proposed definition of ''bulk'' to align with other Coast Guard regulations and our Marine Safety Manual. We agree, because bulk is not determined by or limited to a specified quantity and we have modified the definition accordingly, although the definition we are adopting deviates slightly from the commenter's suggestion by eliminating an obsolete reference to a quantity of 250 barrels, and instead harmonizes with other uses of ''bulk'' in 46 CFR 10.107, and 33 CFR part 160. At the same time, we reviewed our other proposed definitions, and revised the definition of ''cargo'' to align with 46 CFR 30.10–5's definition and as discussed in Chapter 35 of the Marine Safety Manual. We revised for better clarification the definitions for ''dispensing'' and ''dispensing tank,'' which are terms that have always appeared in these regulations but never previously been defined. Also, we revised the definition of ''certificate of compliance'' to state that the term may refer to any document attesting to an affected vessel's compliance. We made a similar change to the text of § 105.10(b). These changes are necessary because at this time Coast Guard systems do not facilitate issuance of certificates to the affected vessels, and instead the vessels receive letters of compliance. We hope to adjust our systems in the near future so that certificates, instead of letters, can be issued.

The commenter also recommended that we modify our proposal for § 105.15 to clearly state that vessels, persons, and operations involved in cargo transfers are subject to the pollution prevention requirements of 33 CFR subchapter O. Compliance with pollution prevention requirements is already a Coast Guard requirement,[6] but for better clarity we added paragraph (e) to § 105.15 to point out that these persons must comply with all applicable 33 CFR part 155 and 156 requirements.

IV. Discussion of the Rule

This final rule is substantively unchanged from the NPRM and the explanations provided in its preamble. It changes part 105's applicability provisions to align with current section 3702(c) and (d), makes non-substantive changes in wording and in part 105's organization, adds a new industry standard that we incorporate in part 105 by reference and updates another, and revises part 105's authority line (which we did not propose in the NPRM, but which is a non-substantive change).

Non-substantive rewording and reorganization. We are making non-substantive wording changes to better align the wording with wording used in applicable Coast Guard policies, and simplifying part 105's structure by eliminating its subparts and consolidating and renumbering its sections, as shown in Table 1.

TABLE 1—CURRENT AND NEW SECTIONS OF PART 105

Current § or subpart of part 105	New § of part 105
105.01–1	105.1.
105.01–3	105.3.
105.01–5	Transfer substance to § 105.5 and remove.
105.05–1	105.1, 105.11.
105.05–2	105.11.
105.05–3	Transfer substance to § 105.5 and remove.
105.05–5	105.11.
105.05–10	105.1, 105.11.
105.10–5	105.5.
105.10–10	105.5.
105.10–15	105.5.
105.10–20	105.5.
105.10–25	Remove definition of ''commercial fishing vessel'' as obsolete in light of the 1984 legislation. New § 105.5 defines ''commercial fish processing vessel,'' the only type of CFV to which part 105 still applies.
Subpart 105.15	105.10.

[2] 79 FR 49261 (August 20, 2014). Note that the NPRM was originally published under an incorrect docket number (USCG–2013–0195), but a subsequent document (80 FR 204, January 5, 2015) corrected this error.

[3] NPRM, p. 49262.

[4] 46 CFR 105.05–1(a) and (b).

[5] 79 FR 49261.

[6] *See* 46 CFR 28.255(h), which applies to part 105 vessels.

TABLE 1—CURRENT AND NEW SECTIONS OF PART 105—Continued

Current § or subpart of part 105	New § of part 105
105.20–1	105.10.
105.20–3, –5, –10, –15	105.12.
Subpart 105.25	105.12.
Subpart 105.30	105.13.
Subpart 105.35	105.14.
105.45–1(a)(1), (a)(2)	105.10.
105.45–1(b)	Specific new requirements for cargo transfer operations appear in new § 105.15. We remove current § 105.45–1(b) because its credentialing provisions duplicates requirements currently contained in 46 CFR subchapter B (Merchant Marine Officers and Seamen).
105.45–5, –10, –15, –20	105.15.
105.90–1	105.

Incorporation by reference. We are incorporating new industry standard UL 19 and updating the version of ASTM 323 that we incorporate, for the reasons we explained in the NPRM.[7]

Authority. We are editing the ''Authority'' line for part 105, to update information about the sources of our authority to issue the regulations it contains.

We are deleting the current reference to 49 U.S.C. Appendix 1804. Appendix 1804 has been replaced by 49 U.S.C. 5103, giving the Department of Transportation the authority to regulate the transportation of hazardous materials. That authority was delegated to the Coast Guard by 49 CFR 1.46(c)(4), (l), and (m), as that section existed when the Coast Guard was transferred to DHS. When Congress transferred the Coast Guard to DHS, it enacted 6 U.S.C. 468(b), preserving the then-existing authorities and functions of the Coast Guard. We are also deleting the current reference to Executive Order (E.O.) 11735 because it confers no regulatory authority on the Secretary of the department in which the Coast Guard is operating.

We are adding the following authorities to the part 105 authority line. As discussed in the preceding paragraph, we are adding 6 U.S.C. 468(b) and 49 U.S.C. 5103, which together preserve the Coast Guard's former Department of Transportation authority to regulate the transportation of hazardous materials. We are adding section 2103 in Title 46 of the U.S. Code, which gives the Secretary of the department in which the Coast Guard is operating general regulatory authority to implement 46 U.S.C. Subtitle II, which contains the other sections of 46 U.S.C. that we list in our authority line. We are also adding E.O. 12777, which delegates the President's regulatory authority under 33 U.S.C. 1321(j)(5) and (j)(6) to the Secretary. We are also amplifying the listing for DHS Delegation No. 0170.1 to specify the paragraphs of that Delegation in which the Secretary delegates the regulatory authority conferred by these documents to the Coast Guard.

[7] NPRM, p. 49264, Table 2.

IV. Incorporation by Reference

The Director of the Federal Register has approved the material in § 150.3 for incorporation by reference under 5 U.S.C. 552 and 1 CFR part 51. Copies of the material are reasonably available to the public by contacting the sources listed in § 105.3. The rule incorporates UL 19, which prescribes standards for fire hoses and hose assemblies, and an updated version of ASTM 323, which sets out the Reid standard method for assessing petroleum vapor pressure.

V. Regulatory Analyses

We developed this rule after considering numerous statutes and executive orders (E.O.s) related to rule. Below we summarize our analyses based on these statutes and E.O.s.

A. Regulatory Planning and Review

Executive Orders 12866, Regulatory Planning and Review and 13563, Improving Regulation and Regulatory Review direct agencies to assess the costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health, safety effects, distributive impacts, and equity benefits). Executive Order 13563 emphasizes the importance of quantifying both costs and benefits, of reducing costs, of harmonizing rules, and of promoting flexibility. This rule has not been designated a ''significant regulatory action'' under section 3(f) of E.O. 12866. Accordingly, the rule has not been reviewed by the Office of Management and Budget (OMB).

The Coast Guard did not receive any comments related to the regulatory assessment found in the proposed rule during the public comment period. We received no additional information or data that will alter our assessment on the NPRM. Therefore, we are adopting as final the regulatory assessment for the NPRM, with minor administrative edits as noted below. The following assessment replicates the analysis found in the NPRM regulatory assessment.

The Coast Guard does not expect this rule to result in any economic impact on industry. The revisions reflect 1984 statutory changes, simplify regulatory text, and clarify existing language in order to harmonize the existing regulations with current industry practices. We estimate that 14 commercial fish processing vessels are affected by this rule and we obtained this number by using the Coast Guard's Marine Information for Safety and Law Enforcement (MISLE) database. Additionally, Coast Guard subject matter experts working in the Office of Commercial Vessel Compliance (CVC–3), have independently verified and confirmed the total affected population to be 14 vessels. Our analysis of this population shows that all the commercial fish processing vessels affected by this rule are fitted with storage tanks that allow them to transport liquid cargoes in bulk.

The updates in this rule do not require changes to industry practices because these updates simply reflect current industry practices; therefore, this rule does not impose any cost on the affected population. Table 1 ''Current and New Sections of Part 105'' (earlier in this preamble) lists the changes and we summarize the changes and the economic impact of this rule in the following paragraphs:

105.1 Purpose and Applicability

This provision has been revised to align with the 1984 Act and to implement 46 U.S.C. 3702(d). Part 105 will apply to section 3702(d) commercial fish processing vessels not greater than 5,000 gross tons and built after 1976, but will no longer apply to other commercial fishing vessels of 500

gross tons or less. Additionally, the 1984 Act removed the geographical limitations which were restricted to the States of Washington, Alaska, and Oregon and this provision is updating current CFR language to reflect these statutory changes. We do not expect this provision to change industry operations and believe it will have no economic impact on industry.

105.3 Incorporation by Reference

We have revised this section to reference UL 19 and the updated version of ASTM 323. The revised section complies with current Office of **Federal Register** requirements and this update will link existing regulatory compliance standards for fire hoses (46 CFR 105.35–15(c)(1)) to UL 19. We have incorporated ASTM 323 simply to reference the current industry standards that define ''Reid Vapor Pressure''. The language in this provision does not cause any economic impact.

105.5 Definitions

The rule updates the definitions that are required to identify the population of commercial fish processing vessels transporting and dispensing limited quantities of flammable or combustible liquid cargo in bulk. The rule, per the one commenter's comment, revised the definition of ''bulk.'' In addition, as we noted above the definitions of ''cargo,'' ''dispensing,'' and ''dispensing tank,'' were also modified for alignment and clarification purposes. These provisions do not cause any economic burden to industry because they are simply clarifying, not changing, the criteria that are applicable to the affected population.

105.10 Vessel Examinations

The change in language from ''vessel inspection'' to ''vessel examination'' is a technical change that is consistent with the Coast Guard's terminology related to commercial fishing vessels. The term inspection is typically used to describe Coast Guard activities related to vessels that require a Certificate of Inspection (COI). Similar activities on vessels not required to hold a COI, such as commercial fishing vessels, are typically referred to as examinations. This change is solely to provide consistency and will not produce any economic burden on industry.

105.11 Prohibitions

There is one substantive change to this section, which is to replace § 105.05–5 specifications on how petroleum products must be stored on vessels with a specification of what storage arrangements are prohibited. Positive statements of what storage arrangements are allowed may be unduly restrictive, because these statements leave no room for the future evolution of safe storage arrangements. This provision will not cause an economic burden on industry since the provision is simply stating the Coast Guard's authority to review and address any safety concerns with the storage and transportation of petroleum products.

105.12 Cargo Tanks and Pumping System Requirement

This provision will consolidate the requirements for plans and drawings which are currently found in subparts 105.20, 105.25, and 105.90, in the new § 105.10. These editorial changes will shorten the current format by simplifying details found within subparts 105.20, 105.25, and 105.90. These editorial changes will not cause an economic burden on the affected population.

105.13 Electrical Fitting and Fixtures

This provision is an editorial change that consolidates and simplifies existing subparts 105.30 and 105.90 to reflect the statutory changes by shortening the format and by simplifying specific details found within these subparts. The change in this provision will not cause any economic burden on the affected population.

105.14 Fire Extinguishing Equipment

This provision shortens the format and simplifies details found in subpart 105.35. This provision will not cause an economic burden on the affected population since the changes in this provision are editorial.

105.15 Cargo Transfer Operations

The changes in this section will shorten the format and simplify language of existing subpart 105.45. This provision eliminates documentation requirements that appear elsewhere in the subpart. These requirements are duplicates of the provisions found in 46 CFR subchapter B (Merchant Marine Officers and Seaman). This provision will not cause an economic burden on the affected population since the changes in this provision are editorial in nature.

B. Small Entities

Under the Regulatory Flexibility Act, 5 U.S.C. 601–612, we have considered whether this rule would have a significant economic impact on a substantial number of small entities. The term ''small entities'' comprises small businesses, not-for-profit organizations that are independently owned and operated and are not dominant in their fields, and governmental jurisdictions with populations of less than 50,000. This rule does not impose any economic impact on any entities. In the NPRM the Coast Guard certified that this rule would not have a significant economic impact on a substantial number of small entities. The Coast Guard received no comments related this certification nor to its discussion and analysis of impacts on small entities during the public comment period. We have received no additional information or data that would alter our determination, discussion and analysis from the NPRM.

Therefore, the Coast Guard affirms its certification under 5 U.S.C. 605(b) that this rule will not have a significant economic impact on a substantial number of small entities.

C. Assistance for Small Entities

Under section 213(a) of the Small Business Regulatory Enforcement Fairness Act of 1996, Public Law 104–121, we offered to assist small entities in understanding this rule so that they can better evaluate its effects on them and participate in the rulemaking. The Coast Guard will not retaliate against small entities that question or complain about this rule or any policy or action of the Coast Guard.

Small businesses may send comments on the actions of Federal employees who enforce, or otherwise determine compliance with, Federal regulations to the Small Business and Agriculture Regulatory Enforcement Ombudsman and the Regional Small Business Regulatory Fairness Boards. The Ombudsman evaluates these actions annually and rates each agency's responsiveness to small business. If you wish to comment on actions by employees of the Coast Guard, call 1–888–REG–FAIR (1–888–734–3247).

D. Collection of Information

This rule calls for no new collection of information under the Paperwork Reduction Act of 1995, 44 U.S.C. 3501–3520.

E. Federalism

A rule has implications for federalism under E.O. 13132, Federalism, if it has a substantial direct effect on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. We have analyzed this rule under that Order and have determined that it is consistent with the fundamental federalism principles and preemption requirements as described

in Executive Order 13132. Our analysis is explained below.

It is well settled that States may not regulate in categories reserved for regulation by the Coast Guard, including categories for inspected vessels. It is also well-settled, now, that all of the categories covered in 46 U.S.C. 3306, 3703, 7101, and 8101 (design, construction, alteration, repair, maintenance, operation, equipping, personnel qualification, and manning of vessels), as well as the reporting of casualties and any other category in which Congress intended the Coast Guard to be the sole source of a vessel's obligations, are within the field foreclosed from regulation by the States. (*See* the decision of the Supreme Court in the consolidated cases of *United States* v. *Locke* and *Intertanko* v. *Locke,* 529 U.S. 89, 120 S.Ct. 1135 (March 6, 2000).)

This rule amends the applicability of existing regulations in order to align with the statutory authority granted, through delegation, to the Coast Guard under 46 U.S.C. 3306, and further outlined under 46 U.S.C. 3702, to promulgate regulations for commercial fish processing vessels when carrying flammable or combustible liquid cargoes in bulk. This authority was specifically defined by Congress and, hence, States and local governments do not have the authority to determine the applicability of Coast Guard-issued regulations for commercial fish processing vessels, nor do they have the authority to promulgate regulations within the category of commercial fish processing vessels carrying flammable or combustible liquid cargoes in bulk. Therefore, the rule is consistent with the principles of federalism and preemption requirements in E.O. 13132.

F. Unfunded Mandates Reform Act

The Unfunded Mandates Reform Act of 1995, 2 U.S.C. 1531–1538, requires Federal agencies to assess the effects of their discretionary regulatory actions. In particular, the Act addresses actions that may result in the expenditure by a State, local, or tribal government, in the aggregate, or by the private sector of $100,000,000 (adjusted for inflation) or more in any one year. Though this rule will not result in such an expenditure, we do discuss the effects of this rule elsewhere in this preamble.

G. Taking of Private Property

This rule will not cause a taking of private property or otherwise have taking implications under E.O. 12630, Governmental Actions and Interference with Constitutionally Protected Property Rights.

H. Civil Justice Reform

This rule meets applicable standards in sections 3(a) and 3(b)(2) of E.O. 12988, (''Civil Justice Reform''), to minimize litigation, eliminate ambiguity, and reduce burden.

I. Protection of Children

We have analyzed this rule under E.O. 13045, (''Protection of Children from Environmental Health Risks and Safety Risks''). This rule is not an economically significant rule and will not create an environmental risk to health or risk to safety that might disproportionately affect children.

J. Indian Tribal Governments

This rule does not have tribal implications under E.O. 13175, (''Consultation and Coordination with Indian Tribal Governments''), because it will not have a substantial direct effect on one or more Indian tribes, on the relationship between the Federal Government and Indian tribes, or on the distribution of power and responsibilities between the Federal Government and Indian tribes.

K. Energy Effects

We have analyzed this rule under E.O. 13211, (''Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use. We have determined that it is not a ''significant energy action'' under that order because it is not a ''significant regulatory action'' under E.O. 12866 and is not likely to have a significant adverse effect on the supply, distribution, or use of energy.

L. Technical Standards

The National Technology Transfer and Advancement Act, codified as a note to 15 U.S.C. 272, directs agencies to use voluntary consensus standards in their regulatory activities unless the agency provides Congress, through OMB, with an explanation of why using these standards would be inconsistent with applicable law or otherwise impractical. Voluntary consensus standards are technical standards (*e.g.,* specifications of materials, performance, design, or operation; test methods; sampling procedures; and related management systems practices) that are developed or adopted by voluntary consensus standards bodies.

This rule uses the following new voluntary consensus standards, which are listed and summarized below:

ASTM D323–08 Standard Test Method for Vapor Pressure of Petroleum Products (Reid Method), 2014. This standard covers procedures for the determination of vapor pressure of gasoline, volatile crude oil, and other volatile petroleum products.

UL 19, Standard for Safety for Lined Fire Hose and Hose Assemblies, Twelfth Edition 2001. This standard covers the construction, performance, and testing of fire hoses.

Following publication of our NPRM, we received no public comments on incorporation of these materials by reference.

M. Environment

We have analyzed this rule under Department of Homeland Security Management Directive 023–01 and Commandant Instruction M16475.lD, which guide the Coast Guard in complying with the National Environmental Policy Act of 1969, 42 U.S.C. 4321–4370f, and have made a determination that this action is one of a category of actions that do not individually or cumulatively have a significant effect on the human environment. This rule is categorically excluded under section 2.B.2, figure 2–1, paragraph (34)(d) and (e) of the Instruction and 6.a. of the ''Appendix to National Environmental Policy Act: Coast Guard Procedures for Categorical Exclusions, Notice of Final Agency Policy'' (67 FR 48243, July 23, 2002). This rule involves regulations concerning vessel operation safety standards; regulations concerning equipment approval and carriage requirements; and regulations concerning the examination of and equipping of vessels. An environmental analysis checklist and a categorical exclusion determination are available in the docket where indicated under **ADDRESSES**.

List of Subjects in 46 CFR Part 105

Cargo vessels, Fishing vessels, Hazardous materials transportation, Incorporation by reference, Marine safety, Petroleum, Seamen.

For the reasons discussed in the preamble, the Coast Guard revises 46 CFR part 105 to read as follows:

PART 105—COMMERCIAL FISHING VESSELS DISPENSING PETROLEUM PRODUCTS

Sec.

Authority: 6 U.S.C. 468(b); 33 U.S.C. 1321(j); 46 U.S.C. 2103, 3306, 3703, 4502; 49 U.S.C. 5103; E.O. 12777, sec. 2(d)(2) and (f), 56 FR 54757, 3 CFR, 1991 Comp., p. 351; Department of Homeland Security Delegation No. 0170.1(II) (80), (92.a), (92.b).

§ 105.1 Purpose and applicability.

This part implements 46 U.S.C. 3702(d), concerning the applicability to fish processing vessels of statutes relating to the carriage of liquid bulk dangerous cargoes. This part applies to each vessel of not more than 5,000 gross tons, the primary use of which is as a commercial fish processing vessel, and that incidental to its primary use, carries and dispenses limited quantities of flammable or combustible liquid cargo in bulk. Certain provisions in §§ 105.12 and 105.13 apply only to vessels the construction of which was contracted for before May 31, 1976.

§ 105.3 Incorporation by reference.

(a) Certain material is incorporated by reference into this part with the approval of the Director of the Federal Register under 5 U.S.C. 552(a) and 1 CFR part 51. To enforce any edition other than that specified in this section, the Coast Guard must publish a notice of change in the **Federal Register** and the material must be available to the public. All approved material is available for inspection at Coast Guard Headquarters. Contact Commandant (CG–CVC), Attn: Office of Commercial Vessel Compliance, U.S. Coast Guard Stop 7501, 2703 Martin Luther King Jr. Avenue SE., Washington, DC 20593–7501; telephone 202–372–1244. Also, it is 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.*

(b) ASTM International, 100 Barr Harbor Drive, West Conshohocken, PA 19428–2959, telephone: 610–832–9500, fax: 610–832–9555, *http://www.astm.org.*

(1) ASTM D 323–08, ''Standard Test Method for Vapor Pressure of Petroleum Products (Reid Method),'' approved December 15, 2008, incorporation by reference approved for § 105.5.

(2) [Reserved]

(c) UL (formerly Underwriters Laboratories, Inc.), 12 Laboratory Drive, Research Triangle Park, NC 27709–3995, 919–549–1400, *http://www.ul.com.*

(1) UL 19, Standard for Safety—Lined Fire Hose and Hose Assemblies, Twelfth edition, approved November 30, 2001, incorporation by reference approved for § 105.14(d).

(2) [Reserved]

§ 105.5 Definitions.

As used in this part, the italicized terms have the meanings indicated in this section.

Approved means approved by the Commandant, U.S. Coast Guard, unless otherwise stated.

Bulk means a quantity of a commodity carried as a liquid cargo or liquid-cargo residue, without mark or count, in an integral, fixed, or portable tank. It does not include liquid cargo packaged in a portable tank that is loaded and discharged from a vessel with the contents intact.

Cargo means a combustible liquid or flammable liquid transported in commerce by a commercial fish processing vessel for delivery to a recipient inside or outside the fishing industry. It does not include combustible liquids or flammable liquids carried in a tank for use only by machinery and boats carried aboard the processing vessel, or for use only by vessels that are directly supporting the processing vessel's primary operations.

Certificate of compliance means the document issued and displayed in accordance with § 105.10.

Combustible liquid means any liquid having a flashpoint above 80 °F (as determined from an open cup tester, as used for testing of burning oils). A *Grade D* combustible liquid is one having a flashpoint above 80 °F and below 150 °F. A *Grade E* combustible liquid is one having a flashpoint of 150 °F or above.

Commercial fish processing vessel means a self-propelled manned vessel that commercially prepares fish or fish products other than by gutting, decapitating, gilling, skinning, shucking, icing, freezing, or brine chilling.

Dispensing means the unloading of any quantity of flammable or combustible liquids in bulk.

Dispensing tank means any tank from which a quantity of a flammable or combustible liquid is filled or emptied onboard the vessel by means of pumping, gravitation, or displacement.

Examination means a careful and critical assessment of the vessel and its appurtenances carried out by an authorized examiner or an organization designated by the Commandant, U.S. Coast Guard. This includes, where necessary, a visual assessment of the vessel's hull, structures, electrical systems, and machinery, supplemented by other means such as measurement and/or nondestructive testing.

Flammable liquid means any liquid that gives off flammable vapors (as determined by flashpoint from an open cup tester, as used for testing of burning oils) at or below 80 °F. Flammable liquids are referred to by grades as follows:

(1) *Grade A.* Any flammable liquid having a Reid vapor pressure of 14 pounds or more, as measured in accordance with ASTM D 323 (incorporated by reference, see § 105.3).

(2) *Grade B.* Any flammable liquid having a Reid vapor pressure of less than 14 pounds and more than 8½ pounds, as measured in accordance with ASTM D 323.

(3) *Grade C.* Any flammable liquid having a Reid vapor pressure of 8½ pounds or less and a flashpoint of 80 °F or below, as measured in accordance with ASTM D 323.

Fuel tank means a tank other than a dispensing tank used to transport flammable or combustible liquid for the purpose of supplying fuel for propulsion of the vessel to which it is attached.

Limited quantities means not more than 20 percent of a vessel's deadweight tonnage as applied to bulk liquid cargoes or carried in permanent or temporary tanks.

New vessel means a vessel whose construction is contracted for on or after May 31, 1976.

Pressure vacuum relief valve means any device or assembly of a mechanical, liquid, weight, or other type used for the automatic regulation of pressure or vacuum in enclosed places.

§ 105.10 Vessel examination.

(a) Each examination referred to in this section must be conducted by the Coast Guard to determine whether the examined vessel is in substantial compliance with this part. An examination may include any test or verification that the examiner deems necessary for determining the vessel's safety and seaworthiness.

(1) The owner or operator of each vessel subject to this part must apply, using Form CG–3752, available at *http://www.uscg.mil/forms/cg/cg_3752.pdf,* to the cognizant Officer in Charge, Marine Inspection, for the vessel to be examined in accordance with paragraph (b) of this section. In applying for a vessel's initial examination under this section, the application must be accompanied by a plan or sketch of each cargo tank and piping system for filling and dispensing bulk flammable or combustible cargoes, and a brief description of those systems, including their dimensions and materials used. If cargo tanks are located in enclosed compartments or below decks, the plans or sketches must show

the ventilation system. Plans or sketches need not be submitted if the cargo tanks and piping systems have previously been accepted by the Coast Guard.

(2) Each vessel must be examined before its first use in loading, transporting, or dispensing combustible or flammable liquids in bulk, and at least annually thereafter if the vessel carries such liquids in temporarily installed cargo tanks or containers, or at least biennially thereafter if the vessel carries such liquids in permanently installed cargo tanks.

(3) A vessel that is laid up, dismantled, or out of commission is exempt from the requirements of this section.

(b) After examining a vessel and finding it to be in substantial compliance with this part, the Coast Guard will issue, and the vessel's owner or operator must display on board, a certificate of compliance that describes the amounts of bulk liquid flammable or combustible cargoes that the vessel may carry, the number of crewmembers required to hold merchant mariner credentials and tankerman endorsements in accordance with 46 U.S.C. 8304 and 46 CFR part 13, and any conditions applicable to the carriage or dispensation of those cargoes. Each certificate of compliance is valid for not more than 2 years or until suspended or revoked. A letter of compliance may be issued as an alternative to a certificate of compliance.

§ 105.11 Prohibitions.

Each vessel to which this part applies is prohibited from transporting Grade A flammable liquids in bulk, or carrying bulk flammable or combustible liquids in portable or temporarily installed dispensing tanks or containers that are either below deck or in closed compartments on or above deck.

§ 105.12 Cargo tank and pumping system requirements.

(a) Cargo tanks for the carriage of bulk flammable or combustible liquids must be constructed of iron, steel, copper, nickel alloy, copper alloy, or aluminum. Tanks must be designed to withstand the maximum head to which they may be subjected, and tanks of more than 150 gallons capacity must have at least the thickness indicated in Table 1 of § 105.12.

TABLE 1 TO § 105.12—TANK THICKNESS

Material	ASTM specification (latest edition)	Thickness in inches and gauge number [2] [3]
Nickel copper	B127, hot rolled sheet or plate	0.107 (USSG 12).
Copper nickel [1]	B122, Alloy No. 5	0.128 (AWG 8).
Copper [1]	B152, Type ETP	0.182 (AWG 5).
Copper silicon [1]	B97, Alloys A, B, and C	0.144 (AWG 7).
Steel or iron		0.179 (MSG 7).
Aluminum [4]	B209, Alloy [5]	5086 0.250 (USSG 3).

[1] Tanks fabricated with these materials must not be utilized for the carriage of diesel oil.

[2] The gauge numbers used in this table may be found in many standard engineering reference books. The letters ''USSG'' stand for ''U.S. Standard Gauge'' which was established by the act of March 3, 1892 (15 U.S.C. 206) for sheet and plate iron and steel. The letters ''AWG'' stand for ''American Wire Gauge'' (or Brown and Sharpe Gauge) for nonferrous sheet thicknesses. The letters ''MSG'' stand for ''Manufacturers' Standard Gauge'' for sheet steel thicknesses.

[3] Tanks of more than 400 gallons capacity must be designed with a factor of safety of four on the ultimate strength of the tank material used with a design head of not less than 4 feet of liquid above the top of the tank.

[4] Anodic to most common metals. Avoid dissimilar-metal contact with tank body unless galvanically compatible.

[5] And other alloys acceptable to the Commandant.

(1) All tank joints, connections, and fittings must be welded or brazed, and tanks may not have flanged-up top edges.

(2) A tank exceeding 30 inches in any horizontal dimension must be fitted with vertical baffle plates of the same material as the tank, unless the tank has a greater thickness than minimum requirements and is reinforced with stiffeners. Limber holes at the bottom and air holes at the top of all baffles must be provided.

(3) An opening fitted with a threaded pipe plug may be used on the bottom of the tank for cleaning purposes.

(b) *Supports.* Tanks must be adequately supported and braced to prevent movement. Supports and braces must be insulated from contact with the tank surface using a nonabrasive and nonabsorbent material.

(c) *Fittings.* (1) Filling lines must be at least 1½ inches standard pipe size and extend to within 1½–pipe diameters of the bottom of the tank.

(2) Suction lines from diesel oil tanks may be taken from the bottom provided a shutoff valve is installed at the tank. Tanks for Grades B and C liquids must have top suctions only.

(3) Vent lines must be at least equal in size to the filling lines.

(4) When a cargo tank contains Grades B or C liquids, the vent lines must be terminated with an approved pressure vacuum relief valve not less than 3 feet above the weather deck. When a cargo tank contains Grades D or E liquids, the vent line may be terminated with a gooseneck fitted with a flame screen at a reasonable height above the weather deck.

(d) *Hydrostatic tests.* Tanks vented to the atmosphere must be hydrostatically tested to a pressure of 5 pounds per square inch or 1½ times the maximum head to which they may be subjected in service. A standpipe of 11½ feet in length attached to the tanks may be filled with water to accomplish the 5 pounds per square inch test.

(e) *Piping systems.* (1) Piping must be copper, nickel copper, or copper nickel, with a minimum wall thickness of 0.035 inches; except that seamless steel piping or tubing providing equivalent safety may be used for diesel cargo systems.

(2) Valves must be of a suitable nonferrous metallic Union Bonnet type with ground seats, except that steel or nodular iron may be used in cargo systems that use steel pipe or tubing.

(3) Aluminum or aluminum alloy valves and fittings may not be used in cargo lines.

(f) *Pumps.* (1) Pumps for cargo dispensing must be of a type satisfactory for the purpose.

(2) A relief valve must be provided on the discharge side of the pump if the pressure under shutoff conditions exceeds 60 pounds. When a relief valve is installed, it must discharge back to the suction of the pump.

(3) Where electric motors are installed with dispensing pumps, they must be explosion-proof and so labeled by UL or another recognized laboratory, as suitable for Class I, Group D atmospheres.

(g) *Grounding.* (1) All tanks and associated lines must be electrically

grounded to the vessel's common ground.

(2) A grounded type hose and nozzle must be used for dispensing fuels.

(h) *Cargo tanks installed below decks—additional requirements.* (1) Compartments or areas containing tanks or pumping systems must be closed off from the remainder of the vessel by gastight bulkheads. Such gastight bulkheads may be pierced for a drive shaft and pump engine control rods if the openings are fitted with stuffing boxes or other acceptable gland arrangements.

(2) Each compartment must be provided with a mechanical exhaust system capable of ventilating the compartment with a complete change of air every 3 minutes. The intake duct or ducts must be of a sufficient size to permit the required air change. The exhaust duct or ducts must be located so as to remove vapors from the lower portion of the space or bilges.

(3) The ventilation outlets must terminate more than 10 feet from any opening to the interior of the vessel that normally contains sources of vapor ignition. The ventilation fan must be explosion-proof and unable to act as a source of ignition.

(4) Cargo pumps must not be installed in the cargo tank compartment unless the drive system is outside the compartment. Suction pipelines from cargo tanks must be run directly to the pump, but not through working or crew spaces of the vessel.

(5) Tanks must be located so as to provide at least 15 inches of space around the tank, including top and bottom, to permit external examination.

(6) Shutoff valves must be provided in the suction lines as close to the tanks as possible. Valves must be installed so as to shut off against the flow. Remote control of the shutoff valve must be provided where the examiner deems necessary.

(i) *Exemption for older vessels.* Tanks, containers, and associated piping systems in use prior to December 1, 1969, on a vessel the construction of which was contracted for before May 31, 1976, are exempt from the requirements of this section provided they are maintained in a condition that the Officer in Charge, Marine Inspection, finds satisfactory, and provided that major repairs or replacement of exempted equipment and systems is in accordance with this part.

§ 105.13 Electrical fittings and fixtures.

(a) In compartments or areas containing tanks or pumps handling petroleum products other than Grade E products, no electrical fittings, fixtures, or equipment may be installed or used unless approved for a Class I, Group D hazardous location and labeled as such by UL or another recognized laboratory.

(b) All electrical equipment, fixtures, and fittings located within 10 feet of a vent outlet or a dispensing outlet must be explosion-proof and labeled as such by UL or another recognized laboratory, as suitable for Class I, Group D atmospheres.

(c) All electrical equipment must be grounded to the vessel's common ground.

(d) Tanks, containers, and associated piping systems in use prior to December 1, 1969, on a vessel the construction of which was contracted for before May 31, 1976, are exempt from the requirements of this section provided they are maintained in a condition that the Officer in Charge, Marine Inspection, finds satisfactory, and provided that major repairs or replacement of exempted equipment and systems is in accordance with this part.

§ 105.14 Fire extinguishing equipment.

(a) Each vessel must carry at least two B–II dry chemical or foam portable fire extinguishers that comply with 46 CFR 28.160 and bear the UL marine type label, and must be located at or near each dispensing area. This equipment must be examined prior to issuing a letter of compliance.

(b) Each vessel must be provided with a hand-operated portable fire pump having a capacity of at least 5 gallons per minute and equipped with a suction and discharge hose suitable for use in firefighting. The pump may also serve as a bilge pump.

(c) A self-priming power-driven fire pump must be installed on each vessel of more than 65 feet in length overall. The pump must be able to discharge an effective stream from a hose connected to the highest outlet, must be fitted with a pressure gauge, and must have a minimum capacity of 50 gallons per minute at a pressure of not less than 60 pounds per square inch at the pump outlet. The pump must be self-priming and connected to the fire main and may be driven off a propulsion engine or other source of power. The pump may also be connected to the bilge system so that it can serve as either a fire pump or a bilge pump.

(d) Each vessel that must have a power-driven fire pump must also have a fire main system that includes a fire main, hydrants, hoses, and nozzles.

(1) Fire hydrants must be of sufficient number and located such that any part of the vessel may be reached with an effective stream of water from a single length of hose.

(2) All piping, valves, and fittings must be in accordance with good marine practice and suitable for the purpose intended.

(3) One length of the fire hose must be attached to each fire hydrant at all times. The fire hose may be a commercial fire hose or equivalent of not more than a 1½-inch diameter, or a garden hose of not less than a ⅝-inch nominal inside diameter. The hose must be in one piece, not less than 25 feet, and not more than 50 feet in length. If a 1½-inch diameter fire hose is used after January 1, 1980, each length of hose must be lined as a commercial fire hose that conforms to UL 19 (incorporated by reference; see § 105.3). A hose that bears a UL label as a lined fire hose is accepted as conforming to this requirement. The hose must have a combination nozzle approved by the Commandant in accordance with 46 CFR subpart 162.027. If a garden hose is used, it must be of a good commercial grade constructed of an inner rubber tube, plies of braided cotton reinforcement, and an outer rubber cover, or of equivalent material, and must be fitted with a commercial garden hose nozzle of good-grade bronze or equivalent metal. All fittings on fire hoses must be of brass, copper, or other suitable corrosion-resistant metal.

§ 105.15 Cargo transfer operations.

During a transfer operation involving bulk liquid flammable or combustible cargoes—

(a) The operation must comply with any conditions listed in the vessel's certificate of compliance;

(b) The person in charge of the operation must ensure that—

(1) Any galley fire is safely maintained during the operation or immediately extinguished if it cannot be so maintained; and

(2) No smoking takes place in the vicinity of the operation.

(c) A red flag by day or a red electric lantern at night, visible on all sides, must be used to signal a dockside transfer operation. For non-dockside transfer operations, a red flag must be used to signal the operation; and

(d) During a dockside transfer operation, a placard must be displayed to warn persons approaching the gangway. The placard must use letters at least 2 inches high, bear the heading ''Warning,'' and prohibit open lights, smoking, or visitors.

(e) The vessel, personnel, and operation are subject to all applicable pollution prevention requirements set forth in 33 CFR parts 155 and 156.

Dated: March 1, 2016.

V.B. Gifford, Jr.,

Captain, U.S. Coast Guard, Director of Inspections and Compliance.

[FR Doc. 2016–05262 Filed 3–11–16; 8:45 am]

BILLING CODE 9110–04–P

SURFACE TRANSPORTATION BOARD

49 CFR Part 1111

[Docket No. EP 732]

Revised Procedural Schedule In Stand-Alone Cost Cases

AGENCY: Surface Transportation Board.

ACTION: Final rule.

SUMMARY: The Surface Transportation Board (Board or STB) is revising its regulations by adjusting the procedural schedule in stand-alone cost (SAC) cases to conform with the *Surface Transportation Board Reauthorization Act of 2015* (STB Reauthorization Act).

DATES: This rule is effective on April 8, 2016. This rule is not applicable to SAC cases filed before the STB Reauthorization Act's enactment date of December 18, 2015.

ADDRESSES: Information or questions regarding these final rules should reference Docket No. EP 732 and be in writing addressed to: Chief, Section of Administration, Office of Proceedings, Surface Transportation Board, 395 E Street SW., Washington, DC 20423–0001.

FOR FURTHER INFORMATION CONTACT: Nathaniel Bawcombe at (202) 245–0376. [Assistance for the hearing impaired is available through the Federal Information Relay Service (FIRS) at 1–800–877–8339.]

SUPPLEMENTARY INFORMATION: Because this administrative final rule amends agency practice and procedure, this action is exempt from the usual requirement for notice and an opportunity for public comment under 5 U.S.C. 553(b)(A) of the Administrative Procedure Act (APA).

The Board is revising its regulations at 49 CFR 1111.8 so that the procedural schedule in SAC cases conforms with Section 11(b) of the STB Reauthorization Act.[1] The Board intends to address implementation of other parts of Section 11 separately—including initiating a proceeding to assess procedures that are available to parties in litigation before courts to expedite litigation and the potential application of any such procedures to rate cases. The Board will also determine whether additional changes to the SAC case process are necessary in order for the Board to meet the expedited timeline for a final decision established under the STB Reauthorization Act.

49 CFR 1111.8, Procedural Schedule in SAC Cases

Section (a) will be revised to adjust the schedule in SAC cases to conform to the STB Reauthorization Act. Furthermore, to reconcile the SAC case schedule with determinations made in a prior rulemaking proceeding, the Board will amend its regulations to no longer require that the parties file evidence on the existence of product and geographic competition.[2] Also, in line with the practice before the Board in recent SAC cases, only the complainant will file opening and rebuttal evidence, and only the defendant will file reply evidence. Both parties will continue to file final briefs.

The Board considers the day the complaint is filed to be Day 0. The deadlines for the conference of the parties (Day 7 or before) and the defendant's answer (Day 20) will remain the same as under the current rules. The deadline for discovery will move from Day 75 to Day 150. The complainant will have an additional 15 days (for a total of 60 days) from the close of discovery to submit its opening evidence.

The defendant will continue to have 60 days from the deadline for opening evidence to file its reply evidence. The complainant will have an additional 5 days (for a total of 35 days) from the deadline for reply evidence to file its rebuttal evidence.

The Board is adding two additional deadlines to § 1111.8 in accordance with the STB Reauthorization Act. The first is that final briefs will be due 30 days after the deadline for rebuttal evidence.[3] The second is that the Board will issue its decision no later than 180 days after the close of the evidentiary record.

Because these changes relate solely to the rules of agency practice, procedure, and organization, they will be issued as final rules without requesting public comment. *See* 5 U.S.C. 553(b)(A).

The Regulatory Flexibility Act (RFA), as amended by the Small Business Regulatory Enforcement Fairness Act of 1996, 5 U.S.C. 601–612, generally requires an agency to prepare a regulatory flexibility analysis of any rule subject to notice and comment rulemaking requirements, unless the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. Because the Board has determined that notice and comment are not required under the APA for this rulemaking, the requirements of the RFA do not apply.

List of Subjects in 49 CFR Part 1111

Administrative practice and procedure, Investigations.

It is ordered:

1. The final rules set forth in the Appendix to this decision are adopted. Notice of the rules adopted here will be published in the **Federal Register**.

2. This decision is effective on the date of service. The rules are effective April 8, 2016.

Decided: March 7, 2016.

By the Board, Chairman Elliott, Vice Chairman Miller, and Commissioner Begeman.

Kenyatta Clay,

Clearance Clerk.

For the reasons set forth in the preamble, the Surface Transportation Board amends parts 1111 of title 49, chapter X, of the Code of Federal Regulations as follows:

PART 1111—COMPLAINT AND INVESTIGATION PROCEDURES

■ 1. Revise the authority citation for part 1111 to read as follows:

Authority: 49 U.S.C. 10704, 11701, and 1321.

■ 2. In § 1111.8, revise paragraph (a) to read as follows:

§ 1111.8 Procedural schedule in stand-alone cost cases.

(a) *Procedural schedule.* Absent a specific order by the Board, the

[1] The Board is also revising the authority listed under Part 1111 to reflect the STB Reauthorization Act's redesignation of section 721 of Title 49 of the United States Code as section 1321.

[2] In 1998, the Board instituted a rulemaking proceeding to reconsider whether product and geographic competition should be eliminated as factors in determining market dominance in rail rate cases. The Board concluded that evidence of product and geographic competition should be excluded because such evidence was not required by 49 U.S.C. 10707(a) and because of the substantial burden its inclusion imposed on the parties and the Board. *Mkt. Dominance Determinations—Prod. & Geographic Competition,* 3 S.T.B. 937 (1998). Accordingly, evidence regarding product and geographic competition has not been considered by the Board in market dominance determinations since that time.

[3] In order to expedite the adjudication of SAC cases, the STB Reauthorization Act provides that the Board must establish a schedule where final briefs are due ''not later than 60 days'' after the close of the evidentiary record. The purpose of the 30-day deadline for final briefs is to ensure that the Board has a full record of the parties' submissions as soon as practicable, thus facilitating a final decision.

following general procedural schedule will apply in stand-alone cost cases:

Day 0—Complaint filed, discovery period begins.

Day 7 or before—Conference of the parties convened pursuant to § 1111.10(b).

Day 20—Defendant's answer to complaint due.

Day 150—Discovery completed.

Day 210—Complainant files opening evidence on absence of intermodal and intramodal competition, variable cost, and stand-alone cost issues.

Day 270—Defendant files reply evidence to complainant's opening evidence.

Day 305—Complainant files rebuttal evidence to defendant's reply evidence.

Day 335—Complainant and defendant file final briefs.

Day 485 or before—The Board issues its decision.

* * * * *

[FR Doc. 2016–05664 Filed 3–11–16; 8:45 am]

BILLING CODE 4915–01–P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

50 CFR Part 679

[Docket No. 140918791–4999–02]

RIN 0648–XE496

Fisheries of the Exclusive Economic Zone Off Alaska; Pacific Cod in the Central Regulatory Area of the Gulf of Alaska

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Temporary rule; opening; request for comments.

SUMMARY: NMFS is opening directed fishing for Pacific cod by vessels using pot gear in the Central Regulatory Area of the Gulf of Alaska (GOA). This action is necessary to fully use the A season allowance of the 2016 total allowable catch of Pacific cod apportioned to vessels using pot gear in the Central Regulatory Area of the GOA.

DATES: Effective 1200 hours, Alaska local time (A.l.t.), March 12, 2016, through 1200 hours, A.l.t., June 10, 2016.

Comments must be received at the following address no later than 4:30 p.m., A.l.t., March 29, 2016.

ADDRESSES: You may submit comments on this document, identified by FDMS Docket Number NOAA–NMFS–2014–0118, by any of the following methods:

- *Electronic Submission:* Submit all electronic public comments via the Federal e-Rulemaking Portal. Go to *www.regulations.gov/#!docketDetail;D=NOAA-NMFS-2014-0118,* click the ''Comment Now!'' icon, complete the required fields, and enter or attach your comments.
- *Mail:* Address written comments to Glenn Merrill, Assistant Regional Administrator, Sustainable Fisheries Division, Alaska Region NMFS, Attn: Ellen Sebastian. Mail comments to P.O. Box 21668, Juneau, AK 99802–1668.

Instructions: Comments sent by any other method, to any other address or individual, or received after the end of the comment period, may not be considered by NMFS. All comments received are a part of the public record and will generally be posted for public viewing on *www.regulations.gov* without change. All personal identifying information (*e.g.,* name, address), confidential business information, or otherwise sensitive information submitted voluntarily by the sender will be publicly accessible. NMFS will accept anonymous comments (enter ''N/A'' in the required fields if you wish to remain anonymous). Attachments to electronic comments will be accepted in Microsoft Word, Excel, or Adobe PDF file formats only.

FOR FURTHER INFORMATION CONTACT: Obren Davis, 907–586–7228.

SUPPLEMENTARY INFORMATION: NMFS manages the groundfish fishery in the GOA exclusive economic zone according to the Fishery Management Plan for Groundfish of the Gulf of Alaska (FMP) prepared by the North Pacific Fishery Management Council under authority of the Magnuson-Stevens Fishery Conservation and Management Act. Regulations governing fishing by U.S. vessels in accordance with the FMP appear at subpart H of 50 CFR part 600 and 50 CFR part 679.

The A season allowance of the 2016 Pacific cod total allowable catch (TAC) apportioned to vessels using pot gear in the Central Regulatory Area of the GOA is 6,528 metric tons (mt), as established by the final 2015 and 2016 harvest specifications for groundfish of the GOA (80 FR 10250, February 25, 2015) and inseason adjustment (81 FR 188, January 5, 2016).

NMFS closed directed fishing for Pacific cod by vessels using pot gear in the Central Regulatory Area of the GOA under § 679.20(d)(1)(iii) on February 1, 2016 (81 FR 5628, February 3, 2016).

As of March 8, 2016, NMFS has determined that approximately 525 metric tons of Pacific cod remain in the A season directed fishing allowance for Pacific cod apportioned to vessels using pot gear in the Central Regulatory Area of the GOA. Therefore, in accordance with § 679.25(a)(1)(i), (a)(2)(i)(C), and (a)(2)(iii)(D), and to fully utilize the A season allowance of the 2016 TAC of Pacific cod in the Central Regulatory Area of the GOA, NMFS is terminating the previous closure and is reopening directed fishing for Pacific cod by vessels using pot gear in the Central Regulatory Area of the GOA. The Administrator, Alaska Region (Regional Administrator) considered the following factors in reaching this decision: (1) The current catch of Pacific cod in the Central Regulatory Area of the GOA and, (2) the harvest capacity and stated intent on future harvesting patterns of vessels in participating in this fishery.

Classification

This action responds to the best available information recently obtained from the fishery. The Assistant Administrator for Fisheries, NOAA (AA), finds good cause to waive the requirement to provide prior notice and opportunity for public comment pursuant to the authority set forth at 5 U.S.C. 553(b)(B) as such requirement is impracticable and contrary to the public interest. This requirement is impracticable and contrary to the public interest as it would prevent NMFS from responding to the most recent fisheries data in a timely fashion and would delay the opening of directed fishing for Pacific cod in the Central Regulatory Area of the GOA. NMFS was unable to publish a notice providing time for public comment because the most recent, relevant data only became available as of March 8, 2016.

The AA also finds good cause to waive the 30-day delay in the effective date of this action under 5 U.S.C. 553(d)(3). This finding is based upon the reasons provided above for waiver of prior notice and opportunity for public comment.

Without this inseason adjustment, NMFS could not allow the fishery for Pacific cod by vessels using pot gear in the Central Regulatory Area of the GOA to be harvested in an expedient manner and in accordance with the regulatory schedule. Under § 679.25(c)(2), interested persons are invited to submit written comments on this action to the above address until March 29, 2016.

This action is required by § 679.25 and is exempt from review under Executive Order 12866.

Authority: 16 U.S.C. 1801 *et seq.*

Dated: March 9, 2016.

Emily H. Menashes,

Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service.

[FR Doc. 2016–05679 Filed 3–9–16; 4:15 pm]

BILLING CODE 3510–22–P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

50 CFR Part 679

[Docket No. 140918791–4999–02]

RIN 0648–XE493

Fisheries of the Exclusive Economic Zone Off Alaska; Other Hook-and-Line Fishery by Catcher Vessels in the Gulf of Alaska

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Temporary rule; closure.

SUMMARY: NMFS is prohibiting directed fishing for groundfish, other than demersal shelf rockfish, by catcher vessels (C/Vs) using hook-and-line gear in the Gulf of Alaska (GOA). This action is necessary because the first seasonal apportionment of the Pacific halibut bycatch allowance specified for the other hook-and-line fishery by C/Vs in the GOA has been reached.

DATES: Effective 1200 hours, Alaska local time (A.l.t.), March 11, 2016, until 1200 hours A.l.t., June 10, 2016.

FOR FURTHER INFORMATION CONTACT: Josh Keaton, 907–586–7228.

SUPPLEMENTARY INFORMATION: NMFS manages the groundfish fishery in the GOA exclusive economic zone according to the Fishery Management Plan for Groundfish of the Gulf of Alaska (FMP) prepared by the North Pacific Fishery Management Council (Council) under authority of the Magnuson-Stevens Fishery Conservation and Management Act. Regulations governing fishing by U.S. vessels in accordance with the FMP appear at subpart H of 50 CFR part 600 and 50 CFR part 679.

The first seasonal apportionment of the Pacific halibut bycatch allowance specified for the other hook-and-line fishery by C/Vs in the GOA is 120 metric tons as established by the final 2015 and 2016 harvest specifications for groundfish of the GOA (80 FR 10250, February 25, 2015), for the period from 0001 hours, A.l.t., January 1, 2016 through 1200 hours, A.l.t., June 10, 2016.

In accordance with § 679.21(d)(6)(ii), the Administrator, Alaska Region, NMFS, has determined that the first seasonal apportionment of the Pacific halibut bycatch allowance specified for the other hook-and-line fishery by C/Vs in the GOA has been reached. Consequently, NMFS is prohibiting directed fishing for groundfish, other than demersal shelf rockfish, by C/Vs using hook-and-line gear in the GOA. After the effective date of this closure the maximum retainable amounts at § 679.20(e) and (f) apply at any time during a trip.

Classification

This action responds to the best available information recently obtained from the fishery. The Assistant Administrator for Fisheries, NOAA (AA), finds good cause to waive the requirement to provide prior notice and opportunity for public comment pursuant to the authority set forth at 5 U.S.C. 553(b)(B) as such requirement is impracticable and contrary to the public interest. This requirement is impracticable and contrary to the public interest as it would prevent NMFS from responding to the most recent fisheries data in a timely fashion and would delay the closure of other hook-and-line fishery by C/Vs in the GOA. NMFS was unable to publish a notice providing time for public comment because the most recent, relevant data only became available as of March 7, 2016.

The AA also finds good cause to waive the 30-day delay in the effective date of this action under 5 U.S.C. 553(d)(3). This finding is based upon the reasons provided above for waiver of prior notice and opportunity for public comment.

This action is required by §§ 679.20 and 679.21 and is exempt from review under Executive Order 12866.

Authority: 16 U.S.C. 1801 *et seq.*

Dated: March 8, 2016.

Emily H. Menashes,

Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service.

[FR Doc. 2016–05632 Filed 3–9–16; 4:15 pm]

BILLING CODE 3510–22–P

Proposed Rules

Federal Register
Vol. 81, No. 49
Monday, March 14, 2016

This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

DEPARTMENT OF AGRICULTURE

Food and Nutrition Service

7 CFR Parts 251, 271, 272 and 277

[FNS–2016–0028]

RIN 0584–AE44

Supplemental Nutrition Assistance Program Promotion

AGENCY: Food and Nutrition Service (FNS), USDA.

ACTION: Proposed rule.

SUMMARY: This proposed rule would implement Section 4018 of the Agricultural Act of 2014. Section 4018 created new limitations on the use of federal funds authorized in the Food and Nutrition Act of 2008 (FNA), for the Supplemental Nutrition Assistance Program (SNAP) promotion and outreach activities. Specifically, Section 4018 of the 2014 Farm Bill prohibits the use of Federal funds appropriated in the FNA from being used for; recruitment activities designed to persuade an individual to apply for SNAP benefits, television, radio, or billboard advertisements that are designed to promote SNAP benefits and enrollment. This provision does not apply to Disaster SNAP, or any agreements with foreign governments designed to promote SNAP benefits and enrollment.

Section 4018 also prohibits any entity that receives funds under the FNA from compensating any person engaged in outreach or recruitment activities based on the number of individuals who apply to receive SNAP benefits. Lastly, Section 4018 modifies Section 16(a)(4) of the FNA to prohibit the Federal government from paying administrative costs associated with recruitment activities designed to persuade an individual to apply for program benefits or that promote the program through television, radio, or billboard advertisements.

This proposed rule would also impact the Food Distribution Program on Indian Reservations (FDPIR) and The Emergency Food Assistance Program (TEFAP), both of which receive funding and/or foods authorized under the FNA.

DATES: To be assured of consideration, written comments must be received on or before May 13, 2016.

ADDRESSES: The Food and Nutrition Service, USDA, invites interested persons to submit written comments on this proposed rule. Comments may be submitted in writing by one of the following methods:

- *Preferred method:* Federal eRulemaking Portal: Go to *http://www.regulations.gov.* Follow the online instructions for submitting comments.
- *Mail:* Send comments to Mary Rose Conroy, Chief, Policy Design Division, Program Design Branch, Food and Nutrition Services, U.S. Department of Agriculture, 3101 Park Center Drive, Room 810, Alexandria, VA 22302.

All written comments submitted in response to this proposed rule will be included in the record and will be made available to the public. Please be advised that the substance of the comments and the identity of the individuals or entities submitting the comments will be subject to public disclosure. FNS will make the written comments publicly available on the Internet via *http://www.regulations.gov.*

FOR FURTHER INFORMATION CONTACT: Mary Rose Conroy, Branch Chief, Program Development Division, Program Design Branch, Food and Nutrition Services, U.S. Department of Agriculture, 3101 Park Center Drive, Room 810, Alexandria, VA 22302, or by phone at (703) 305–2803, or by email at *Maryrose.conroy@fns.usda.gov.*

SUPPLEMENTARY INFORMATION:

I. Public Comment Procedures

Written comments on the proposed rule should be specific, should be confined to issues pertinent to the proposed rule, and should explain the reason(s) and/or provide supporting information for any change you recommend or proposal(s) you oppose. Where possible, you should reference the specific section or paragraph of the proposal you are addressing. Comments received after the close of the comment period listed in **DATES** will not be considered or included in the Administrative Record for the final rule.

Executive Order 12866 requires each agency to write regulations that are simple and easy to understand. We invite your comments on how to make the proposed regulations easier to understand, as well as comments and information that could help us make the programs as effective as practical, including answers to questions such as the following:

(1) Are the requirements in the proposed regulations clearly stated?

(2) Does the proposed rule contain technical language or jargon that interferes with its clarity?

(3) Does the format of the proposed rule (*e.g.,* grouping and order of sections, use of headings, and paragraphing) make it more or less clear?

(4) What could be done to minimize the burdens and/or improve outcomes of the program, consistent with program objectives? Costs and benefits include both quantifiable measures (to the fullest extent that these can be usefully estimated) and qualitative measures of costs and benefits that are difficult to quantify, but nevertheless essential to consider. Please provide information that would help quantitatively assess the benefits and costs of this proposed rule.

(5) What could be done to foster incentives for innovation, flexibility, consistency, predictability, the costs of enforcement and compliance (to the government, regulated entities and the public)?

II. Background and Discussion of the Proposed Rule

This proposed rule would implement Section 4018 of the Agricultural Act of 2014 (Pub. L. 113–79, 2014 Farm Bill). Section 4018 of the Agricultural Act of 2014 (2014 Farm Bill) creates new limitations on the use of Federal funds authorized in the Food and Nutrition Act of 2008 (FNA) for Supplemental Nutrition Assistance Program (SNAP) promotion and recruitment activities. Specifically, Section 4018:

- Prohibits Federal reimbursement for activities that are designed to persuade an individual to apply for program benefits or that promote the program through television, radio, or billboard advertisements. [Amends Section 16(a)(4) of the FNA.]

• Prohibits the use of Federal funds authorized to be appropriated under the FNA from being used for:

(1) Recruitment activities designed to persuade an individual to apply for SNAP benefits;

(2) Television, radio, or billboard advertisements that are designed to promote SNAP benefits and enrollment. This provision does not apply to Disaster SNAP; or

(3) Any agreements with foreign governments designed to promote SNAP benefits and enrollment.

[Amends the end of Section 18 of the FNA.]

• Requires that the Secretary of Agriculture issues regulations that prohibit entities that receive funds under the FNA from compensating any person engaged in outreach or recruitment activities based on the number of individuals who apply to receive SNAP benefits. [Amends the end of Section 18 of the FNA.]

What are the recruitment activities designed to persuade an individual to apply for SNAP benefits?

The Agricultural Act of 2014 prohibits the use of funds appropriated under the FNA from being used for recruitment activities that are designed to persuade an individual to apply for SNAP benefits.

In this proposed rule, prohibited recruitment activities are those designed to persuade an individual to apply for SNAP benefits through the use of persuasive practices. Persuasive practices constitute coercing or pressuring an individual to apply, or providing incentives to fill out an application. Communicating factual information pertaining to SNAP is not a recruitment activity designed to persuade an individual to apply for SNAP benefits.

The Department understands that it was not the intent of Congress to prohibit informational activities that provide basic program information to potentially eligible individuals, as specifically authorized in Section 11(e)(1) of the FNA. Basic program information allows individuals to make a well-informed decision about whether or not to apply based on accurate information, rather than myths or other types of misinformation. For instance, the Department has documented that many eligible elderly individuals do not apply for benefits because they are concerned about using benefits that would otherwise go to another family. Informing the elderly that their enrollment does not preclude the enrollment or diminish the benefit level of other eligible households is an important part of ensuring the elderly can make a well-informed decision about applying for SNAP.

In addition, changes required in Section 4018 of the Agricultural Act of 2014 do not preclude specialized services for eligible SNAP applicants, including application assistance, as explained in the Manager's Statement in the Conference Report, H.R. Rep. 113–333, to accompany the Agricultural Act of 2014. Specialized services are particularly important for vulnerable populations including the elderly, homeless, and individuals with disabilities to ensure they receive the food assistance they need.

Prohibited recruitment activities would not include providing accurate program information to dispel misinformation, answering questions about SNAP, providing assistance in filling out forms or obtaining verification documents, or providing basic information about SNAP availability, application procedures, eligibility requirements, and the benefits of the program, as specifically permitted by Section 11(e)(1) of the FNA.

The regulations already define recruitment activities as activities that are designed to persuade an individual who has made an informed choice not to apply for SNAP benefits to change his or her decision and apply. How will this definition change?

The definition of prohibited recruitment activities would change in two ways: (1) The new definition would prohibit the use of persuasive practices, with persuasive practices constituting coercing or pressuring an individual to apply, or providing incentives to fill out an application; and (2) the new definition would stipulate that providing factual information pertaining to SNAP is not a recruitment activity designed to persuade an individual to apply for SNAP. This stipulation is included to reflect the intent of Congress to not prohibit activities that: provide basic program information, inform applicants about eligibility requirements and benefits of the program, assist applicants in applying for benefits (particularly for vulnerable populations), or otherwise dispel common misconceptions.

What are examples of persuasive practices?

The Department proposes in the regulatory definition that persuasive practices constitute coercing or pressuring an individual to apply, or providing incentives to fill out an application. Examples of persuasive practices used in face-to-face interactions would include:

• A worker funded by SNAP funds is staffing a SNAP informational table at a food pantry. A food pantry visitor comes to the table, but soon replies that he is not interested in learning more. The worker continuing to discuss SNAP with the visitor would constitute a persuasive practice because the visitor has clearly expressed a lack of interest and should not be pressured to apply.

• A worker funded by SNAP funds at a community-based organization is giving a presentation on SNAP eligibility requirements to a group of likely eligible SNAP applicants. The worker explains that every person who applies that day will be allowed to stay for a free parenting class. This would be prohibited if only those who fill out the SNAP application are allowed to attend the parenting class because the parenting class is offered as an incentive to fill-out the application. The activity would be allowable if everyone is allowed to stay for the parenting class, regardless of whether or not they fill out an application.

How would the definition of recruitment activities that are designed to persuade an individual to apply for SNAP benefits apply to written materials?

Written materials would also be expected to comply with the designation of allowable and unallowable activities that are described in the above definition of recruitment activities and that are designed to persuade an individual to apply for SNAP benefits through coercion, pressure, or incentives. As a result, written materials should not use statements that are coercive, pressure individuals to apply for SNAP benefits, or offer incentives to fill out an application. Written materials will be expected to contain accurate, factual information that allows individuals to make a well-informed decision about applying for SNAP benefits. For instance, written materials may include information about SNAP eligibility criteria, application procedures, or where to apply for benefits.

What actions are allowed if an individual's point of view appears to not be based on accurate information?

The Department is aware that many prevalent myths about SNAP influence whether or not someone thinks s/he is eligible and whether or not s/he decides to apply. For instance, the Department has documented many myths held by the elderly that deter this needy population from applying for nutrition assistance, for instance, in the 2014

report *Reaching the Underserved Elderly and Working Poor in SNAP* (available at *http://www.fns.usda.gov/sites/default/files/SNAPUnderseved-Elderly2009.pdf*). Dispelling these myths by sharing accurate information is a legitimate informational and educational activity that allows an individual to make a well-informed choice. The following are some examples of informational activities that would be allowed under the proposed rule.

- An outreach worker is talking to a senior citizen who explains that he does not think he is eligible because he owns his own home. The worker would be allowed to correct this misconception, provided the senior citizen does not express disinterest in learning more.
- An outreach worker is talking to a working mother who states that she is struggling to put food on the table for herself and her two children. The working mother explains that she does not think she is eligible for SNAP because she has a job. The outreach worker could permissibly educate the working mother about SNAP gross and net income limits and assist her in determining her likely eligibility status.
- A community-based organization receiving SNAP funds has become aware that many potentially eligible working families are not signing up for the program because they think they must take time off from work to apply. The organization could share informational brochures detailing the web address for online applications and availability of telephone interviews with local employers to share with employees, so long as these brochures are not designed to persuade an individual to apply for SNAP benefits through coercion, pressure, or incentives.

How would these regulations change the types of television, radio, or billboard advertisement that are allowed with Federal SNAP appropriations?

The Agricultural Act of 2014 prohibits the use of funds authorized to be appropriated under the FNA for television, radio, or billboard advertisements that are designed to promote SNAP benefits and enrollment. Consequently, the regulation proposes to prohibit States or other entities from using these Federal funds for television, radio, or billboard advertisements that promote program benefits and enrollment.

What is a billboard?

For the purpose of this proposed rule, billboards are large format advertising displays intended for viewing from extended distances of more than 50 feet.

Would the use of social media to promote SNAP be prohibited?

The Agricultural Act of 2014 provision does not address the use of social media in promotion activities. As a result, the use of social media like Twitter, Facebook, YouTube, or other internet sites would not be prohibited, so long as the content is not recruitment activity designed to persuade an individual to apply for SNAP benefits through coercion, pressure, or incentives.

How would these proposed regulations affect agreements with foreign governments?

The Agricultural Act of 2014 prohibits the use of funds appropriated in the FNA from being used for any agreements with foreign governments designed to promote SNAP benefits and enrollment. Consequently, this proposed rule would prohibit foreign agreements that are designed to promote SNAP benefits and enrollment.

How would these proposed regulations apply to informational activities?

The proposed regulations would not prohibit informational activities as defined in Section 11(e)(1) of the FNA, namely those activities that provide factual information about the availability, eligibility requirements, application procedures, and benefits of SNAP.

Would these regulations apply to Disaster SNAP?

No. Pursuant to the Agricultural Act of 2014, the prohibition on the use of SNAP appropriations for television, radio, or billboard advertisements would not apply to Disaster SNAP.

Would these regulations apply to recruitment activities designed to persuade individuals to apply for SNAP benefits or to television, radio, or billboard advertisements promoting SNAP that were paid for with funds that were not authorized to be appropriated under the FNA?

No. The proposed regulations prohibit only recruitment activities designed to persuade individuals to apply for SNAP benefits and television, radio, or billboard advertisements promoting SNAP that use funds authorized to be appropriated under the FNA.

How would the proposed rule impact vulnerable populations?

As stated in the Manager's Statement to the Conference Report, H.R. Rep. 113–333, the changes in Section 4018 of the Agricultural Act of 2014 do not preclude specialized services for eligible SNAP applicants, including application assistance for vulnerable populations. Specialized services are particularly important for vulnerable populations including the elderly, homeless, and individuals with disabilities to ensure they receive the food assistance they need. Consequently, the proposed rule would not prohibit activities that provide vulnerable populations with application assistance or basic program information, including information about rights, program rules, client responsibilities, and benefits.

What would the proposed rule on outreach worker compensation prohibit?

For any organization that receives funding under the FNA, this proposed rule would prohibit tying outreach worker compensation to the number of individuals who apply for SNAP as a result of that worker's efforts. Organizations would not be allowed to require a worker to meet a predetermined quota of SNAP applicants in order to receive their full compensation or performance bonus, nor would an organization be allowed to base compensation or performance bonus on a set dollar amount for each individual who applies for SNAP as a result of a worker's efforts. For example, an organization would be prohibited from requiring that at least 10 individuals apply for benefits a week in order for a worker to receive their base pay, and an organization would be prohibited from paying outreach workers $10 per individual who applies for SNAP.

Which organizations would be affected by the new prohibitions on outreach worker compensation?

All organizations that receive funding under the FNA would be affected, as this a condition of funding under the FNA. For instance, an organization that does not receive funds from SNAP, but does receive funding authorized under FNA and/or receives USDA donated foods purchased with FNA-authorized funds, such as the Food Distribution Program on Indian Reservations (FDPIR) (7 U.S.C. 2013b) and The Emergency Food Assistance Program (TEFAP) (7 U.S.C. 2036), would be prohibited from compensating employees based on the number of individuals who apply for SNAP benefits.

Could an organization use money from sources other than those received under the FNA to compensate workers based on the number of individuals who apply for benefits?

No. If an organization receives any funds under the FNA they would not be able use funds from any source to compensate any persons conducting outreach or recruitment based on the number of individuals who apply for SNAP benefits as a result of that person's efforts. If an organization does not receive funding under the FNA, then this regulation would not apply to them.

Could an organization compensate outreach workers based on the number of hours it takes for an outreach worker to assist an individual applying for SNAP benefits?

Yes. Organizations would be allowed to compensate outreach workers based on the number of hours it takes an outreach worker to assist an individual applying for SNAP benefits. In other words, organizations would be allowed to compensate their employees who provide SNAP application assistance based on an hourly wage. For example, an outreach worker may be compensated at an hourly rate of ''X'' dollars for each hour the worker spends providing SNAP application assistance.

Does this provision apply to food and nutrition programs other than SNAP?

Yes. The FNA provides authorization of funds for food purchases and administrative costs for FDPIR and for food purchases for TEFAP and this provision also applies to those programs.

As background, FDPIR serves as an alternative to SNAP and provides USDA donated foods to low-income households living on Indian reservations, and to American Indian households residing in approved areas near reservations or in Oklahoma. Participating FDPIR Indian Tribal Organizations and State agencies receive both food and administrative funding authorized under the FNA. TEFAP is a Federal program that helps supplement the diets of low-income Americans by providing them with emergency food assistance at no cost. USDA donated foods provided to TEFAP State and recipient agencies are purchased with funds authorized under the FNA.

FDPIR regulations at part 253.11 of this chapter currently require that funds must be expended and accounted for in accordance with SNAP regulations at part 277. Under this proposed rule, SNAP regulations would be amended in order to account for the changes mandated by Section 4018 and described above. In particular, Section 4018 prohibits Federal reimbursement or the use of Federal funds authorized to be appropriated under the FNA for the specific SNAP recruitment and promotion activities discussed above. Thus, under this proposed rule, FDPIR funds, as authorized under FNA, would not be permitted for use in such activities. As FDPIR serves as an alternative to SNAP under the FNA and serves an average of fewer than 90,000 participants each month, the Department does not anticipate significant impact of this requirement on FDPIR Indian Tribal Organizations and State agencies.

As provided above, Section 4018 requires the Secretary of Agriculture to issue regulations that prohibit entities that receive funds under the FNA from compensating staff engaged in SNAP outreach activities based on the number of individuals who apply to receive SNAP benefits. Though the Department does not believe this requirement will have a significant impact on TEFAP, the program receives food funding authorized under the FNA. In this proposed rule, FNS would amend TEFAP program regulations to prohibit entities funded by TEFAP from compensating staff engaged in SNAP outreach activities based on the number of individuals who apply to receive SNAP benefits.

Thus, we propose to amend current 7 CFR 251.10(i) by replacing the existing text in its entirety with the requirement that any entity which receives TEFAP donated foods adhere to SNAP regulations at proposed 7 CFR 277.4(b)(6), related to the prohibition on providing compensation for SNAP recruitment outreach.

Current 7 CFR 251.10(i) Miscellaneous Provisions—*Data Collection related to eligible recipient agencies,* the faith-based reporting requirement which expired in fiscal year 2009, is outdated. The language in current § 251.10(i) of this chapter was published on May 2, 2007, as part of a USDA rule amending several program regulations in order to fulfill the Department's responsibilities under Executive Orders 13279 and 13280, regarding the collection of information on faith-based and community organizations that participate in social service programs and that receive Federal financial assistance. The rule required State agencies to report on a number of data elements for Federal fiscal years 2006 through 2009. The required collection time period expired in 2010 for the reporting period ending in Federal fiscal year 2009, and is no longer applicable to TEFAP. The proposed removal of the current regulatory text would not affect the current program requirement that TEFAP State agencies continue to maintain lists of eligible recipient agencies, consistent with part 251 of this chapter.

III. Procedural Matters

Executive Order 12866 and 13563

Executive Orders 12866 and 13563 direct agencies to assess all costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, distributive impacts, and equity). Executive Order 13563 emphasizes the importance of quantifying both costs and benefits, of reducing costs, of harmonizing rules, and of promoting flexibility. This proposed rule has been determined to be significant and was reviewed by the Office of Management and Budget (OMB) in conformance with Executive Order 12866.

Regulatory Impact Analysis

As required for all rules that have been designated as Significant by the Office of Management and Budget, a Regulatory Impact Analysis (RIA) was developed for this proposed rule. The RIA for this proposed rule was published as part of docket number [FNS–2016–0028] in Supporting Documents on *www.regulations.gov.* The following summarizes the conclusions of the Regulatory Impact Analysis:

Need for Action: This proposed rule is necessary to implement Section 4018 of the Agricultural Act of 2014, which establishes new prohibitions regarding how funds authorized by the FNA are to be spent to persuade individuals to apply for SNAP benefits and to promote SNAP. The Agricultural Act of 2014 makes these changes by amending Sections 16(a)(4) and 18 of the FNA. The law requires the Secretary to write regulations to implement these changes.

Benefits: The proposed rule provides State agencies and State partners with additional guidance regarding promotion expenses that are eligible for 50 percent Federal reimbursement of administrative costs (7 CFR 277.4).

Costs: There are no anticipated costs.

Regulatory Flexibility Act

The Regulatory Flexibility Act (5 U.S.C. 601–612) requires Agencies to

analyze the impact of rulemaking on small entities and consider alternatives that would minimize any significant impacts on a substantial number of small entities. Pursuant to that review, it has been certified that this proposed rule would not have a significant impact on a substantial number of small entities.

This proposed rule would not have an impact on small entities because, while the proposal would restrict the types of recruitment and promotion activities eligible for Federal reimbursement and the types of activities for which funds authorized to be appropriated under the FNA may be spent, it does not change the type of entities that may receive administrative reimbursement or the rate at which they may be reimbursed for allowable activities. In addition, the proposed rule would prohibit entities that receive funds under the FNA from compensating any person engaged in outreach or recruitment activities based on the number of individuals who apply to receive SNAP benefits; however, this is not expected to limit the ability of small entities, or any entity, from using other methods of compensating persons engaged in outreach or recruitment activities.

Unfunded Mandates Reform Act

Title II of the Unfunded Mandates Reform Act of 1995 (UMRA), Public Law 104–4, establishes requirements for Federal agencies to assess the effects of their regulatory actions on State, local and tribal governments and the private sector. Under Section 202 of the UMRA, the Department generally must prepare a written statement, including a cost benefit analysis, for proposed and final rules with ''Federal mandates'' that may result in expenditures by State, local or Tribal governments, in the aggregate, or the private sector, of $100 million or more in any one year. When such a statement is needed for a rule, Section 205 of the UMRA generally requires the Department to identify and consider a reasonable number of regulatory alternatives and adopt the most cost effective or least burdensome alternative that achieves the objectives of the rule.

This proposed rule does not contain Federal mandates (under the regulatory provisions of Title II of the UMRA) for State, local and Tribal governments or the private sector of $100 million or more in any one year. Thus, the rule is not subject to the requirements of Sections 202 and 205 of the UMRA.

Executive Order 12372

The Supplemental Nutrition Assistance Program is listed in the Catalog of Federal Domestic Assistance Programs under 10.551 and is subject to Executive Order 12372, which requires intergovernmental consultation with State and local officials. (See 2 CFR chapter IV.) FNS has consulted with State and local officials regarding the changes set forth in this rule by issuing to SNAP State agencies on March 21, 2014 an Implementation Memorandum for the 2014 Farm Bill which included guidance on implementing the changes in Section 4018 and on May 5, 2014 issuing a Question and Answer Memorandum responding to implementation questions from the State SNAP agencies and their partners. In addition, FNS hosted a Stakeholder meeting on September 4, 2014 to consult with State and local representatives on the provisions of Section 4018.

Federalism Summary Impact Statement

Executive Order 13132 requires Federal agencies to consider the impact of their regulatory actions on State and local governments. Where such actions have federalism implications, agencies are directed to provide a statement for inclusion in the preamble to the regulations describing the agency's considerations in terms of the three categories called for under Section (6)(b)(2)(B) of Executive Order 13121. The Department has determined that this proposed rule does not have federalism implications. This rule does not impose substantial or direct compliance costs on State and local governments. Therefore, under Section 6(b) of the Executive Order, a federalism summary impact statement is not required.

Executive Order 12988, Civil Justice Reform

This proposed rule has been reviewed under Executive Order 12988, Civil Justice Reform. This proposed rule is intended to have preemptive effect with respect to any State or local laws, regulations or policies which conflict with its provisions or which would otherwise impede its full and timely implementation.

This proposed rule is not intended to have retroactive effect unless so specified in the Effective Dates section of the final rule. Prior to any judicial challenge to the provisions of the final rule, all applicable administrative procedures must be exhausted.

Civil Rights Impact Analysis

FNS has reviewed this proposed rule in accordance with USDA Regulation 4300–4, ''Civil Rights Impact Analysis,'' to identify any major civil rights impacts the rule might have on program participants on the basis of age, race, color, national origin, sex, or disability. After a careful review of the proposed rule's intent and provisions, FNS has determined that this rule is not expected to affect the participation of protected individuals in the Supplemental Nutrition Assistance Program.

Executive Order 13175

This proposed rule has been reviewed in accordance with the requirements of Executive Order 13175, ''Consultation and Coordination with Indian Tribal Governments.'' Executive Order 13175 requires Federal agencies to consult and coordinate with tribes on a government-to-government basis on policies that have tribal implications, including regulations, legislative comments or proposed legislation, and other policy statements or actions that have substantial direct effects on one or more Indian tribes, on the relationship between the Federal Government and Indian tribes or on the distribution of power and responsibilities between the Federal Government and Indian tribes.

FNS has assessed the impact of this rule on Indian tribes and determined that this rule does not, to our knowledge, have tribal implications that require tribal consultation under Executive Order 13175. If a Tribe requests consultation, FNS will work with the USDA Office of Tribal Relations to ensure meaningful consultation is provided where changes, additions, and modifications identified herein are not expressly mandated by Congress.

Paperwork Reduction Act

The Paperwork Reduction Act of 1995 (44 U.S.C. Chap. 35; 5 CFR part 1320) requires Office of Management and Budget (OMB) approval of all covered collections of information by a Federal agency before such collections can be implemented. Respondents are not required to respond to any such collection of information unless it displays a current valid OMB control number. This proposed rule does not contain information collection requirements subject to approval by the Office of Management and Budget under the Paperwork Reduction Act of 1994.

E-Government Act Compliance

The Department is committed to complying with the E-Government Act, to promote the use of the Internet and other information technologies to provide increased opportunities for citizen access to Government information and services, and for other purposes.

List of Subjects

7 CFR Part 251

The Emergency Food Assistance Program, Miscellaneous provisions.

7 CFR Part 271

Supplemental Nutrition Assistance Program, Promotional activities.

7 CFR Part 272

Supplemental Nutrition Assistance Program, Program informational activities.

7 CFR Part 277

Supplemental Nutrition Assistance Program, Funding.

Accordingly, 7 CFR parts 251, 271, 272 and 277 are proposed to be amended as follows:

PART 251—THE EMERGENCY FOOD ASSISTANCE PROGRAM

■ 1. The authority citation for 7 CFR part 251 continues to read as follows:

Authority: 7 U.S.C. 2011–2036.

■ 2. Revise § 251.10 (i). The revision reads as follows:

§ 251.10 Miscellaneous provisions.

* * * * *

(i) *Recruitment activities related to the Supplemental Nutrition Assistance Program (SNAP).* Any entity that receives donated foods identified in this section must adhere to regulations set forth under § 277.4(b)(6) of this chapter.

PART 271—GENERAL INFORMATION AND DEFINITIONS

■ 1. The authority citation for 7 CFR 271 continues to read as follows:

Authority: 7 U.S.C. 2011–2036.

■ 2. Add § 271.9 as follows:

§ 271.9 Promotional activities

(a) No funds authorized to be appropriated under the Food and Nutrition Act of 2008, as amended, shall be used for recruitment or promotion activities as described in § 277.4(b)(5). No entity receiving funds under the Food and Nutrition Act of 2008, as amended, shall be permitted to perform activities described in § 277.4(b)(6).

PART 272—REQUIREMENTS FOR PARTICIPATING STATE AGENCIES

■ 1. The authority citation for 7 CFR part 272 continues to read as follows:

Authority: 7 U.S.C. 2011–2036.

■ 2. Revise § 272.5(c). The revision reads as follows:

§ 272.5 Program informational activities

* * * * *

(c) *Program informational activities for low-income households.* At their option, State agencies may carry out and claim associated costs for Program informational activities designed to inform low-income households about the availability, eligibility requirements, application procedures, and benefits of SNAP. Allowable informational activities shall not include recruitment activities as described in § 277.4(b)(5). Program informational materials used in such activities shall be subject to § 272.4(b), which pertains to bilingual requirements. Before FNS considers costs for allowable informational activities eligible for reimbursement at the fifty percent rate under part 277 of this chapter, State agencies shall obtain FNS approval for the attachment to their Plans of Operation as specified in § 272.2(d)(1)(ix). In such attachments, State agencies shall describe the subject activities with respect to the socio-economic and demographic characteristics of the target population, types of media used, geographic areas warranting attention, and outside organizations which would be involved. State agencies shall update this attachment to their Plans of Operation when significant changes occur and shall report projected costs for this Program activity in accordance with § 272.2(c), (e), and (f).

PART 277—PAYMENTS OF CERTAIN ADMINISTRATIVE COSTS OF STATE AGENCIES

■ 1. The authority citation for 7 CFR part 277 continues to read as follows:

Authority: 7 U.S.C. 2011–2036.

■ 2. In § 277.4:

■ a. Remove the phrase ''Food Stamp Program'' and add in its place ''SNAP''.

■ b. Amend paragraph (b) by removing the last two sentences; and

■ c. Add paragraphs (b)(5) and (b)(6).

The additions read as follows:

§ 277.4 Funding

* * * * *

(b) * * *

(5) The Federal reimbursement rate shall include reimbursement for SNAP informational activities, but shall not include the following:

(i) Recruitment activities designed to persuade an individual to apply for SNAP benefits through the use of persuasive practices. Persuasive practices constitute coercing or pressuring an individual to apply, or providing incentives to fill out an application for SNAP benefits. Communicating factual information pertaining to SNAP is not a recruitment activity designed to persuade an individual to apply for SNAP benefits.

(ii) Television, radio or billboard advertisements that are designed to promote SNAP benefits and enrollment, excepting the use of such advertisements for programmatic activities undertaken with respect to benefits provided under § 280.1 of this Part.

(iii) Agreements with foreign governments that are designed to promote SNAP benefits and enrollment.

(6) Any entity that receives funding from the programs identified by this section and § 251.4 is prohibited from compensating any person for conducting outreach activities relating to participation in, or for recruiting individuals to apply to receive benefits under, the supplemental nutrition assistance program, if the amount of the compensation would be based on the number of individuals who apply to receive the benefits.

Dated: March 3, 2016.

Kevin Concannon,

Under Secretary, Food, Nutrition, and Consumer Services.

[FR Doc. 2016–05583 Filed 3–11–16; 8:45 am]

BILLING CODE 3410–30–P

NUCLEAR REGULATORY COMMISSION

10 CFR Part 72

[NRC–2015–0270]

RIN 3150–AJ71

List of Approved Spent Fuel Storage Casks: Holtec International HI–STORM 100 Cask System; Certificate of Compliance No. 1014, Amendment No. 10

AGENCY: Nuclear Regulatory Commission.

ACTION: Proposed rule.

SUMMARY: The U.S. Nuclear Regulatory Commission (NRC) is proposing to amend its spent fuel storage regulations by revising the Holtec International (Holtec or applicant) HI–STORM 100 Cask System listing within the ''List of approved spent fuel storage casks'' to include Amendment No. 10 to Certificate of Compliance (CoC) No. 1014. Amendment No. 10 adds new fuel classes to the contents approved for the loading of 16X16-pin fuel assemblies into a HI–STORM 100 Cask System; allows a minor increase in manganese in an alloy material for the system's overpack and transfer cask; clarifies the minimum water displacement required of a dummy fuel rod (*i.e.,* a rod not

filled with uranium pellets); and clarifies the design pressures needed for normal operation of forced helium drying systems. Additionally, Amendment No. 10 revises Condition No. 9 of CoC No. 1014 to provide clearer direction on the measurement of air velocity and modeling of heat distribution through the storage system.

DATES: Submit comments by April 13, 2016. Comments received after this date will be considered if it is practical to do so, but the Commission is able to ensure consideration only for comments received on or before this date.

ADDRESSES: You may submit comments by any of the following methods (unless this document describes a different method for submitting comments on a specific subject):

- Federal Rulemaking Web site: Go to *http://www.regulations.gov* and search for Docket ID NRC–2015–0270. Address questions about NRC dockets to Carol Gallagher; telephone: 301–415–3463; email: *Carol.Gallagher@nrc.gov.* For technical questions contact the individual listed in the **FOR FURTHER INFORMATION CONTACT** section of this document.
- Email comments to: *Rulemaking.Comments@nrc.gov.* If you do not receive an automatic email reply confirming receipt, then contact us at 301–415–1677.
- Fax comments to: Secretary, U.S. Nuclear Regulatory Commission at 301–415–1101.
- Mail comments to: Secretary, U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001, ATTN: Rulemakings and Adjudications Staff.
- Hand deliver comments to: 11555 Rockville Pike, Rockville, Maryland 20852, between 7:30 a.m. and 4:15 p.m. (Eastern Time) Federal workdays; telephone: 301–415–1677.

For additional direction on obtaining information and submitting comments, see ''Obtaining Information and Submitting Comments'' in the **SUPPLEMENTARY INFORMATION** section of this document.

FOR FURTHER INFORMATION CONTACT: Robert D. MacDougall, Office of Nuclear Material Safety and Safeguards, U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001; telephone: 301–415–5175; email: *Robert.MacDougall@nrc.gov.*

SUPPLEMENTARY INFORMATION:

I. Obtaining Information and Submitting Comments

A. Obtaining Information

Please refer to Docket ID NRC–2015–0270 when contacting the NRC about the availability of information for this action. You may obtain publicly-available information related to this action by any of the following methods:

- Federal Rulemaking Web site: Go to *http://www.regulations.gov* and search for Docket ID NRC–2015–0270.
- NRC's Agencywide Documents Access and Management System (ADAMS): You may obtain publicly-available documents online in the ADAMS Public Documents collection at *http://www.nrc.gov/reading-rm/adams.html.* To begin the search, select ''*ADAMS Public Documents''* and then select ''*Begin Web-based ADAMS Search.''* For problems with ADAMS, please contact the NRC's Public Document Room (PDR) reference staff at 1–800–397–4209, 301–415–4737, or by email to *pdr.resource@nrc.gov.* For the convenience of the reader, instructions about obtaining materials referenced in this document are provided in the ''Availability of Documents'' section.
- NRC's PDR: You may examine and purchase copies of public documents at the NRC's PDR, Room O1–F21, One White Flint North, 11555 Rockville Pike, Rockville, Maryland 20852.

B. Submitting Comments

Please include Docket ID NRC–2015–0270 in your comment submission.

The NRC cautions you not to include identifying or contact information that you do not want to be publicly disclosed in your comment submission. The NRC will post all comment submissions at *http://www.regulations.gov* as well as enter the comment submissions into ADAMS. The NRC does not routinely edit comment submissions to remove identifying or contact information.

If you are requesting or aggregating comments from other persons for submission to the NRC, then you should inform those persons not to include identifying or contact information that they do not want to be publicly disclosed in their comment submission. Your request should state that the NRC does not routinely edit comment submissions to remove such information before making the comment submissions available to the public or entering the comment into ADAMS.

II. Procedural Background

This proposed rule is limited to the changes contained in Amendment No. 10 to CoC No. 1014 and does not include other aspects of the Holtec HI–STORM 100 Cask System design. Because the NRC considers this action noncontroversial and routine, the NRC is publishing this proposed rule concurrently with a direct final rule in the Rules and Regulations section of this issue of the **Federal Register**. Adequate protection of public health and safety continues to be ensured. The direct final rule will become effective on May 31, 2016. However, if the NRC receives significant adverse comments on this proposed rule by April 13, 2016, then the NRC will publish a document that withdraws the direct final rule. If the direct final rule is withdrawn, the NRC will address the comments received in response to these proposed revisions in a subsequent final rule. Absent significant modifications to the proposed revisions requiring republication, the NRC will not initiate a second comment period on this action in the event the direct final rule is withdrawn.

A significant adverse comment is a comment where the commenter explains why the rule would be inappropriate, including challenges to the rule's underlying premise or approach, or would be ineffective or unacceptable without a change. A comment is adverse and significant if:

(1) The comment opposes the rule and provides a reason sufficient to require a substantive response in a notice-and-comment process. For example, a substantive response is required when:

(a) The comment causes the NRC staff to reevaluate (or reconsider) its position or conduct additional analysis;

(b) The comment raises an issue serious enough to warrant a substantive response to clarify or complete the record; or (c) The comment raises a relevant issue that was not previously addressed or considered by the NRC staff.

(2) The comment proposes a change or an addition to the rule, and it is apparent that the rule would be ineffective or unacceptable without incorporation of the change or addition.

(3) The comment causes the NRC staff to make a change (other than editorial) to the rule, CoC, or technical specifications.

For additional procedural information and the regulatory analysis, see the direct final rule published in the Rules and Regulations section of this issue of the **Federal Register**.

III. Background

Section 218(a) of the Nuclear Waste Policy Act (NWPA) of 1982, as amended, requires that ''the Secretary [of the Department of Energy] shall establish a demonstration program, in cooperation with the private sector, for the dry storage of spent nuclear fuel at civilian nuclear power reactor sites, with the objective of establishing one or more technologies that the [Nuclear

Regulatory] Commission may, by rule, approve for use at the sites of civilian nuclear power reactors without, to the maximum extent practicable, the need for additional site-specific approvals by the Commission.'' Section 133 of the NWPA states, in part, that ''[the Commission] shall, by rule, establish procedures for the licensing of any technology approved by the Commission under Section 219(a) [sic: 218(a)] for use at the site of any civilian nuclear power reactor.''

To implement this mandate, the Commission approved dry storage of spent nuclear fuel in NRC-approved casks under a general license by publishing a final rule which added a new subpart K in part 72 of title 10 of the *Code of Federal Regulations* (10 CFR) entitled, ''General License for Storage of Spent Fuel at Power Reactor Sites'' (55 FR 29181; July 18, 1990). This rule also established a new subpart L in 10 CFR part 72 entitled, ''Approval of Spent Fuel Storage Casks,'' which contains procedures and criteria for obtaining NRC approval of spent fuel storage cask designs. The NRC subsequently issued a final rule on May 1, 2000 (65 FR 25241) that approved the Holtec HI–STORM 100 Cask System design and added it to the list of NRC-approved cask designs in 10 CFR 72.214 as CoC No. 1014.

IV. Plain Writing

The Plain Writing Act of 2010 (Pub. L. 111–274) requires Federal agencies to write documents in a clear, concise, well-organized manner that also follows other best practices appropriate to the subject or field and the intended audience. The NRC has written this document to be consistent with the Plain Writing Act as well as the Presidential Memorandum, ''Plain Language in Government Writing,'' published June 10, 1998 (63 FR 31883). The NRC requests comment on the proposed rule with respect to clarity and effectiveness of the language used.

V. Availability of Documents

The documents identified in the following table are available to interested persons as indicated.

Document	ADAMS accession No.
Holtec International HI–STORM 100 Cask System—License Amendment Request (1014–10)	ML15007A435
Proposed CoC No. 1014, Amendment No. 10	ML15331A307
Appendix A for Proposed CoC No. 1014, Amendment No. 10	ML15331A310
Appendix B for Proposed CoC No. 1014, Amendment No. 10	ML15331A311
Appendix A—100U for Proposed CoC No. 1014, Amendment No. 10	ML15331A312
Appendix B—100U for Proposed CoC No. 1014, Amendment No. 10	ML15331A313
Preliminary SER for Proposed CoC No. 1014, Amendment No. 10	ML15331A309

The NRC may post materials related to this document, including public comments, on the Federal Rulemaking Web site at *http://www.regulations.gov* under Docket ID NRC–2015–0270. The Federal Rulemaking Web site allows you to receive alerts when changes or additions occur in a docket folder. To subscribe: 1) Navigate to the docket folder (NRC–2015–0270); 2) click the ''Sign up for Email Alerts'' link; and 3) enter your email address and select how frequently you would like to receive emails (daily, weekly, or monthly).

List of Subjects in 10 CFR Part 72

Administrative practice and procedure, Criminal penalties, Hazardous waste, Indians, Intergovernmental relations, Manpower training programs, Nuclear energy, Nuclear materials, Occupational safety and health, Penalties, Radiation protection, Reporting and recordkeeping requirements, Security measures, Spent fuel, Whistleblowing.

For the reasons set out in the preamble and under the authority of the Atomic Energy Act of 1954, as amended; the Energy Reorganization Act of 1974, as amended; the Nuclear Waste Policy Act of 1982, as amended; and 5 U.S.C. 552 and 553; the NRC is proposing to adopt the following amendments to 10 CFR part 72:

PART 72—LICENSING REQUIREMENTS FOR THE INDEPENDENT STORAGE OF SPENT NUCLEAR FUEL, HIGH-LEVEL RADIOACTIVE WASTE, AND REACTOR-RELATED GREATER THAN CLASS C WASTE

■ 1. The authority citation for part 72 continues to read as follows:

Authority: Atomic Energy Act of 1954, secs. 51, 53, 57, 62, 63, 65, 69, 81, 161, 182, 183, 184, 186, 187, 189, 223, 234, 274 (42 U.S.C. 2071, 2073, 2077, 2092, 2093, 2095, 2099, 2111, 2201, 2210e, 2232, 2233, 2234, 2236, 2237, 2238, 2273, 2282, 2021); Energy Reorganization Act of 1974, secs. 201, 202, 206, 211 (42 U.S.C. 5841, 5842, 5846, 5851); National Environmental Policy Act of 1969 (42 U.S.C. 4332); Nuclear Waste Policy Act of 1982, secs. 117(a), 132, 133, 134, 135, 137, 141, 145(g), 148, 218(a) (42 U.S.C. 10137(a), 10152, 10153, 10154, 10155, 10157, 10161, 10165(g), 10168, 10198(a)); 44 U.S.C. 3504 note.

■ 2. In § 72.214, Certificate of Compliance 1014 is revised to read as follows:

§ 72.214 List of approved spent fuel storage casks.

* * * * *

Certificate Number: 1014.

Initial Certificate Effective Date: May 31, 2000.

Amendment Number 1 Effective Date: July 15, 2002.

Amendment Number 2 Effective Date: June 7, 2005.

Amendment Number 3 Effective Date: May 29, 2007.

Amendment Number 4 Effective Date: January 8, 2008.

Amendment Number 5 Effective Date: July 14, 2008.

Amendment Number 6 Effective Date: August 17, 2009.

Amendment Number 7 Effective Date: December 28, 2009.

Amendment Number 8 Effective Date: May 2, 2012, as corrected on November 16, 2012 (ADAMS Accession No. ML12213A170).

Amendment Number 9 Effective Date: March 11, 2014.

Amendment Number 10 Effective Date: May 31, 2016.

SAR Submitted by: Holtec International.

SAR Title: Final Safety Analysis Report for the HI–STORM 100 Cask System.

Docket Number: 72–1014.

Certificate Expiration Date: May 31, 2020.

Model Number: HI–STORM 100.

* * * * *

Dated at Rockville, Maryland, this 2nd day of March, 2016.

For the Nuclear Regulatory Commission.

Victor M. McCree,

Executive Director of Operations.

[FR Doc. 2016–05709 Filed 3–11–16; 8:45 am]

BILLING CODE 7590–01–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2016–4224; Directorate Identifier 2015–NM–170–AD]

RIN 2120–AA64

Airworthiness Directives; Bombardier, Inc. Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: We propose to adopt a new airworthiness directive (AD) for certain Bombardier, Inc. Model DHC–8–400 airplanes. This proposed AD was prompted by one in-service report of a cracked and corroded barrel nut found at the mid-spar location of the horizontal stabilizer to vertical stabilizer attachment joint. There have also been two other reports of corroded barrel nuts found at mid-spar locations. This proposed AD would require repetitive detailed inspections of each barrel nut and cradle, a check of the bolt torque of any preload indicating washer (PLI), and corrective action if necessary. We are proposing this AD to detect and correct cracked and corroded barrel nuts. This condition could compromise the structural integrity of the vertical stabilizer attachment joints, which could lead to loss of control of the airplane.

DATES: We must receive comments on this proposed AD by April 28, 2016.

ADDRESSES: You may send comments, using the procedures found in 14 CFR 11.43 and 11.45, by any of the following methods:

- *Federal eRulemaking Portal:* Go to *http://www.regulations.gov*. Follow the instructions for submitting comments.
- *Fax:* 202–493–2251.
- *Mail:* U.S. Department of Transportation, Docket Operations, M–30, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue SE., Washington, DC 20590.
- *Hand Delivery:* U.S. Department of Transportation, Docket Operations, M–30, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue SE., Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

For service information identified in this proposed AD, contact Bombardier, Inc., Q-Series Technical Help Desk, 123 Garratt Boulevard, Toronto, Ontario M3K 1Y5, Canada; telephone 416–375–4000; fax 416–375–4539; email *thd.qseries@aero.bombardier.com;* Internet *http://www.bombardier.com*. You may view this referenced service information at the FAA, Transport Airplane Directorate, 1601 Lind Avenue SW., Renton, WA. For information on the availability of this material at the FAA, call 425–227–1221.

Examining the AD Docket

You may examine the AD docket on the Internet at *http://www.regulations.gov* by searching for and locating Docket No. FAA–2016–4224; or in person at the Docket Management Facility between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this proposed AD, the regulatory evaluation, any comments received, and other information. The street address for the Docket Operations office (telephone 800–647–5527) is in the **ADDRESSES** section. Comments will be available in the AD docket shortly after receipt.

FOR FURTHER INFORMATION CONTACT: Aziz Ahmed, Aerospace Engineer, Airframe and Mechanical Systems Branch, ANE–171, FAA, New York Aircraft Certification Office (ACO), 1600 Stewart Avenue, Suite 410, Westbury, N Y 11590; telephone 516–228–7329; fax 516–794–5531.

SUPPLEMENTARY INFORMATION:

Comments Invited

We invite you to send any written relevant data, views, or arguments about this proposed AD. Send your comments to an address listed under the **ADDRESSES** section. Include ''Docket No. FAA–2016–4224; Directorate Identifier 2015–NM–170–AD'' at the beginning of your comments. We specifically invite comments on the overall regulatory, economic, environmental, and energy aspects of this proposed AD. We will consider all comments received by the closing date and may amend this proposed AD based on those comments.

We will post all comments we receive, without change, to *http://www.regulations.gov,* including any personal information you provide. We will also post a report summarizing each substantive verbal contact we receive about this proposed AD.

Discussion

Transport Canada Civil Aviation (TCCA), which is the aviation authority for Canada, has issued Canadian Airworthiness Directive CF–2015–13, dated June 25, 2015 (referred to after this as the Mandatory Continuing Airworthiness Information, or ''the MCAI''), to correct an unsafe condition for certain Bombardier, Inc. Model DHC–8–400 airplanes. The MCAI states:

> There has been one in-service report of a cracked and corroded barrel nut, part number (P/N) DSC228–12, found at the mid-spar location of the horizontal stabilizer to vertical stabilizer attachment joint. There have also been two other reports of corroded barrel nuts found at mid-spar locations.
>
> Preliminary investigation determined that the cracking is initiated by corrosion. The corrosion may have been caused by inadequate cadmium plating on the barrel nut. Failure of the barrel nuts could compromise the structural integrity of the joint and could lead to loss of control of the aeroplane.
>
> This [Canadian] AD mandates initial and repetitive inspections of the barrel nuts [and cradles for cracks and corrosion] at each horizontal stabilizer to vertical stabilizer attachment joints.

Required actions include a bolt preload check of any PLI washers and applicable corrective actions (retorque of the bolts and replacement of the barrel nut), a detailed inspection of cracked or broken barrel nuts for damaged bores of the fittings, replacement of barrel nuts, and repair of damage and corrosion.

You may examine the MCAI in the AD docket on the Internet at *http://www.regulations.gov* by searching for and locating Docket No. FAA–2016–4224.

Related Service Information Under 1 CFR Part 51

Bombardier, Inc. has issued Alert Service Bulletin A84–55–04, Revision A, dated June 2, 2015. The service information describes procedures for a detailed inspection of the barrel nuts and cradles for cracks and corrosion, a bolt preload check of any PLI washers and applicable corrective actions, a detailed inspection for corrosion and damage of the bores of the fittings, replacement of the barrel nuts, and repair of damage and corrosion.

Bombardier has issued Bombardier Repair Drawing (RD) 8/4–55–1143, Issue 1, dated May 21, 2015. The service information describes procedures for repairing corrosion and damage of the bore of the fitting.

This service information is reasonably available because the interested parties have access to it through their normal

course of business or by the means identified in the **ADDRESSES** section.

FAA's Determination and Requirements of This Proposed AD

This product has been approved by the aviation authority of another country, and is approved for operation in the United States. Pursuant to our bilateral agreement with the State of Design Authority, we have been notified of the unsafe condition described in the MCAI and service information referenced above. We are proposing this AD because we evaluated all pertinent information and determined an unsafe condition exists and is likely to exist or develop on other products of the same type design.

Costs of Compliance

We estimate that this proposed AD affects 76 airplanes of U.S. registry.

We also estimate that it would take about 6 work-hours per product to comply with the basic requirements of this proposed AD and 1 work-hour per product for reporting. The average labor rate is $85 per work-hour. Required parts would cost about $0 per product. Based on these figures, we estimate the cost of this proposed AD on U.S. operators to be $45,220, or $595 per product.

In addition, we estimate that any necessary follow-on actions would take about 4 work-hours, and require parts costing $8,881, for a cost of $9,221 per product. We have no way of determining the number of aircraft that might need this action.

Paperwork Reduction Act

A federal agency may not conduct or sponsor, and a person is not required to respond to, nor shall a person be subject to penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a current valid OMB control number. The control number for the collection of information required by this proposed AD is 2120–0056. The paperwork cost associated with this proposed AD has been detailed in the Costs of Compliance section of this document and includes time for reviewing instructions, as well as completing and reviewing the collection of information. Therefore, all reporting associated with this proposed AD is mandatory. Comments concerning the accuracy of this burden and suggestions for reducing the burden should be directed to the FAA at 800 Independence Ave. SW., Washington, DC 20591, ATTN: Information Collection Clearance Officer, AES–200.

Authority for This Rulemaking

Title 49 of the United States Code specifies the FAA's authority to issue rules on aviation safety. 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.

We are issuing this rulemaking under the authority described in ''Subtitle VII, Part A, Subpart III, Section 44701: General requirements.'' Under that section, Congress charges the FAA with promoting safe flight of civil aircraft in air commerce by prescribing regulations for practices, methods, and procedures the Administrator finds necessary for safety in air commerce. This regulation is within the scope of that authority because it addresses an unsafe condition that is likely to exist or develop on products identified in this rulemaking action.

Regulatory Findings

We determined that this proposed AD would not have federalism implications under Executive Order 13132. This proposed AD would not have a substantial direct effect on the States, on the relationship between the national Government and the States, or on the distribution of power and responsibilities among the various levels of government.

For the reasons discussed above, I certify this proposed regulation:

1. Is not a ''significant regulatory action'' under Executive Order 12866;

2. Is not a ''significant rule'' under the DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979);

3. Will not affect intrastate aviation in Alaska; and

4. Will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Incorporation by reference, Safety.

The Proposed Amendment

Accordingly, under the authority delegated to me by the Administrator, the FAA proposes to amend 14 CFR part 39 as follows:

PART 39—AIRWORTHINESS DIRECTIVES

■ 1. The authority citation for part 39 continues to read as follows:

Authority: 49 U.S.C. 106(g), 40113, 44701.

§ 39.13 [Amended]

■ 2. The FAA amends § 39.13 by adding the following new airworthiness directive (AD):

Bombardier, Inc.: Docket No. FAA–2016–4224; Directorate Identifier 2015–NM–170–AD.

(a) Comments Due Date

We must receive comments by April 28, 2016.

(b) Affected ADs

None.

(c) Applicability

This AD applies to Bombardier, Inc. Model DHC–8–400 airplanes, certificated in any category, serial numbers 4001 and subsequent.

(d) Subject

Air Transport Association (ATA) of America Code 55, Stablizers.

(e) Reason

This AD was prompted by one in-service report of a cracked and corroded barrel nut, part number DSC228–12, found at the mid-spar location of the horizontal stabilizer to vertical stabilizer attachment joint. There have also been two other reports of corroded barrel nuts found at mid-spar locations. We are issuing this AD to detect and correct cracked and corroded barrel nuts. This condition could compromise the structural integrity of the vertical stabilizer attachment joints, which could lead to loss of control of the airplane.

(f) Compliance

Comply with this AD within the compliance times specified, unless already done.

(g) Detailed Inspection of Barrel Nuts for Cracks and Corrosion

(1) For airplanes that have accumulated 5,400 flight hours or more, or have been in service 32 months or more since the date of issuance of the original certificate of airworthiness or the date of issuance of the original export certificate of airworthiness as of the effective date of this AD: Within 600 flight hours or 4 months, whichever occurs first, after the effective date of this AD, do a detailed visual inspection for signs of cracks and corrosion of the barrel nut and cradle, in accordance with the Accomplishment Instructions of Bombardier Alert Service Bulletin A84–55–04, Revision A, dated June 2, 2015.

(2) For airplanes that have less than 5,400 flight hours, and have been in-service for less than 32 months since the date of issuance of the original certificate of airworthiness or the date of issuance of the original export certificate of airworthiness as of the effective date of this AD: Before the accumulation of 6,000 total flight hours or 36 months since the date of issuance of the original certificate of airworthiness or the date of issuance of the original export certificate of airworthiness, whichever occurs first, do a detailed visual inspection of the barrel nut for signs of cracks and corrosion of the barrel nut and cradle, in

accordance with the Accomplishment Instructions of Bombardier Alert Service Bulletin A84–55–04, Revision A, dated June 2, 2015.

(h) Corrective Actions, Detailed Inspection, and Repetitive Inspections

Depending on the findings of any inspection required by paragraphs (g) and (j) of this AD, do the applicable actions in paragraphs (h)(1), (h)(2), and (h)(3) of this AD.

(1) If any barrel nut or cradle is found cracked or broken, before further flight, replace the barrel nut and associated hardware, in accordance with the Accomplishment Instructions of Bombardier Alert Service Bulletin A84–55–04, Revision A, dated June 2, 2015.

(i) Concurrently with the replacement of any barrel nut, do a detailed inspection for corrosion and damage of the bore of the fitting, in accordance with the Accomplishment Instructions of Bombardier Alert Service Bulletin A84–55–04, Revision A, dated June 2, 2015, and, before further flight, repair all corrosion and damage, in accordance with Bombardier Repair Drawing (RD) RD 8/4–55–1143, Issue 1, dated May 21, 2015. If the bore of the fitting cannot be repaired in accordance with Bombardier RD 8/4–55–1143, Issue 1, dated May 21, 2015, repair before further flight using a method approved by the Manager, New York ACO, ANE–170, FAA; or Transport Canada Civil Aviation (TCCA); or Bombardier, Inc.'s TCCA Design Approval Organization (DAO).

(ii) Within 600 flight hours or 4 months, whichever occurs first, after the replacement of a cracked barrel nut, replace the remaining barrel nuts and their associated hardware at the horizontal stabilizer to vertical stabilizer attachment joints, in accordance with the Accomplishment Instructions of Bombardier Alert Service Bulletin A84–55–04, Revision A, dated June 2, 2015.

(2) If any corrosion is found on any barrel nut on the front or rear-spar joints, before further flight, replace the barrel nut using a method approved by the Manager, New York ACO, ANE–170, FAA; or TCCA; or Bombardier, Inc.'s TCCA DAO.

(3) If any corrosion above level 1, as defined in Bombardier Alert Service Bulletin A84–55–04, Revision A, dated June 2, 2015, is found on a barrel nut at the mid-spar joint, before further flight, replace the barrel nut using a method approved by the Manager, New York ACO, ANE–170, FAA; or TCCA; or Bombardier, Inc.'s TCCA DAO.

(4) If all corrosion found is at level 1 or below, as defined in Bombardier Service Bulletin A84–55–04, Revision A, dated June 2, 2015, on a barrel nut at the mid-spar joint, repeat the inspection specified in paragraph (g) of this AD at intervals not to exceed 600 flight hours or 4 months, whichever occurs first, until completion of the actions required by paragraph (k) of this AD.

(i) Preload Indicating (PLI) Washers Check

For airplanes with PLI washers installed at the front and rear spar joints, before further flight after accomplishing any inspection required by (g) of this AD and all applicable corrective actions required by paragraph (h) of this AD, check the bolt preload, and do all applicable corrective actions, in accordance with the Accomplishment Instructions of Bombardier Alert Service Bulletin A84–55–04, Revision A, dated June 2, 2015. Do all applicable corrective actions before further flight.

(j) Repetitive Inspection Interval

Repeat the inspection and preload check required by paragraphs (g) and (i) of this AD at intervals not to exceed 3,600 flight hours or 18 months, whichever occurs first, except as provided by paragraph (k) of this AD.

(k) Optional Barrel Nut Replacement

Inspection and replacement of all barrel nuts at the horizontal stabilizer to vertical stabilizer attachment joints, in accordance with the Accomplishment Instructions of Bombardier Alert Service Bulletin A84–55–04, Revision A, dated June 2, 2015, extends the next inspection required by paragraph (j) of this AD to within 6,000 flight hours or 36 months, whichever occurs first, after accomplishing the replacement.

(l) Reporting Requirements

At the applicable time specified in paragraph (l)(1) or (l)(2) of this AD, submit a report of the findings (both positive and negative) of each inspection required by this AD to Technical Help Desk—Qseries, telephone: 416–375–4000, fax: 416–375–4539, email: *thd.qseries@aero.bombardier.com,* using the inspection form in Bombardier Alert Service Bulletin A84–55–04, Revision A, dated June 2, 2015.

(1) If the inspection was done on or after the effective date of this AD: Submit the report within 30 days after the inspection.

(2) If the inspection was done before the effective date of this AD: Submit the report within 30 days after the effective date of this AD.

(m) Credit for Previous Actions

This paragraph provides credit for actions required by paragraph (g) of this AD, if those actions were performed before the effective date of this AD using Bombardier Alert Service Bulletin A84–55–04, dated May 21, 2015, which is not incorporated by reference in this AD.

(n) Other FAA AD Provisions

The following provisions also apply to this AD:

(1) *Alternative Methods of Compliance (AMOCs):* The Manager, New York ACO, ANE–170, FAA, has the authority to approve AMOCs for this AD, if requested using the procedures found in 14 CFR 39.19. In accordance with 14 CFR 39.19, send your request to your principal inspector or local Flight Standards District Office, as appropriate. If sending information directly to the ACO, send it to ATTN: Program Manager, Continuing Operational Safety, FAA, New York ACO, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; telephone 516–228–7300; fax 516–794–5531. Before using any approved AMOC, notify your appropriate principal inspector, or lacking a principal inspector, the manager of the local flight standards district office/certificate holding district office. The AMOC approval letter must specifically reference this AD.

(2) *Contacting the Manufacturer:* For any requirement in this AD to obtain corrective actions from a manufacturer, the action must be accomplished using a method approved by the Manager, New York ACO, ANE–170, FAA; or TCCA; or Bombardier, Inc.'s TCCA DAO. If approved by the DAO, the approval must include the DAO-authorized signature.

(3) *Reporting Requirements:* A federal agency may not conduct or sponsor, and a person is not required to respond to, nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a current valid OMB Control Number. The OMB Control Number for this information collection is 2120–0056. Public reporting for this collection of information is estimated to be approximately 5 minutes per response, including the time for reviewing instructions, completing and reviewing the collection of information. All responses to this collection of information are mandatory. Comments concerning the accuracy of this burden and suggestions for reducing the burden should be directed to the FAA at: 800 Independence Ave. SW., Washington, DC 20591, Attn: Information Collection Clearance Officer, AES–200.

(o) Related Information

(1) Refer to Mandatory Continuing Airworthiness Information (MCAI) Canadian Airworthiness Directive CF–2015–13, dated June 25, 2015, for related information. This MCAI may be found in the AD docket on the Internet at *http://www.regulations.gov* by searching for and locating Docket No. FAA–2016–4224.

(2) For service information identified in this AD, contact Bombardier, Inc., Q-Series Technical Help Desk, 123 Garratt Boulevard, Toronto, Ontario M3K 1Y5, Canada; telephone 416–375–4000; fax 416–375–4539; email *thd.qseries@aero.bombardier.com;* Internet *http://www.bombardier.com.* You may view this service information at the FAA, Transport Airplane Directorate, 1601 Lind Avenue SW., Renton, WA. For information on the availability of this material at the FAA, call 425–227–1221.

Issued in Renton, Washington, on March 3, 2016.

Michael Kaszycki,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 2016–05607 Filed 3–11–16; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2016–4223; Directorate Identifier 2015–NM–108–AD]

RIN 2120–AA64

Airworthiness Directives; Gulfstream Aerospace Corporation Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: We propose to adopt a new airworthiness directive (AD) for certain Gulfstream Aerospace Corporation Model GV and GV–SP airplanes. This proposed AD was prompted by a new revision to the airworthiness limitations of the maintenance planning document based on fatigue and damage tolerance testing, and updated analysis. This proposed AD would require revising the maintenance or inspection program to update inspection requirements and life limits that address fatigue cracking of principal structural elements (PSEs). We are proposing this AD to ensure fatigue cracking of PSEs is detected and corrected; such fatigue cracking could result in reduced structural integrity of the PSEs and critical components.

DATES: We must receive comments on this proposed AD by April 28, 2016.

ADDRESSES: You may send comments, using the procedures found in 14 CFR 11.43 and 11.45, by any of the following methods:

- *Federal eRulemaking Portal:* Go to *http://www.regulations.gov.* Follow the instructions for submitting comments.
- *Fax:* 202–493–2251.
- *Mail:* U.S. Department of Transportation, Docket Operations, M–30, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue SE., Washington, DC 20590.
- *Hand Delivery:* Deliver to Mail address above between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

For service information identified in this NPRM, contact Gulfstream Aerospace Corporation, Technical Publications Dept., P.O. Box 2206, Savannah, GA 31402–2206; telephone: 800–810–4853; fax: 912–965–3520; email: *pubs@gulfstream.com;* Internet: *http://www.gulfstream.com/product_support/technical_pubs/pubs/index.htm.* You may view this referenced service information at the FAA, Transport Airplane Directorate, 1601 Lind Avenue SW., Renton, WA 98057–3356. For information on the availability of this material at the FAA, call 425–227–1221.

Examining the AD Docket

You may examine the AD docket on the Internet at *http://www.regulations.gov* by searching for and locating Docket No. FAA–2016–4223; or in person at the Docket Management Facility between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this proposed AD, the regulatory evaluation, any comments received, and other information. The street address for the Docket Office (phone: 800–647–5527) is in the **ADDRESSES** section. Comments will be available in the AD docket shortly after receipt.

FOR FURTHER INFORMATION CONTACT: Ronald Wissing, Aerospace Engineer, Airframe Branch, ACE–117A, FAA, Atlanta Aircraft Certification Office (ACO), 1701 Columbia Avenue, College Park, GA 30337; phone: 404–474–5552; fax: 404–474–5606; email: *ronald.wissing@faa.gov.*

SUPPLEMENTARY INFORMATION:

Comments Invited

We invite you to send any written relevant data, views, or arguments about this proposal. Send your comments to an address listed under the **ADDRESSES** section. Include ''Docket No. FAA–2016–4223; Directorate Identifier 2015–NM–108–AD'' at the beginning of your comments. We specifically invite comments on the overall regulatory, economic, environmental, and energy aspects of this proposed AD. We will consider all comments received by the closing date and may amend this proposed AD because of those comments.

We will post all comments we receive, without change, to *http://www.regulations.gov,* including any personal information you provide. We will also post a report summarizing each substantive verbal contact we receive about this proposed AD.

Discussion

We received a new revision to the airworthiness limitations of the maintenance planning document based on fatigue and damage tolerance testing, and updated analysis. The airworthiness limitations of the maintenance planning document update inspection requirements and life limits that address fatigue cracking of PSEs. We determined that these actions are necessary to address the identified unsafe condition. This condition, if not corrected, could result in fatigue cracking of PSEs, which could result in reduced structural integrity of the PSEs and critical components.

Related Service Information Under 1 CFR Part 51

We reviewed Gulfstream Document GV–GER–9973, Summary of Changes to the GV Series Airworthiness Limitations, Revision C, dated January 8, 2015. The service information describes inspection requirements and life limits that address fatigue cracking of the PSEs. This service information is reasonably available because the interested parties have access to it through their normal course of business or by the means identified in the **ADDRESSES** section.

FAA's Determination

We are proposing this AD because we evaluated all the relevant information and determined the unsafe condition described previously is likely to exist or develop in other products of the same type design.

Proposed AD Requirements

This proposed AD would require revising the maintenance or inspection program to update inspection requirements and life limits to detect fatigue cracking of PSEs.

This proposed AD would require revisions to certain operator maintenance documents to include new actions (*e.g.,* inspections). Compliance with these actions is required by 14 CFR 91.403(c). For airplanes that have been previously modified, altered, or repaired in the areas addressed by this AD, the operator may not be able to accomplish the actions described in the revisions. In this situation, to comply with 14 CFR 91.403(c), the operator must request approval for an alternative method of compliance (AMOC) according to paragraph (i) of this AD. The request should include a description of changes to the required actions that will ensure the continued operational safety of the airplane.

Differences Between This Proposed AD and the Service Information

Section 4.0, ''Excluded Aircraft Due to Special Operation or Modifications,'' of Gulfstream Document GV–GER–9973, Summary of Changes to the GV Series Airworthiness Limitations, Revision C, dated January 8, 2015, states that aircraft on which the listed supplemental type certificates (STCs) have been accomplished are excluded from the effectivity of that document. However, we have determined that these airplanes could have inspections and limits specified in Gulfstream Document GV–

GER–9973, Summary of Changes to the GV Series Airworthiness Limitations, Revision C, dated January 8, 2015, that are applicable and, therefore, those airplanes are included in the applicability of this proposed AD. The referenced STCs provide a specific airworthiness limitation section (ALS). An operator that has one of these STCs installed may be able to review their installation and the ALS revisions being mandated, and develop an alternate program. The alternate program may be submitted for approval as an AMOC under the provisions of paragraph (i) of this proposed AD. We have coordinated this difference with Gulfstream.

Costs of Compliance

We estimate that this proposed AD affects 392 airplanes of U.S. registry.

We estimate the following costs to comply with this proposed AD:

ESTIMATED COSTS

Action	Labor cost	Parts cost	Cost per product	Cost on U.S. operators
Revise the maintenance or inspection program	1 work-hour × $85 per hour = $85	$0	$85	$33,320.

Authority for This Rulemaking

Title 49 of the United States Code specifies the FAA's authority to issue rules on aviation safety. 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.

We are issuing this rulemaking under the authority described in Subtitle VII, Part A, Subpart III, Section 44701: ''General requirements.'' Under that section, Congress charges the FAA with promoting safe flight of civil aircraft in air commerce by prescribing regulations for practices, methods, and procedures the Administrator finds necessary for safety in air commerce. This regulation is within the scope of that authority because it addresses an unsafe condition that is likely to exist or develop on products identified in this rulemaking action.

Regulatory Findings

We determined that this proposed AD would not have federalism implications under Executive Order 13132. This proposed AD would not have a substantial direct effect on the States, on the relationship between the national Government and the States, or on the distribution of power and responsibilities among the various levels of government.

For the reasons discussed above, I certify this proposed regulation:

(1) Is not a ''significant regulatory action'' under Executive Order 12866,

(2) Is not a ''significant rule'' under the DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979),

(3) Will not affect intrastate aviation in Alaska, and

(4) Will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Incorporation by reference, Safety.

The Proposed Amendment

Accordingly, under the authority delegated to me by the Administrator, the FAA proposes to amend 14 CFR part 39 as follows:

PART 39—AIRWORTHINESS DIRECTIVES

■ 1. The authority citation for part 39 continues to read as follows:

Authority: 49 U.S.C. 106(g), 40113, 44701.

§ 39.13 [Amended]

■ 2. The FAA amends § 39.13 by adding the following new airworthiness directive (AD):

Gulfstream Aerospace Corporation: Docket No. FAA–2016–4223; Directorate Identifier 2015–NM–108–AD.

(a) Comments Due Date

We must receive comments by April 28, 2016.

(b) Affected ADs

None.

(c) Applicability

This AD applies to Gulfstream Aerospace Corporation Model GV airplanes, serial numbers 501 through 693 inclusive and serial number 699; and Model GV–SP airplanes, serial numbers 5001 through 5433 inclusive; certificated in any category.

(d) Subject

Air Transport Association (ATA) of America Code 32, Landing Gear; 53, Fuselage; 54, Nacelles/Pylons; 55, Stabilizers; and 57, Wings.

(e) Unsafe Condition

This AD was prompted by a new revision to the airworthiness limitations of the maintenance planning document based on fatigue and damage tolerance testing, and updated analysis. We are issuing this AD to ensure fatigue cracking of principal structural elements (PSEs) is detected and corrected; such fatigue cracking could result in reduced structural integrity of the PSEs and critical components.

(f) Compliance

Comply with this AD within the compliance times specified, unless already done.

(g) Revise Maintenance or Inspection Program

Within 12 months after the effective date of this AD, revise the maintenance or inspection program, as applicable, to incorporate the airworthiness limitations specified in Gulfstream Document GV–GER–9973, Summary of Changes to the GV Series Airworthiness Limitations, Revision C, dated January 8, 2015. The initial compliance times for the tasks identified in Gulfstream Document GV–GER–9973, Summary of Changes to the GV Series Airworthiness Limitations, Revision C, dated January 8, 2015, are at the applicable times specified in Gulfstream Document GV–GER–9973, Summary of Changes to the GV Series Airworthiness Limitations, Revision C, dated January 8, 2015, or within twelve months after the effective date of this AD, whichever occurs later.

Note 1 to paragraph (g) of this AD: For Model GV airplanes, the airplane maintenance manual (AMM) is currently at Revision 43, dated February 15, 2015. For Model GV–SP airplanes, the G500 AMM is currently at Revision 24, dated February 15, 2015, and the G550 AMM is currently at Revision 24, dated February 15, 2015.

(h) No Alternative Actions or Intervals

After the maintenance or inspection program has been revised as required by paragraph (g) of this AD, no alternative actions (*e.g.,* inspections) or intervals may be used unless the actions or intervals are approved as an alternative method of compliance (AMOC) in accordance with the procedures specified in paragraph (i) of this AD.

(i) Alternative Methods of Compliance (AMOCs)

(1) The Manager, Atlanta ACO, FAA, has the authority to approve AMOCs for this AD, if requested using the procedures found in 14 CFR 39.19. In accordance with 14 CFR 39.19, send your request to your principal inspector or local Flight Standards District Office, as

appropriate. If sending information directly to the manager of the ACO, send it to the attention of the person identified in paragraph (j)(1) of this AD.

(2) Before using any approved AMOC, notify your appropriate principal inspector, or lacking a principal inspector, the manager of the local flight standards district office/certificate holding district office.

(j) Related Information

(1) For more information about this AD, contact Ronald Wissing, Aerospace Engineer, Airframe Branch, ACE–117A, FAA, Atlanta ACO, 1701 Columbia Avenue, College Park, GA 30337; phone: 404–474–5552; fax: 404–474–5606; email: *ronald.wissing@faa.gov.*

(2) For service information identified in this AD, contact Gulfstream Aerospace Corporation, Technical Publications Dept., P.O. Box 2206, Savannah, GA 31402–2206; telephone: 800–810–4853; fax: 912–965–3520; email: *pubs@gulfstream.com;* Internet: *http://www.gulfstream.com/product_support/technical_pubs/pubs/index.htm.* You may view this referenced service information at the FAA, Transport Airplane Directorate, 1601 Lind Avenue SW., Renton, WA 98057–3356. For information on the availability of this material at the FAA, call 425–227–1221.

Issued in Renton, WA, on March 3, 2016.

Michael Kaszycki,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 2016–05606 Filed 3–11–16; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2009–0559; Directorate Identifier 2008–SW–66–AD]

RIN 2120–AA64

Airworthiness Directives; Sikorsky Aircraft Corporation (Sikorsky) Helicopters

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Proposed rule; withdrawal.

SUMMARY: The FAA is withdrawing a notice of proposed rulemaking (NPRM). The NPRM proposed a new airworthiness directive (AD) for Sikorsky Model S–92A helicopters. The proposed action would have required revising the Limitations section of the Rotorcraft Flight Manual (RFM) to clarify that the Model S–92A helicopter was certificated as a transport category rotorcraft in both Categories A and B with different operating limitations for each category and must be operated accordingly. Since we issued the NPRM, we have determined that operating the helicopter in Category B with 10 or more passenger seats is not an unsafe condition but an inconsistency with 14 CFR 29.1(c). Accordingly, we withdraw the proposed rule.

DATES: As of March 14, 2016, the proposed rule to amend 14 CFR part 39 published June 19, 2009 (74 FR 29148) is withdrawn.

FOR FURTHER INFORMATION CONTACT: John Coffey, Flight Test Engineer, Boston Aircraft Certification Office, Engine & Propeller Directorate, FAA, 1200 District Avenue, Burlington, Massachusetts 01803; telephone (781) 238–7173; email *john.coffey@faa.gov.*

SUPPLEMENTARY INFORMATION: The FAA proposed to amend 14 CFR part 39 to add a new AD (74 FR 29148, June 19, 2009) for Sikorsky Model S–92A helicopters. The NPRM proposed to require revising the Limitations section of the RFM by clarifying that the Model S–92A helicopter was certificated as a transport category rotorcraft in both Categories A and B with different operating limitations for each category and must be operated accordingly. When the Model S–92A is configured with 10 or more passenger seats, it is a Category A helicopter, and operators must follow the limitations for Category A. When it is configured with 9 or fewer passenger seats, it may be considered a Category B helicopter, and operators may follow the less stringent Category B limitations. At the time the NPRM was published, the limitation language in the RFM did not make a clear distinction between Category A and Category B based on the seating configuration. The proposed actions were intended to prevent operating under less stringent requirements.

Actions Since NPRM (74 FR 29148, June 19, 2009) Was Issued

Since we issued the NPRM (74 FR 29148, June 19, 2009), one commenter noted the proposed AD misinterprets certification rules as operational rules. We considered the comment and re-evaluated the details that went into the determination of the unsafe condition for this concern. We determined that operating the helicopter in Category B with 10 or more passengers is not an unsafe condition, and the associated level of risk does not warrant AD action. Rather, this was an inconsistency with 14 CFR 29.1(c). Sikorsky has since revised the RFM to clarify that a helicopter configured with a maximum of 19 passenger seats must be operated as a Category A but if configured with 9 or fewer passenger seats may be operated as a Category B. This action mitigates the inconsistency with 14 CFR 29.1(c).

Withdrawal of the NPRM constitutes only such action and does not preclude the agency from issuing another notice in the future nor does it commit the agency to any course of action in the future.

Since this action only withdraws an NPRM, it is neither a proposed nor a final rule; therefore, it is not covered under Executive Order 12866, the Regulatory Flexibility Act, or DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979).

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Incorporation by reference, Safety.

The Withdrawal

Accordingly, the notice of proposed rulemaking, Docket No. FAA–2009–0559; Directorate Identifier 2008–SW–66–AD, published in the **Federal Register** on June 19, 2009 (74 FR 29148), is withdrawn.

Issued in Fort Worth, Texas, on March 4, 2016.

Scott A. Horn,

Acting Manager, Rotorcraft Directorate, Aircraft Certification Service.

[FR Doc. 2016–05517 Filed 3–11–16; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

15 CFR Part 922

[Docket No. 140207122–4122–01]

RIN 0648–BD97

Withdrawal of Hawaiian Islands Humpback Whale National Marine Sanctuary Proposed Regulations

AGENCY: Office of National Marine Sanctuaries (ONMS), National Oceanic and Atmospheric Administration (NOAA), Department of Commerce (DOC).

ACTION: Notice of proposed rulemaking; withdrawal.

SUMMARY: This action withdraws a notice of proposed rulemaking (NPRM) published in the **Federal Register** on March 26, 2015 (80 FR 16224), to amend the regulations for the Hawaiian Islands Humpback Whale National Marine Sanctuary (HIHWNMS or sanctuary) and to revise the sanctuary's terms of designation and management plan.

ADDRESSES: For copies of related documents, you may obtain these through either of the following methods:

- Copies of the draft environmental impact statement and proposed rule being withdrawn can be downloaded or viewed on the internet at *www.regulations.gov* (search for docket ''NOAA–NOS–2015–0028'') or at *http://hawaiihumpbackwhale.noaa.gov.*
- *Mail:* Hawaiian Islands Humpback Whale National Marine Sanctuary, NOAA/DKIRC, 1845 Wasp Blvd., Bldg 176, Honolulu, HI 96818, Attn: Malia Chow, Superintendent.

FOR FURTHER INFORMATION CONTACT: Malia Chow, Superintendent, Hawaiian Islands Humpback Whale National Marine Sanctuary at 808–725–5901 or *hihwmanagementplan@noaa.gov*

SUPPLEMENTARY INFORMATION:

I. Background

A. Regulatory Background

The Hawaiian Islands Humpback Whale National Marine Sanctuary covers approximately 1,031.4 square nautical miles (1,366 square miles) of federal and state waters in the Hawaiian Islands, approximately 70% of which is in State waters. The sanctuary lies within the shallow warm waters surrounding the main Hawaiian Islands, which are a nationally significant marine environment. Congress designated the sanctuary in 1992 through the Hawaiian Islands National Marine Sanctuary Act (HINMSA, Subtitle C of the Oceans Act of 1992, Pub. L. 102–587), which declared that the purposes of the sanctuary were to: (1) Protect humpback whales and their habitat; (2) educate and interpret for the public the relationship of humpback whales to the Hawaiian Islands marine environment; (3) manage human uses of the sanctuary consistent with the Act and the National Marine Sanctuaries Act (NMSA); and (4) provide for the identification of marine resources and ecosystems of national significance for possible inclusion in the sanctuary.

The sanctuary is co-managed by NOAA and the State of Hawai'i (State) through a compact agreement signed in 1998. This agreement clarifies the relative jurisdiction, authority, and conditions of the NOAA-State partnership for managing the sanctuary. The Hawai'i Department of Land and Natural Resources (DLNR) serves as the lead agency for the State's co-management of the sanctuary.

As noted above, an express purpose of the HINMSA is to provide for the identification of marine resources and ecosystems of national significance for possible inclusion in the HIHWNMS. Consistent with this purpose, the 2010 sanctuary management plan review process (75 FR 40759) provided an opportunity to consider the value of marine resources and ecosystems of Hawai'i, assess existing threats and protections to these valuable resources, and determine where NOAA can provide added value to the resource management efforts provided by the State and other federal agencies.

B. Public Review Process

On July 14, 2010, NOAA formally initiated the sanctuary management plan review public scoping process by publishing a notice of intent in the **Federal Register** (75 FR 40759). That notice informed the public that NOAA was initiating a review of its sanctuary management plan and regulations and preparing an associated environmental impact statement (EIS). On March 20, 2015, NOAA released a draft environmental impact statement (DEIS) and draft management plan for the HIHWNMS (80 FR 15001) for public comment. On March 26, 2015, NOAA published a notice of proposed rulemaking in the **Federal Register** (80 FR 16223) proposing to expand the size and scope of the HIHWNMS through revisions to the existing sanctuary regulations provided at 15 CFR part 922, subpart Q.

The proposed rule would have changed the focus of the sanctuary from management of a single species (humpback whales and their habitat) to a broader, ecosystem-based management approach that applied the same definition of sanctuary resources as applies to the other 12 national marine sanctuaries. Under 15 CFR 922.3, this includes any living or non-living resource of a National Marine Sanctuary that contributes to the conservation, recreational, ecological, historical, research, educational, or aesthetic value of the Sanctuary. The resources include but are not limited to the substratum of the area of the Sanctuary, other submerged features and the surrounding seabed, carbonate rock, corals and other bottom formations, coralline algae and other marine plants and algae, marine invertebrates, brineseep biota, phytoplankton, zooplankton, fish, seabirds, sea turtles and other marine reptiles, marine mammals and historical resources. NOAA also proposed adding an additional 255 square miles to the sanctuary increasing its total area to 1,621 square miles.

The public comment period on the proposed rule and associated draft management plan and DEIS closed on June 19, 2015. NOAA received 15,337 submissions from individuals, organizations, companies and agencies. NOAA also held 11 public meetings attended by over 739 people to gather public comments. Comments received covered a range of specific issues, which included the following themes: (1) Support for activities that continue to protect and help the recovery of humpback whales; (2) support for the management plan activities that were non-regulatory, and for which the sanctuary program is known, such as education and outreach; (3) support and opposition to ecosystem-based management; (4) opposition to a boundary expansion to include the waters around Niihau; (5) concerns about additional and redundant federal regulations; (6) concerns about the designation of Maunalua Bay as a Special Sanctuary Management Area; (7) support for increased funding for the Department of Land and Natural Resources; (8) questions about co-management with the State of Hawaii; and (9) questions about the need for the sanctuary in light of an increased humpback whale population. NOAA also received comments that were general in nature and not directly related to the specific aspects of the proposal. These comments expressed concerns about the federal government and state rights, impacts on fishing rights, access restrictions to areas, and negative economic impacts. Comments also expressed a general support for continued whale conservation.

On June 19, 2015, NOAA received a letter with detailed comments from various entities within the State, including DLNR; the Department of Business, Economic Development, and Tourism's Office of Planning and Hawai'i State Energy Office; the Department of Hawaiian Home Lands; the Department of Health Environmental Health Administration; the Department of Transportation; the Natural Energy Laboratory of Hawaii Authority; the Office of Environmental Quality Control; and the Aha Moku Advisory Committee. The letter detailed the State's feedback on the proposal and included support for HIHWNMS engaging in more management activities such as outreach, research, enforcement, and planning. However, the State was not supportive of any additional federal regulations as described in the proposal. In its comments, the State expressed concerns that, in its view: (1) The proposed additional federal regulations were redundant in light of existing State regulations; (2) the proposed regulatory language was overly broad and would lead to implementation challenges; (3) the DEIS did not adequately consider

current state and county regulations; and (4) the DEIS did not include adequate analysis of the economic, social, and cultural impacts of the proposal. The State recommended that the HIHWNMS should instead focus on regulatory gaps and avoid duplicating existing regulations.

The Sanctuary Advisory Council (SAC) formed a working group to evaluate the Draft Management Plan and DEIS and to provide recommendations to the SAC. At the July 20, 2015, SAC meeting in Honolulu, the council voted to support the full recommendations as formulated by the working group and forward them to sanctuary management. The SAC voted to support the transition to ecosystem-based management, and was supportive of the sanctuary's proposed work on key issues and geographies, while recognizing the importance of co-management between NOAA and the State.

II. Basis for Withdrawing the Proposed Rule

Throughout the management plan review process and following the end of public comment period, NOAA and DLNR as co-managers engaged in a dialog to consider how to address the issues raised during the management plan review process, including the concerns from the State agencies. On January 22, 2016, NOAA received a letter from DLNR expressing concerns that expanding the HIHWNMS to an ecosystem-based sanctuary would provide a new definition of sanctuary resources that could restrict the State's ability to recover damages for violations of state laws and rules governing natural resources within the sanctuary. The State expressed support for the concept of ecosystem-based management but did not support the expanded definition of sanctuary resources in state waters. DLNR requested that HIHWNMS consider adding additional marine mammals, but not their habitat, as sanctuary resources, citing this as a way for the sanctuary to further build on its unique strengths and complement existing state functions. On January 26, 2016, NOAA responded to DLNR's letter and expressed NOAA's view that adding marine mammals without including their habitat would be inconsistent with the National Marine Sanctuaries Act. It is NOAA's view that the definition of ''sanctuary resource'' (16 U.S.C. 1432) does not allow NOAA to exclude habitat since habitat clearly ''contributes to the value of the sanctuary.'' This view of the definition is consistent with the March 2015 DEIS which analyzed the proposal to expand the purpose of the national marine sanctuary.

Under the National Marine Sanctuaries Act (16 U.S.C. 1434(b)(1)), and the terms of the 1998 compact agreement, the Governor of Hawai'i would have the ability to formally object to the proposed changes to the HIHWNMS before any change were finalized in State waters. Given the respective positions of NOAA and DLNR on the proposal, and NOAA's desire to continue effective co-management of the sanctuary with the State, NOAA has decided to withdraw this proposal in light of the Governor's likely objection. NOAA will continue to co-manage the current humpback whale-focused sanctuary with the State of Hawai'i.

III. Withdrawal

In consideration of the foregoing, NOAA hereby withdraws the NPRM for NOAA Docket No. NOAA–NOS–2015–0028, as published in the **Federal Register** on March 26, 2015 (80 FR 16223).

Dated: March 2, 2016.

John Armor,

Acting Director, Office of National Marine Sanctuaries.

[FR Doc. 2016–05452 Filed 3–11–16; 8:45 am]

BILLING CODE 3510–NK–P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 1

[REG–129067–15]

RIN 1545–BM99

Definition of Political Subdivision; Correction

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Correction to notice of proposed rulemaking.

SUMMARY: This document contains corrections to a notice of proposed rulemaking and notice of public hearing (REG–129067–15) published in the **Federal Register** on Tuesday, February 23, 2016, (81 FR 8870) that specifies the elements of a political subdivision for purposes of tax-exempt bonds. The corrections amend the applicability dates of the proposed definition of political subdivision to provide transition rules with respect to bonds issued before the general applicability date and certain refunding bonds.

DATES: Written or electronic comments for the notice of proposed rulemaking and notice of public hearing published at 81 FR 8870, February 23, 2016, are still being accepted and must be received by May 23, 2016. Request to speak and outlines of topics to be discussed at the public hearing scheduled for June 6, 2016, at 10:00 a.m., are also still being accepted and must be received by May 23, 2016.

ADDRESSES: Send submissions to: CC:PA:LPD:PR (REG–129067–15), Internal Revenue Service, P.O. Box 7604, Ben Franklin Station, Washington, DC 20044. Submissions may be hand delivered to: CC:PA:LPD:PR Monday through Friday between the hours of 8 a.m. and 4 p.m. to CC:PA:LPD:PR (REG–129067–15), Courier's Desk, Internal Revenue Service, 1111 Constitution Avenue NW., Washington, DC 20224 or sent electronically via the Federal eRulemaking Portal at *www.regulations.gov* (REG–129067–15). The public hearing will be held at the Internal Revenue Building, 1111 Constitution Avenue NW., Washington, DC.

FOR FURTHER INFORMATION CONTACT: Concerning the correction to the proposed regulations, Spence Hanemann at (202) 317–6980; concerning submissions of comments and the hearing, Oluwafunmilayo (Funmi) Taylor at (202) 317–6901 (not toll-free numbers).

SUPPLEMENTARY INFORMATION:

Background

The notice of proposed rulemaking and notice of public hearing that is the subject of this correction is under section 103 of the Internal Revenue Code.

Need for Correction

As published in the **Federal Register** (81 FR 8870, February 23, 2016), § 1.103–1(c) of the notice of proposed rulemaking and notice of public hearing proposes a new definition of political subdivision. Section 1.103–1(d)(1) provides that, except as otherwise provided in §§ 1.103–1(d)(2) through (4), § 1.103–1 (including § 1.103–1(c)) applies to all entities for all purposes of sections 103 and 141 through 150 beginning on the date 90 days after the publication of the Treasury decision adopting the rules as final regulations in the **Federal Register**. Section 1.103–1(d)(2) provides that, for purposes of determining whether bonds are obligations of a political subdivision under section 103, the definition of political subdivision in § 1.103–1(c) does not apply to an entity with respect to bonds that are issued before the general applicability date under § 1.103–1(d)(1). Section 1.103–1(d)(3)

provides that, for purposes of determining whether refunding bonds of an entity are obligations of a political subdivision under section 103, the definition of political subdivision in § 1.103–1(c) does not apply to an entity with respect to refunding bonds that are issued on or after the general applicability date under § 1.103–1(d)(1) to refund bonds with respect to which § 1.103–1(c) otherwise does not apply, provided the weighted average maturity of the refunding bonds is no longer than the remaining weighted average maturity of the refunded bonds. Section 1.103–1(d)(4) provides that, for existing entities that are created or organized before March 24, 2016, the definition of political subdivision in § 1.103–1(c) does not apply for any purpose of sections 103 and 141 to 150 during the three-year period beginning on the general applicability date under § 1.103–1(d)(1).

After publication of the notice of proposed rulemaking and notice of public hearing in the **Federal Register** (81 FR 8870, February 23, 2016), the Treasury Department and the IRS received comments requesting that the transition rule in § 1.103–1(d)(2) be applied not only for purposes of determining whether bonds are the obligations of a political subdivision under section 103 but also for other purposes of sections 103 and 141 through 150. Commenters explained that, without a transition rule for the private activity bond rules under section 141, certain bonds issued before the notice of proposed rulemaking and notice of public hearing was published in the **Federal Register** may become private activity bonds under section 141 at the expiration of the three-year period provided in § 1.103–1(d)(4). Certain bonds offered after the notice of proposed rulemaking and notice of public hearing was published in the **Federal Register** but before the general applicability date under § 1.103–1(d)(1) present similar issues.

In response to these comments and to ensure that the notice of proposed rulemaking and notice of public hearing is fully prospective in effect, this document amends the transition rules for the definition of political subdivision in §§ 1.103–1(d)(2) and (3) to apply not only for purposes of determining whether bonds are the obligations of a political subdivision under section 103 but also for all other purposes of sections 103 and 141 through 150, including the private activity bond rules. This document also amends the transition rule for refunding bonds in § 1.103–1(d)(3) to provide relief consistent with that provided in § 1.103–1(d)(2), as amended. The effect of the amendment to § 1.103–1(d)(2) is that the proposed definition of political subdivision will not apply for any purpose under sections 103 and 141 through 150 to any bond issued prior to the general applicability date under § 1.103–1(d)(1). The effect of the amendment to § 1.103–1(d)(3) is that the proposed definition of political subdivision will not apply for any purpose under sections 103 and 141 through 150 to bonds issued to refund bonds covered by the transition rule in § 1.103–1(d)(2), provided that the weighted average maturity is not extended.

Correction to Publication

Accordingly, the notice of proposed rulemaking and notice of public hearing published in the **Federal Register** (81 FR 8870) on February 23, 2016, is corrected as follows:

§ 1.103–1 [Corrected]

■ 1. On page 8873, third column, the third through twelfth lines of paragraph (d)(2) are corrected to read ''*bonds.* For all purposes of sections 103 and 141 through 150, the definition of political subdivision in paragraph (c) of this section does not apply with respect to bonds that are issued before the general applicability date under paragraph (d)(1) of this section.''

■ 2. On page 8873, third column, the third through eighteenth lines of paragraph (d)(3) are corrected to read ''*bonds.* For all purposes of sections 103 and 141 through 150, the definition of political subdivision in paragraph (c) of this section does not apply with respect to refunding bonds that are issued on or after the general applicability date under paragraph (d)(1) of this section to refund bonds with respect to which paragraph (c) of this section otherwise does not apply, provided that the weighted average maturity of the refunding bonds is no longer than the remaining weighted average maturity of the refunded bonds.''

Martin V. Franks,

Chief, Publications and Regulations Branch, Legal Processing Division, Associate Chief Counsel (Procedure and Administration).

[FR Doc. 2016–05624 Filed 3–9–16; 4:15 pm]

BILLING CODE 4830–01–P

DEPARTMENT OF LABOR

Office of the Secretary

29 CFR Part 13

RIN 1235–AA13

Establishing Paid Sick Leave for Federal Contractors

AGENCY: Wage and Hour Division, Department of Labor.

ACTION: Proposed rule; extension of comment period.

SUMMARY: This document extends the period for filing written comments until April 12, 2016 on the proposed rulemaking: Establishing Paid Sick Leave for Federal Contractors. The Notice of Proposed Rulemaking (NPRM) was published in the **Federal Register** on February 25, 2016. The Department of Labor (Department) is taking this action in order to provide interested parties additional time to submit comments.

DATES: The agency must receive comments on or before April 12, 2016. The period for public comments, which was set to close on March 28, 2016, will be extended to April 12, 2016. Comments must be received by 11:59 p.m. on April 12, 2016.

ADDRESSES: You may submit comments, identified by Regulatory Information Number (RIN) 1235–AA13, by either one of the following methods:

Electronic comments: Through the Federal eRulemaking Portal at *http://www.regulations.gov.* Follow the instructions for submitting comments.

Written comments: Through mail addressed to Robert Waterman, Compliance Specialist, Division of Regulations, Legislation and Interpretation, Wage and Hour Division, U.S. Department of Labor, Room S–3510, 200 Constitution Avenue NW., Washington, DC 20210.

Instructions: Please submit one copy of your comments by only one method. All submissions received must include the agency name (Wage and Hour Division) and Regulatory Information Number identified above for this rulemaking (1235–AA13). All comments received will be posted without change to *http://www.regulations.gov,* including any personal information provided. Consequently, prior to including any individual's personal information such as Social Security Number, home address, telephone number, and email addresses in a comment, the Department urges commenters to carefully consider that their submissions are a matter of public record and will be publicly

accessible on the Internet. It is the commenter's responsibility to safeguard his or her information. Because we continue to experience delays in receiving mail in the Washington, DC area, commenters are strongly encouraged to transmit their comments electronically via the Federal eRulemaking Portal at *http://www.regulations.gov* or to submit them by mail early. For additional information on submitting comments and the rulemaking process, see the ''Public Participation'' heading of the **SUPPLEMENTARY INFORMATION** section of this document.

Docket: For access to the docket to read background documents or comments received, go to the Federal eRulemaking Portal at *http://www.regulations.gov.*

FOR FURTHER INFORMATION CONTACT: Robert Waterman, Compliance Specialist, Division of Regulations, Legislation and Interpretation, Wage and Hour Division, U.S. Department of Labor, Room S–3510, 200 Constitution Avenue NW., Washington, DC 20210; telephone: (202) 693–0406 (this is not a toll-free number). Copies of the NPRM may be obtained in alternative formats (large print, braille, audio tape, or disc) upon request by calling (202) 693–0023. TTY/TDD callers may dial toll-free (877) 889–5627 to obtain information or request materials in alternative formats.

Questions of interpretation or enforcement of regulations issued by this agency or referenced in this document may be directed to Amy DeBisschop, Director, Government Contracts Branch at (202) 693–0064.

SUPPLEMENTARY INFORMATION:

I. Electronic Access and Filing Comments

Public Participation: The NPRM is available through the **Federal Register** and the *http://www.regulations.gov* Web site. You may also access the NPRM through the Department's Web site at *http://www.dol.gov/federalregister.* To comment electronically on federal rulemakings, go to the Federal eRulemaking Portal at *http://www.regulations.gov,* which will allow you to find, review, and submit comments on federal documents that are published in the **Federal Register** and open for comment. Please identify all comments submitted in electronic form by the RIN Docket Number (1235–AA13). Because of delays in receiving mail in the Washington, DC area, in order to ensure timely receipt prior to the close of the comment period, commenters should transmit their comments electronically through the Federal eRulemaking Portal at *http://www.regulations.gov* or submit them by mail early. Please submit one copy of your comments by only one method.

II. Request for Comment

The Department is proposing regulations to implement Executive Order 13706, which requires certain parties that contract with the Federal Government to provide their employees with up to 7 days of paid sick leave annually, including paid leave allowing for family care.

On September 7, 2015, President Obama announced Executive Order 13706, which was published in the **Federal Register** on September 10, 2015 (80 FR 54697). Section 3 of the Executive Order instructs the Secretary of Labor to issue regulations by September 30, 2016. The Department published the NPRM in the **Federal Register** on February 25, 2016 (81 FR 9591), complete with background information, economic impact analysis and proposed regulatory text. The NPRM also requested that interested parties from the public submit comments on the NPRM on or before March 28, 2016.

The Department has received requests to extend the period for filing public comments from government contracting organizations and the U.S. Small Business Administration's Office of Advocacy. Because of the interest that has been expressed in this matter, the Department has decided to provide an extension of the period for submitting public comment until April 12, 2016.

David Weil,

Administrator, Wage and Hour Division.

[FR Doc. 2016–05410 Filed 3–11–16; 8:45 am]

BILLING CODE 4510–27–P

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Part 167

[USCG–2011–0351]

Port Access Route Study: The Atlantic Coast From Maine to Florida

AGENCY: Coast Guard, DHS.

ACTION: Notice of availability; request for comment.

SUMMARY: The Coast Guard announces the availability of the final report issued by the Atlantic Coast Port Access Route Study (ACPARS) workgroup. The Coast Guard welcomes comments on the report.

DATES: Comments and related material must reach the Docket Management Facility on or before April 13, 2016.

ADDRESSES: You may submit comments identified by docket number USCG–2011–0351 using the Federal eRulemaking Portal at *http://www.regulations.gov.* See the ''Public Participation and Request for Comments'' portion of the **SUPPLEMENTARY INFORMATION** section for further instructions on submitting comments.

FOR FURTHER INFORMATION CONTACT: If you have questions on this notice of study contact Patrick Wycko, ACPARS Project Manager, telephone 757–398–6355, email *patrick.d.wycko@uscg.mil.*

SUPPLEMENTARY INFORMATION:

Background and Purpose. The Atlantic Coast Port Access Route Study workgroup (WG) was chartered on May 11, 2011 and was given three objectives to complete within the limits of available resources: (1) Determine whether the Coast Guard should initiate actions to modify or create safety fairways, Traffic Separation Schemes or other routing measures; (2) Provide data, tools and/or methodology to assist in future determinations of waterways suitability for proposed projects; and (3) Develop, in the near term, Automatic Identification System (AIS) products and provide other support as necessary to assist Districts with all emerging coastal and offshore energy projects. The Coast Guard published the WG's Interim Report in the **Federal Register** (77 FR 55781; Sep. 11, 2012), with the status of efforts up to that date. The Interim Report concluded that modeling and analysis tools, as described in the Phase 3 section of the report, were critical to determine if routing measures are appropriate and to evaluate the changes in navigational safety risk resulting from different siting and routing scenarios. The charter for the WG was extended pending completion of the modeling and analysis. The modeling and analysis efforts concluded in the fall of 2014, but did not produce a model capable of accurately predicting changes in vessel routes and determining the resultant change in the risk to navigation safety. During this period, the WG continued gathering data and conducting stakeholder outreach. The availability and usability of processed AIS data has greatly improved, as has the ability to analyze the AIS data. The Coast Guard contracted the services of a Geographic Information System analyst to support efforts to better characterize vessel traffic and further explore creating initial proposals for routing measures

independent of the Phase 3 modeling and analysis. This enabled the Coast Guard to improve its understanding of vessel routes, beyond the understanding gleaned through generic heat maps. Based on comments by the shipping industry and more recent literature on addressing shipping during marine spatial planning, the WG conducted additional research into the necessary sea space for vessels to maneuver in compliance with the International Regulations for Preventing Collisions at Sea. This research led to the development of recommended marine planning guidelines. In addition, an effort focused on determining the appropriate width of a navigation route was undertaken for alongshore towing operations. These efforts enabled the WG to identify navigation safety corridors along the Atlantic Coast that combine the width necessary for navigation and additional buffer areas based on the planning guidelines. The WG has also identified deep draft routes that it recommends be given priority consideration to navigation over other uses, to comply with the United Nations Convention of the Law of the Sea. The final report will be available on the **Federal Register** docket and also on the ACPARS Web site at *www.uscg.mil/lantarea/acpars.*

This notice is issued under authority of 33 U.S.C. 1223(c) and 5 U.S.C. 552.

Dated: February 24, 2016.

William D. Lee,

Vice Admiral, U.S. Coast Guard, Commander, Atlantic Area.

[FR Doc. 2016–05706 Filed 3–11–16; 8:45 am]

BILLING CODE 9110–04–P

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

48 CFR Parts 1815 and 1852

RIN 2700–AE27

Removal of Grant Handbook References (2016–N001)

AGENCY: National Aeronautics and Space Administration.

ACTION: Proposed rule.

SUMMARY: National Aeronautics and Space Administration (NASA) is proposing to amend the NASA FAR Supplement (NFS) to remove references to NASA's Grant and Cooperative Agreement Handbook, NASA Procedural Requirements (NPR) 5800.1, NASA Grant and Cooperative Agreement Handbook and Office of Management and Budget (OMB) Circulars A–21 for educational institutions and A–122 for nonprofit organizations.

DATES: Comments on the proposed rule should be submitted in writing to the address shown below on or before May 13, 2016 to be considered in formulation of the final rule.

ADDRESSES: Submit comments identified by NFS Case 2016–N001, using any of the following methods:

- *Regulations.gov: http://www.regulations.gov.* Submit comments via the Federal eRulemaking portal by entering ''NFS Case 2016–N001'' under the heading ''Enter keyword or ID'' and selecting ''Search.'' Select the link ''Submit a Comment'' that corresponds with ''NFS Case 2016–N001.'' Follow the instructions provided at the ''Submit a Comment'' screen. Please include your name, company name (if any), and ''NFS Case 2016–N001'' on your attached document.
- *Email: andrew.orourke@nasa.gov.* Include NFS Case 2016–N001 in the subject line of the message.
- *Fax:* (202) 358–3082.
- *Mail:* National Aeronautics and Space Administration, Headquarters, Office of Procurement, Contract and Grant Policy Division, Attn: Andrew O'Rourke, Suite 5L32, 300 E. Street SW., Washington, DC 20546–0001.

FOR FURTHER INFORMATION CONTACT: Andrew O'Rourke, NASA, Office of Procurement, Contract and Grant Policy Division, Suite 5L32, 300 E. Street SW., Washington, DC 20456–0001. Telephone (202) 358–4560; facsimile 202–358–3082; email: *andrew.orourke@nasa.gov.*

SUPPLEMENTARY INFORMATION:

I. Background

On September 11, 2015, NASA published a final rule in the **Federal Register** (80 FR 54701) titled, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, to establish policies and procedures for grants and cooperative agreements awarded by NASA. The policies and procedures that recipients must follow are those appearing in subparts A through F of 2 Code of Federal Regulations (CFR) part 200 and as supplemented by 2 CFR part 1800. Additionally, in December 2014, NASA issued a non-regulatory policy and procedure manual titled, *NASA Grant and Cooperative Agreement Manual.* These two documents replaced the NASA Grant and Cooperative Agreement Handbook and are available at *https://answers.nssc.nasa.gov/app/answers/detail/a_id/6487.*

II. Discussion

NASA is proposing to remove references to grant and cooperative agreement policy and guidance from the NASA FAR Supplement, which supplements the FAR, because they do not pertain to the procurement of goods and services. The FAR only contains guidance on contracts and no other funding agreements such as grants and cooperative agreements. Consistent with Executive Order (E.O.) 13563, Improving Regulations and Regulatory Review, NASA reviewed the NFS and is proposing to remove references to the NASA Grant and Cooperative Agreement Handbook and Office of Management and Budget (OMB) Circulars A–21 for educational institutions and A–122 for nonprofit organizations located at NFS 1815.602 and in NFS 1852.235–72. Circulars A–21 and A–122 were rescinded and no longer applicable for new awards after December 26, 2014. Both of these OMB circulars were replaced by 2 CFR part 200.

III. Executive Orders 12866 and 13563

Executive Orders (E.O.s) 12866 and 13563 direct agencies to assess all costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health, and safety effects, distributive impacts, and equity). E.O. 13563 emphasizes the importance of quantifying both costs and benefits, of reducing costs, of harmonizing rules, and of promoting flexibility. This is not a significant regulatory action and, therefore, was not subject to review under section 6(b) of E.O. 12866, Regulatory Planning and Review, dated September 30, 1993. This rule is not a major rule under 5 U.S.C. 804.

IV. Regulatory Flexibility Act

NASA does not expect this proposed rule to have a significant economic impact on a substantial number of small entities within the meaning of the Regulatory Flexibility Act, 5 U.S.C. 601 *et seq.,* because it merely removes outdated and unnecessary grant and cooperative agreement references that should not be in the NFS. Therefore, an initial regulatory flexibility analysis has not been performed. NASA invites comments from small business concerns and other interested parties on the expected impact of this proposed rule on small entities.

NASA will also consider comments from small entities concerning the

existing regulations in subparts affected by this rule in accordance with 5 U.S.C. 610. Interested parties must submit such comments separately and should cite 5 U.S.C. 610 (NFS case 2016–N001) in correspondence.

V. Paperwork Reduction Act

The rule does not contain any information collection requirements that require the approval of the Office of Management and Budget under the Paperwork Reduction Act (44 U.S.C. chapter 35).

List of Subjects in 48 CFR Parts 1815 and 1852

Government procurement.

Manuel Quinones,

NASA FAR Supplement Manager.

Accordingly, 48 CFR parts 1815 and 1852 are proposed to be amended as follows:

PART 1815—CONTRACTING BY NEGOTIATION

■ 1. The authority citation for part 1815 is revised to read as follows:

Authority: 51 U.S.C. 20113(a) and 48 CFR chapter 1.

■ 2. Revise section 1815.602 to read as follows:

1815.602 Policy.

Renewal proposals, (*i.e.,* those for the extension or augmentation of current contracts) are subject to the same FAR and NFS regulations, including the requirements of the Competition in Contracting Act, as are proposals for new contracts.

PART 1852—SOLICITATION PROVISIONS AND CONTRACT CLAUSES

■ 3. The authority citation for part 1852 continues to read as follows:

Authority: 51 U.S.C. 20113(a) and 41 U.S.C. chapter 1.

■ 4. Amend section 1852.235–72 by—

■ a. Removing from the provision heading ''DEC 2005'' and adding ''DATE'' in its place; and

■ b. Revising paragraphs (a)(4) and (c)(8)(iii).

The revisions read as follows:

1852.235–72 Instructions for Responding to NASA Research Announcements.

* * * * *

(a) * * *

(4) A contract, grant, cooperative agreement, or other agreement may be used to accomplish an effort funded in response to an NRA. NASA will determine the appropriate award instrument. Contracts resulting from NRAs are subject to the Federal Acquisition Regulation and the NASA FAR Supplement. A grant, cooperative agreement, or other agreement resulting from NRAs are subject to policies and procedures outlined in the Guidebook for Proposers Responding to a NASA Funding Announcement, 2 CFR part 1800, 14 CFR part 1274, or other agreement policy. Any proposal from a large business concern that may result in the award of a contract, which exceeds $5,000,000 and has subcontracting possibilities should include a small business subcontracting plan in accordance with the clause at FAR 52.219–9, Small Business Subcontracting Plan. (Subcontract plans for contract awards below $5,000,000, will be negotiated after selection.)

* * * * *

(c) * * *

(8) * * *

(iii) Allowable costs are governed by FAR part 31 and the NASA FAR Supplement part 1831.

* * * * *

[FR Doc. 2016–05230 Filed 3–11–16; 8:45 am]

BILLING CODE 7510–13–P

Notices

Federal Register
Vol. 81, No. 49
Monday, March 14, 2016

This section of the FEDERAL REGISTER contains documents other than rules or proposed rules that are applicable to the public. Notices of hearings and investigations, committee meetings, agency decisions and rulings, delegations of authority, filing of petitions and applications and agency statements of organization and functions are examples of documents appearing in this section.

DEPARTMENT OF AGRICULTURE

Animal and Plant Health Inspection Service

[Docket No. APHIS–2016–0012]

Notice of Availability of a Pest Risk Analysis for the Importation of Fresh Pomegranates From Peru Into the Continental United States

AGENCY: Animal and Plant Health Inspection Service, USDA.

ACTION: Notice of availability.

SUMMARY: We are advising the public that we have prepared a pest risk analysis that evaluates the risks associated with importation of fresh pomegranate fruit from Peru into the continental United States. Based on the analysis, we have determined that the application of one or more designated phytosanitary measures will be sufficient to mitigate the risks of introducing or disseminating plant pests or noxious weeds via the importation of fresh pomegranates from Peru. We are making the pest risk analysis available to the public for review and comment.

DATES: We will consider all comments that we receive on or before May 13, 2016.

ADDRESSES: You may submit comments by either of the following methods:

- *Federal eRulemaking Portal:* Go to *http://www.regulations.gov/#!docketDetail;D=APHIS-2016-0012.*
- *Postal Mail/Commercial Delivery:* Send your comment to Docket No. APHIS–2016–0012, Regulatory Analysis and Development, PPD, APHIS, Station 3A–03.8, 4700 River Road, Unit 118, Riverdale, MD 20737–1238.

Supporting documents and any comments we receive on this docket may be viewed at *http://www.regulations.gov/#!docketDetail;D=APHIS-2016-0012* or in our reading room, which is located in room 1141 of the USDA South Building, 14th Street and Independence Avenue SW., Washington, DC. Normal reading room hours are 8 a.m. to 4:30 p.m., Monday through Friday, except holidays. To be sure someone is there to help you, please call (202) 799–7039 before coming.

FOR FURTHER INFORMATION CONTACT: Mr. David B. Lamb, Senior Regulatory Policy Specialist, PPQ, APHIS, USDA, 4700 River Road, Unit 133, Riverdale, MD 20737–1236; (301) 851–2103; email: *David.B.Lamb@aphis.usda.gov.*

SUPPLEMENTARY INFORMATION: Under the regulations in ''Subpart—Fruits and Vegetables'' (7 CFR 319.56–1 through 319.56–74, referred to below as the regulations), the Animal and Plant Health Inspection Service (APHIS) prohibits or restricts the importation of fruits and vegetables into the United States from certain parts of the world to prevent plant pests from being introduced into or disseminated within the United States.

Section 319.56–4 contains a performance-based process for approving the importation of certain fruits and vegetables that, based on the findings of a pest risk analysis, can be safely imported subject to one or more of the five designated phytosanitary measures listed in paragraph (b) of that section.

APHIS received a request from the national plant protection organization (NPPO) of Peru to allow the importation of fresh pomegranate fruit into the continental United States. As part of our evaluation of Peru's request, we have prepared a pest risk assessment (PRA) to identify pests of quarantine significance that could follow the pathway of importation of pomegranates into the continental United States from Peru. Based on the PRA, a risk management document (RMD) was prepared to identify phytosanitary measures that could be applied to the pomegranates to mitigate the pest risk. We have concluded that fresh pomegranate fruit can be safely imported from Peru into the continental United States using one or more of the five designated phytosanitary measures listed in § 319.56–4(b). These measures are:

- The pomegranates must be imported as commercial consignments only;
- Each consignment of pomegranates must be accompanied by a phytosanitary certificate issued by the NPPO of Peru;
- Each consignment of pomegranates must be treated in accordance with 7 CFR part 305; and
- Each consignment of pomegranates is subject to inspection upon arrival at the port of entry to the United States.

Therefore, in accordance with § 319.56–4(c), we are announcing the availability of our PRA and RMD for public review and comment. The documents may be viewed on the Regulations.gov Web site or in our reading room (see **ADDRESSES** above for a link to Regulations.gov and information on the location and hours of the reading room). You may request paper copies of the PRA and RMD by calling or writing to the person listed under **FOR FURTHER INFORMATION CONTACT**. Please refer to the subject of the analysis you wish to review when requesting copies.

After reviewing any comments we receive, we will announce our decision regarding the import status of fresh pomegranate fruit from Peru in a subsequent notice. If the overall conclusions of our analysis and the Administrator's determination of risk remain unchanged following our consideration of the comments, then we will authorize the importation of fresh pomegranate fruit from Peru into the continental United States subject to the requirements specified in the RMD.

Authority: 7 U.S.C. 450, 7701–7772, and 7781–7786; 21 U.S.C. 136 and 136a; 7 CFR 2.22, 2.80, and 371.3.

Done in Washington, DC, this 9th day of March 2016.

Michael C. Gregoire,

Acting Administrator, Animal and Plant Health Inspection Service.

[FR Doc. 2016–05670 Filed 3–11–16; 8:45 am]

BILLING CODE 3410–34–P

DEPARTMENT OF AGRICULTURE

Animal and Plant Health Inspection Service

[Docket No. APHIS–2016–0011]

Notice of Availability of a Pest Risk Analysis for the Importation of Fresh Figs From Peru Into the Continental United States

AGENCY: Animal and Plant Health Inspection Service, USDA.

ACTION: Notice of availability.

SUMMARY: We are advising the public that we have prepared a pest risk analysis that evaluates the risks associated with importation of fresh figs (*Ficus carica*) from Peru into the continental United States. Based on the analysis, we have determined that the application of one or more designated phytosanitary measures will be sufficient to mitigate the risks of introducing or disseminating plant pests or noxious weeds via the importation of fresh figs from Peru. We are making the pest risk analysis available to the public for review and comment.

DATES: We will consider all comments that we receive on or before May 13, 2016.

ADDRESSES: You may submit comments by either of the following methods:

- *Federal eRulemaking Portal:* Go to *http://www.regulations.gov/#!docketDetail;D=APHIS-2016-0011.*
- *Postal Mail/Commercial Delivery:* Send your comment to Docket No. APHIS–2016–0011, Regulatory Analysis and Development, PPD, APHIS, Station 3A–03.8, 4700 River Road, Unit 118, Riverdale, MD 20737–1238.

Supporting documents and any comments we receive on this docket may be viewed at *http://www.regulations.gov/#!docketDetail;D=APHIS-2016-0011* or in our reading room, which is located in room 1141 of the USDA South Building, 14th Street and Independence Avenue SW., Washington, DC. Normal reading room hours are 8 a.m. to 4:30 p.m., Monday through Friday, except holidays. To be sure someone is there to help you, please call (202) 799–7039 before coming.

FOR FURTHER INFORMATION CONTACT: Ms. Claudia Ferguson, Senior Regulatory Policy Specialist, Regulatory Coordination and Compliance, Imports, Regulations, and Manuals, PPQ, APHIS, 4700 River Road Unit 133, Riverdale, MD 20737–1231; (301) 851–2352; *Claudia.Ferguson@aphis.usda.gov.*

SUPPLEMENTARY INFORMATION: Under the regulations in ''Subpart—Fruits and Vegetables'' (7 CFR 319.56–1 through 319.56–74, referred to below as the regulations), the Animal and Plant Health Inspection Service (APHIS) prohibits or restricts the importation of fruits and vegetables into the United States from certain parts of the world to prevent plant pests from being introduced into or disseminated within the United States.

Section 319.56–4 contains a performance-based process for approving the importation of certain fruits and vegetables that, based on the findings of a pest risk analysis, can be safely imported subject to one or more of the five designated phytosanitary measures listed in paragraph (b) of that section.

APHIS received a request from the national plant protection organization (NPPO) of Peru to allow the importation of fresh figs (*Ficus carica*) into the continental United States. As part of our evaluation of Peru's request, we have prepared a pest risk assessment (PRA) to identify pests of quarantine significance that could follow the pathway of importation of figs into the continental United States from Peru. Based on the PRA, a risk management document (RMD) was prepared to identify phytosanitary measures that could be applied to the figs to mitigate the pest risk. We have concluded that figs can be safely imported from Peru to the continental United States using one or more of the five designated phytosanitary measures listed in § 319.56–4(b). These measures are:

- The figs must be imported as commercial consignments only;
- Each consignment of figs must be accompanied by a phytosanitary certificate issued by the NPPO of Peru;
- Each consignment of figs must be treated in accordance with 7 CFR part 305; and
- Each consignment of figs is subject to inspection upon arrival at the port of entry to the United States.

Therefore, in accordance with § 319.56–4(c), we are announcing the availability of our PRA and RMD for public review and comment. The documents may be viewed on the Regulations.gov Web site or in our reading room (see **ADDRESSES** above for a link to Regulations.gov and information on the location and hours of the reading room). You may request paper copies of the PRA and RMD by calling or writing to the person listed under **FOR FURTHER INFORMATION CONTACT**. Please refer to the subject of the analysis you wish to review when requesting copies.

After reviewing any comments we receive, we will announce our decision regarding the import status of fresh figs from Peru in a subsequent notice. If the overall conclusions of our analysis and the Administrator's determination of risk remain unchanged following our consideration of the comments, then we will authorize the importation of fresh figs from Peru into the continental United States subject to the requirements specified in the RMD.

Authority: 7 U.S.C. 450, 7701–7772, and 7781–7786; 21 U.S.C. 136 and 136a; 7 CFR 2.22, 2.80, and 371.3.

Done in Washington, DC, this 9th day of March 2016.

Michael C. Gregoire,

Acting Administrator, Animal and Plant Health Inspection Service.

[FR Doc. 2016–05669 Filed 3–11–16; 8:45 am]

BILLING CODE 3410–34–P

DEPARTMENT OF AGRICULTURE

Rural Housing Service

Notice of Solicitation of Applications for Loan Guarantees Under the Section 538 Guaranteed Rural Rental Housing Program for Fiscal Year 2016

AGENCY: Rural Housing Service, USDA.

ACTION: Notice.

SUMMARY: The Rural Housing Service (RHS), an agency within Rural Development, announces that it is soliciting competitive applications under its Section 538 Guaranteed Rural Rental Housing Program (GRRHP) pursuant to 7 CFR 3565.4 for Fiscal Year (FY) 2016. The Consolidated Appropriations Act, 2016, Public Law 114–113 (December 18, 2015) appropriated $150 million for FY 2016. The commitment of program dollars will be made first to approved and complete applications from prior years' notices, then to applicants of selected responses in the order they are ranked under this Notice that have fulfilled the necessary requirements for obligation. Successful applications will be selected by the Agency for funding and subsequently awarded to the extent that funding may ultimately be made available to the Agency through appropriations.

Expenses incurred in developing applications will be at the applicant's risk. The following paragraphs outline the timeframes, eligibility requirements, lender responsibilities, and the overall response and application processes.

Eligible lenders are invited to submit responses for new construction and acquisition with rehabilitation of affordable rural rental housing. The Agency will review responses submitted by eligible lenders, on the lender's letterhead, and signed by both the prospective borrower and lender. Although a complete application is not required in response to this Notice, eligible lenders may submit a complete application concurrently with the response. Submitting a complete application will not have any effect on the respondent's response score.

DATES: Eligible responses to this Notice will be accepted until December 31, 2017, 12:00 p.m. Eastern Time. Selected

responses that develop into complete applications and meet all Federal eligibility requirements prior to September 30, 2016, will receive conditional commitments until all FY 2016 funds are expended. Selected responses to this Notice that are deemed eligible for further processing after September 30, 2016, will be funded to the extent an appropriations act provides sufficient funding in the fiscal year the response is selected. Responses are subject to the fee structure in effect in the fiscal year they are selected for funding, for example, a response that receives a Notice to Proceed Letter in FY 2015 will be subject to all fees in effect in FY 2015.

Eligible lenders mailing a response or application must provide sufficient time to permit delivery to the appropriate *submission address* below on or before the closing deadline date and time. Acceptance by a U.S. Post Office or private mailer does not constitute delivery. Postage due responses and applications will not be accepted.

Submission Address: Eligible lenders will send responses to the Multi-Family Housing Program Director of the State Office where the project will be located. USDA Rural Development State Offices, their addresses, and telephone numbers, may be found at *http://www.rd.usda.gov/contact-us/state-offices.*

Note: Telephone numbers listed there are not toll-free.

FOR FURTHER INFORMATION CONTACT: Tammy Daniels, Financial and Loan Analyst, USDA Rural Development Guaranteed Rural Rental Housing Program, Multi-Family Housing Guaranteed Loan Division, U.S. Department of Agriculture, South Agriculture Building, Room 1263–S, STOP 0781, 1400 Independence Avenue SW., Washington, DC 20250–0781 or email: *tammy.daniels@wdc.usda.gov.* Telephone: (202) 720–0021. This number is not toll-free. Hearing or speech-impaired persons may access that number by calling the Federal Information Relay Service toll-free at (800) 877–8339.

Overview

Federal Agency: Rural Housing Service

Solicitation Opportunity Title: Guaranteed Multi-Family Housing Loans

Announcement Type: Initial Solicitation Announcement

Catalog of Federal Domestic Assistance: 10.438

Dates: Response Deadline: December 31, 2017, 12:00 p.m. Eastern Time

I. Funding Opportunity Description

The GRRHP is authorized by Section 538 of the Housing Act of 1949, as amended (42 U.S.C. 1490p–2) and operates under 7 CFR part 3565. The purpose of the GRRHP is to increase the supply of affordable rural rental housing through the use of loan guarantees that encourage partnerships between the Agency, private lenders, and public agencies.

Eligibility of Prior Year Selected Responses: Prior fiscal year response selections that did not develop into complete applications within the time constraints stipulated by the corresponding State Office have been cancelled. Applicants have been notified of the cancellation by the State Office. A new response for the project may be submitted subject to the conditions of this Notice.

Prior years' responses that were selected by the Agency, with a complete application submitted by the lender within 90 days from the date of notification of response selection (unless an extension was granted by the Agency), will be eligible for FY 2016 program dollars without having to complete a FY 2016 response. A complete application includes all Federal environmental documents required by 7 CFR part 1940, subpart G, and a Form RD 3565–1, ''*Application for Loan and Guarantee.*'' Any approved applications originating from FY 2015 and previous fiscal years (outstanding prior years approved applications) that are obligated between January 2, 2016, and December 31, 2017, however, are subject to the fees in the ''*PROGRAM FEES*'' section in this Notice. Outstanding prior years approved applications will be obligated to the extent of available funding in order of priority score with the highest scores obligated first. The scores the applications received under the Notice the year the application was submitted will be used for the ranking. In the case of tied scores, the project with the greatest leveraging (lowest loan to cost ratio) will receive selection priority. Once the outstanding prior years approved applications have been funded, the Agency will select FY 2016 responses for further processing in rank order as determined by the scoring criteria set forth in this Notice to the extent that funds remain available.

II. Award Information

Anyone interested in submitting an application for funding under this program is encouraged to consult the Rural Development Web site *http://www.rd.usda.gov/programs-services/multi-family-housing-loan-guarantees* periodically for updated information regarding the status of funding authorized for this program.

Qualifying Properties: Qualifying properties include new construction for multi-family housing units and the acquisition of existing structures with a minimum per unit rehabilitation expenditure requirement in accordance with 7 CFR 3565.252. The Agency does not finance acquisition only deals.

Also eligible is the revitalization, repair, and transfer (as stipulated in 7 CFR 3560.406) of existing direct Section 515 housing and Section 514/516 Farm Labor Housing (FLH) (transfer costs are subject to Agency approval and must be an eligible use of loan proceeds as listed in 7 CFR 3565.205), and properties involved in the Agency's Multifamily Preservation and Revitalization (MPR) program. Equity payment, as stipulated in 7 CFR 3560.406, in the transfer of existing direct Section 515 and Section 514/516 FLH, is an eligible use of guaranteed loan proceeds. In order to be considered, the transfer of Section 515 and Section 514/516 FLH and MPR projects must need repairs and undergo revitalization of a minimum of $6,500 per unit.

Eligible Financing Sources: Any form of Federal, State, and conventional sources of financing can be used in conjunction with the loan guarantee, including Home Investment Partnerships Program (HOME) grant funds, tax exempt bonds, and Low Income Housing Tax Credits (LIHTC).

Types of Guarantees: The Agency offers three types of guarantees which are set forth at 7 CFR 3565.52(c). The Agency's liability under any guarantee will decrease or increase, in proportion to any decrease or increase in the amount of the unpaid portion of the loan, up to the maximum amount specified in the Loan Note Guarantee. Penalties incurred as a result of default are not covered by any of the program's guarantees. The Agency may provide a lesser guarantee based upon its evaluation of the credit quality of the loan.

Energy Conservation: All new multi-family housing projects financed in whole or in part by the USDA, are encouraged to engage in sustainable building development that emphasizes energy-efficiency and conservation. In order to assist in the achievement of this goal, any GRRHP project that participates in one or all of the programs included in priority 7 under the ''*Scoring of Priority Criteria for Selection of Projects*'' section of this Notice may receive a maximum of 25 additional points added to their project

score. Participation in these nationwide initiatives is voluntary, but strongly encouraged.

Interest Credit: There will be no interest credit.

Program Fees: The Consolidated Appropriations Act, 2016, Public Law 114–113 (December 18, 2015) continued the provision ''That to support the loan program level for Section 538 guaranteed loans made available under this heading the Secretary may charge or adjust any fees to cover the projected cost of such loan guarantees pursuant to the provisions of the Credit Reform Act of 1990 (2 U.S.C. 661 *et seq*), and the interest on such loans may not be subsidized.'' The following fees have been determined necessary to cover the projected cost of such loan guarantees. These fees may be adjusted in future years to cover the projected costs of loan guarantees in those future years or additional fees may be charged. These fees are also applicable to all outstanding prior years' responses funded with funds under this NOSA. The fees are as follows:

1. Initial guarantee fee. The Agency will charge an initial guarantee fee equal to 1 percent of the guarantee principal amount. For purposes of calculating this fee, the guarantee amount is the product of the percentage of the guarantee times the initial principal amount of the guaranteed loan.

2. Annual guarantee fee. An annual guarantee fee of 50 basis points (1/2 percent) of the outstanding principal amount of the loan as of December 31 will be charged each year or portion of a year that the guarantee is outstanding.

3. As permitted under 7 CFR 3565.302(b)(5), there is a non-refundable service fee of $1,500 for the review and approval of a lender's first request to extend the term of a guarantee commitment beyond its original expiration (the request must be received by the Agency prior to the commitment's expiration). For any subsequent extension request, the fee will be $2,500.

4. As permitted under 7 CFR 3565.302(b)(5), there is a non-refundable service fee of $3,500 for the review and approval of a lender's first request to reopen an application when a commitment has expired. For any subsequent extension request to reopen an application after the commitment has expired, the fee will be $3,500.

5. As permitted under 7 CFR 3565.302(b)(4), there is a non-refundable service fee of $1,500 in connection with a lender's request to approve the transfer of property or a change in composition of the ownership entity.

6. There is no application fee.

7. There is no lender application fee for lender approval.

8. There is no surcharge for the guarantee of construction advances.

III. Eligibility Information

Eligible Lenders: An eligible lender for the Section 538 GRRHP as required by 7 CFR 3565.102 must be a licensed business entity or Housing Finance Agency (HFA) in good standing in the State or States where it conducts business. Lender eligibility requirements are contained in 7 CFR 3565.102. Please review that section for a complete list of all of the criteria. The Agency will only accept responses from GRRHP eligible or approved lenders as described in 7 CFR 3565.102 and 3565.103 respectively.

Lenders whose responses are selected will be notified by the Agency to submit a request for GRRHP lender approval within 30 days of notification. Lenders who request GRRHP approval must meet the standards in 7 CFR 3565.103.

Lenders that have received GRRHP lender approval that remain in good standing in accordance with 7 CFR 3565.105, do not need to reapply for GRRHP lender approval. A lender making a construction loan must demonstrate an ability to originate and service construction loans, in addition to meeting the other requirements of 7 CFR part 3565, subpart C.

Submission of Documentation for GRRHP Lender Approval: All lenders that have not yet received GRRHP lender approval must submit a complete lender application to: Director, Multi-Family Housing Guaranteed Loan Division, Rural Development, U.S. Department of Agriculture, Room 1263–S, STOP 0781, 1400 Independence Avenue SW, Washington, DC 20250–0781. Lender applications must be identified as ''Lender Application—Section 538 Guaranteed Rural Rental Housing Program'' on the envelope.

IV. Application and Submission Information

Responses to this NOSA can be submitted either electronically using the Section 538 electronic response form found at: *http://www.rd.usda.gov/programs-services/multi-family-housing-loan-guarantees* or in hard copy and submitted to the appropriate Rural Development State Office where the project will be located. USDA Rural Development State Offices, their addresses, and telephone numbers may be found at *http://www.rd.usda.gov/contact-us/state-offices.* **Note:** Telephone numbers listed are not toll-free. Applicants are strongly encouraged, but not required, to submit the NOSA response electronically.

The electronic form contains a button labeled ''Send Form.'' By clicking on the button, the applicant will see an email message window with an attachment that includes the electronic form the applicant filled out as a data file with an .fdf extension. In addition, an auto-reply acknowledgement will be sent to the applicant when the electronic NOSA Response form is received by the Agency unless the sender has software that will block the receipt of the auto-reply email. The State Office will record NOSA responses received electronically by the actual date and time when all attachments are received at the State Office.

Submission of the electronic Section 538 NOSA response form does not constitute submission of the entire application package which requires additional forms and supporting documentation.

Content of Responses: All responses require lender information and project specific data as set out in this Notice. Incomplete responses will not be considered for funding. Lenders will be notified of incomplete responses no later than 30 calendar days from the date of receipt of the response by the Agency. Complete responses are to include a signed cover letter from the lender, on the lender's letterhead. The lender must provide the requested information concerning the project, to establish the purpose of the proposed project, its location, and how it meets the established priorities for funding. The Agency will determine the highest ranked responses based on priority criteria and a threshold score.

(1) Lender Certification: The lender must certify that the lender will make a loan to the prospective borrower for the proposed project, under specified terms and conditions subject to the issuance of the GRRHP guarantee. Lender certification must be on the lender's letterhead and signed by both the lender and the prospective borrower.

(2) Project Specific Data: The lender must submit the project specific data below on the lender's letterhead, signed by both the lender and the prospective borrower:

Data element	Information that must be included
Lender Name	Insert the lender's name.
Lender Tax ID #	Insert lender's tax ID number.
Lender Contact Name	Name of the lender contact for loan.
Mailing Address	Lender's complete mailing address.
Phone #	Phone number for lender contact.
Fax #	Insert lender's fax number.
E-mail Address	Insert lender contact e-mail address.
Borrower Name and Organization Type	State whether borrower is a Limited Partnership, Corporation, Indian Tribe, etc.
Equal Opportunity Survey	Optional Completion.
Tax Classification Type	State whether borrower is for profit, not for profit, etc.
Borrower Tax ID #	Insert borrower's tax ID number.
Borrower DUNS#	Insert DUNS number.
Borrower Address, including County	Insert borrower's address and county.
Borrower Phone #, fax # and e-mail address	Insert borrower's phone number, fax number and e-mail address.
Principal or Key Member for the Borrower	Insert name and title. List the general partners if a limited partnership, officers if a corporation or members of a Limited Liability Corporation.
Borrower Information and Statement of Housing Development Experience.	Attach relevant information.
New Construction, Acquisition With Rehabilitation	State whether the project is new construction or acquisition with rehabilitation.
Revitalization, Repair, and Transfer (as stipulated in 7 CFR 3560.406) of Existing Direct Section 515 and Section 514/516 FLH or MPR.	Yes or No (Transfer costs, including equity payments, are subject to Agency approval and must be an eligible use of loan proceeds in 7 CFR 3565.205).
Project Location Town or City	Town or city in which the project is located.
Project County	County in which the project is located.
Project State	State in which the project is located.
Project Zip Code	Insert Zip Code where the project is located.
Project Congressional District	Congressional District for project location.
Project Name	Insert project name.
Project Type	Family, senior (all residents 55 years or older), or mixed.
Property Description and Proposed Development Schedule	Provide as an attachment.
Total Project Development Cost	Enter amount for total project.
# of Units	Insert the number of units in the project.
Ratio of 3–5 bedroom units to total units	Insert percentage of 3–5 bedroom units to total units.
Cost Per Unit	Total development cost divided by number of units.
Rent	Proposed rent structure.
Median Income for Community	Provide median income for the community.
Evidence of Site Control	Attach relevant information.
Description of Any Environmental Issues	Attach relevant information.
Loan Amount	Insert the loan amount.
Borrower's Proposed Equity	Insert amount and source.
Tax Credits	Have tax credits been awarded? If tax credits were awarded, submit a copy of the award/evidence of award with your response. If not, when do you anticipate an award will be made (announced)? What is the [estimated] value of the tax credits? Letters of application and commitment letters should be included, if available.
Other Sources of Funds	List all funding sources other than tax credits and amounts for each source, type, rates and terms of loans or grant funds.
Loan to Total Development Cost	Guaranteed loan divided by the total development costs of project.
Debt Coverage Ratio	Net Operating Income divided by debt service payments.
Percentage of Guarantee	Percentage guarantee requested.
Collateral	Attach relevant information.
Colonia, Tribal Lands, or State's Consolidated Plan or State Needs Assessment.	Colonia, on an Indian Reservation, or in a place identified in the State's Consolidated Plan or State Needs Assessment as a high need community for multi-family housing.
Is the Property Located in a Federally Declared Disaster Area?	If yes, please provide documentation (i.e., Presidential Declaration document).
Population	Provide the population of the county, city, or town where the project is or will be located.
What type of guarantee is being requested, Permanent only (Option 1), Construction and Permanent (Option 2) or Continuous (Option 3).	Enter the type of guarantee.
Loan Term	Minimum 25-year term. Maximum 40-year term (includes construction period). May amortize up to 40 years. Balloon mortgages permitted after the 25th year.
Participation in Energy Efficient Programs	Initial checklist indicating prerequisites to register for participation in a particular energy efficient program. All checklists must be accompanied by a signed affidavit by the project architect stating that the goals are achievable. If property management is certified for green property management, the certification must be provided.

(3) The Proposed Borrower Information:

(a) Lender certification that the borrower or principals of the owner are not barred from participating in Federal housing programs and are not delinquent on any Federal debt.

(b) Borrower's unaudited or audited financial statements.

(c) Statement of borrower's housing development experience.

(4) Lender Eligibility and Approval Status: Evidence that the lender is either an approved lender for the purposes of the GRRHP or that the lender is eligible to apply for approved lender status. The lender's application package requesting approved lender status can be submitted with the NOSA response. If a lender has not yet been approved by the Agency submits a NOSA response and receives a ''Notice to Proceed with Application Processing'' letter from the State Office, the lender approval application must be submitted to the National Office within 30 calendar days of the lender's receipt of the ''Notice to Proceed with Application Processing'' letter. The Agency will not issue a loan note guarantee until the lender is approved by the Agency.

(5) Competitive Criteria: Information that shows how the proposal is responsive to the selection criteria specified in this Notice.

V. Application Review Information

Scoring of Priority Criteria for Selection: All responses received under this NOSA will be scored based on the criteria set forth below to establish their priority for further processing. Per 7 CFR 3565.5 (b), priority will be given to projects: In smaller rural communities, in the most needy communities having the highest percentage of leveraging, having the lowest interest rate, or having the highest ratio of 3–5 bedroom units to total units. In addition, as permitted in 7 CFR 3565.5(b), in order to meet important program goals, priority points will be given for projects that include LIHTC funding and projects that are participating in specified energy efficient programs.

The eight priority scoring criteria for projects are listed below.

Priority 1—Projects located in eligible rural communities with the lowest populations will receive the highest points.

Population size	Points
0–5,000	30
5,001–10,000 people	15
10,001–15,000 people	10
15,001–20,000 people	5
20,001–35,000 people	0

Priority 2—The neediest communities as determined by the median income from the most recent census data published by the United States Department of Housing and Urban Development (HUD), will receive points. The Agency will allocate points to projects located in communities having the lowest median income. Points for median income will be awarded as follows:

Median income (dollars)	Points
Less than $45,000	20
$45,000—less than $55,000	15
$55,000—less than $65,000	10
$65,000—less than $75,000	5
$75,000 or more	0

Priority 3—Projects that demonstrate partnering and leveraging in order to develop the maximum number of units and promote partnerships with State and local communities will also receive points. Points will be awarded as follows:

Loan to total development cost ratio (percentage %)	Points
Less than 25	60
Less than 50 to 25	30
Less than 70 to 50	10
70 or more	0

Priority 4—Responses that include equity from low income housing tax credits will receive an additional 50 points.

Priority 5—The USDA Rural Development will award points to projects with the highest ratio of 3–5 bedroom units to total units as follows:

Ratio of 3–5 bedroom units to total units	Points
More than 50%	10
21%–50%	5
Less than 21%—more than 0%	1

Priority 6—Responses for the revitalization, repair, and transfer (as stipulated in 7 CFR 3560.406) of existing direct Section 515 and Section 514/516 FLH and properties involved in the Agency's MPR program (transfer costs, including equity payments, are subject to Agency approval and must be an eligible use of loan proceeds listed in 7 CFR 3565.205) will receive an additional 10 points. If the transfer of existing Section 515 and Section 514/516 FLH properties includes equity payments, 0 points will be awarded.

Priority 7—Energy Efficiency

(A) Projects that are energy-efficient and registered for participation in the following programs will receive points as indicated up to a maximum of 25 points. Each program has an initial checklist indicating prerequisites for participation. Each applicant must provide a checklist establishing that the prerequisites for each program's participation will be met. Additional points will be awarded for checklists that achieve higher levels of energy efficiency certification as set forth below. All checklists must be accompanied by a signed affidavit by the project architect stating that the goals are achievable. Points will be awarded for the listed programs as follows. Because Energy Star for Homes is a requirement within other programs such as LEED and Green Communities, points will only be awarded separately for Energy Star for Homes if it is the only program in which the project is enrolled, excluding local programs that do not require participation in Energy Star for Homes:

- *Energy Star for Homes*—5 points;
- *Green Communities* by the Enterprise Community Partners (*www.enterprisefoundation.org*)—10 points;
- *LEED for Homes* program by the U.S. Green Building Council (USGBC) (*www.usgbc.org*)—Certified (10 points), Silver (12 points), Gold (15 points), or Platinum (25 points);
- *Home Innovation's National Green Building Standard™* (NGBS) certification program (*www.homeinnovation.com/green*)—Bronze (10 points), Silver (12 points), Gold (15 points), or Emerald (25 points); or
- A State or local green building program—2 points

(B) Projects that will be managed by a property management company that are certified green property management companies will receive 5 points. Applicants must provide proof of certification. Certification may be achieved through one of the following programs:

- National Apartment Association, Credential for Green Property Management (CGPM); *www.naahq.org/EDUCATION/DESIGNATIONPROGRAMS/OTHER/Pages/default.aspx*;
- National Affordable Housing Management Association (NAHMA), Credential for Green Property Management (CGPM); *www.nahma.org/content/greencred.html*; or
- U.S. Green Building Council (USGBC), Green Building Certification Institute (GBCI) LEED AP (any discipline) or LEED Green Associate; *www.gbci.org.*

(C) *Energy Generation* (maximum 5 points). Pre-applications for new construction or purchase and rehabilitation of non-program multi-family projects which participate in the Energy Star for Homes V3 Program, Green Communities, LEED for Homes or NAHB's National Green Building Standard (ICC–700) 2008, receive at least 8 points for Energy Conservation measures (if limited rehabilitation only) in the point allocations above are eligible to earn additional points for installation of on-site renewable energy sources. In order to receive more than 1 point for this energy generation section, an accurate energy analysis prepared by an engineer will need to be submitted with the pre-application. Energy analysis of preliminary building plans using industry-recognized simulation software must document the projected total energy consumption of the building, the portion of the building consumption which will be satisfied through on-site generation and the building's Home Energy Rating System (HERS) score.

Projects with an energy analysis of the preliminary or rehabilitation building plans that propose a 10 percent to 100 percent energy generation commitment (where generation is considered to be the total amount of energy needed to be generated on-site to make the building a net-zero consumer of energy) will be awarded points as follows:

- (a) 0 to 9 percent commitment to energy generation receives 0 points;
- (b) 10 to 29 percent commitment to energy generation receives 1 point;
- (c) 30 to 49 percent commitment to energy generation receives 2 points;
- (d) 50 to 69 percent commitment to energy generation receives 3 points;
- (e) 70 to 89 percent commitment to energy generation receives 4 points;
- (f) 90 percent or more commitment to energy generation receives 5 points.

Priority 8—Promise Zones/Persistent Poverty Areas

Additional 10 points will be awarded to projects located in Promise Zones and/or persistent poverty counties. A county is considered persistently poor if 20 percent or more of its population was living in poverty over the last 30 years (measured by the 1980, 1990, and 2000 decennial censuses and 2007–2011 American Community Survey 5-year estimates), as determined by the Agency.

Notifications: Responses will be reviewed for completeness and eligibility. The Agency will notify those lenders whose responses are selected via a Notice to Proceed with Application Processing letter. The Agency will request lenders without GRRHP lender approval to apply for GRRHP lender approval within 30 days upon receipt of notification of selection.

Lenders will also be invited to submit a complete application to the USDA Rural Development State Office where the project is located.

Submission of GRRHP Applications: Notification letters will instruct lenders to contact the USDA Rural Development State Office immediately following notification of selection to schedule required agency reviews.

USDA Rural Development State Office staff will work with lenders in the development of an application package. The deadline for the submission of a complete application is 90 calendar days from the date of notification of response selection. If the application is not received by the appropriate State Office within 90 calendar days from the date of notification, the selection is subject to cancellation, thereby allowing another response that is ready to proceed with processing to be selected. The Agency may extend this 90 day deadline for receipt of an application at its own discretion.

VI. Award Administration Information

Obligation of Program Funds: The Agency will only obligate funds to projects that meet the requirements for obligation under 7 CFR part 3565 and this NOSA, including having undergone a satisfactory environmental review in accordance with the National Environmental Protection Act (NEPA) and completed Form RD 3565–1 for the selected project.

The Agency will prioritize the obligation requests using the highest score and the procedures outlined as follows. The Agency will select the responses that meet eligibility criteria and invite lenders to submit complete applications to the Agency. Once a complete application is received and approved, the Agency's State Office will submit a request to obligate funds to the Agency's National Office. Starting on the Friday following the date the NOSA is published; obligation requests submitted to the National Office will be accumulated, but not obligated throughout the week until midnight Eastern Time every Thursday. To the extent that funds remain available, the Agency will obligate the requests accumulated through the weekly request deadline of the previous week by the following Tuesday (*i.e.,* requests received from Friday, May 13, 2016, to Thursday, May 19, 2016, will be obligated by Tuesday, May 24, 2016). In the event of a tie, priority will be given to the request for the project that: 1st—has the highest percentage of leveraging (lowest Loan to Cost) and in the event there is still a tie;—is in the smaller rural community.

Conditional Commitment: Once the required documents for obligation are received and all NEPA and regulatory requirements have been met, the USDA Rural Development State Office will issue a conditional commitment, which stipulates the conditions that must be fulfilled before the issuance of a guarantee, in accordance with 7 CFR 3565.303.

Issuance of Guarantee: The USDA Rural Development Office will issue a guarantee to the lender for a project in accordance with 7 CFR 3565.303. No guarantee can be issued without a complete application, review of appropriate certifications, satisfactory assessment of the appropriate level of environmental review, and the completion of any conditional requirements.

Non-Discrimination Statement

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, familial/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (*e.g.,* Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720–2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877–8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD–3027, found online at *http://www.ascr.usda.gov/complaint_filing_cust.html* and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form,

call (866) 632–9992, submit your completed form or letter to USDA by: *Mail:* U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue SW., Washington, DC 20250–9410; *Fax:* (202) 690–7442; or, *email: program.intake@usda.gov.*, USDA is an equal opportunity provider, employer, and lender.

Dated: March 3, 2016.

Tony Hernandez,

Administrator, Housing and Community Facilities Programs.

[FR Doc. 2016–05610 Filed 3–11–16; 8:45 am]

BILLING CODE 3410–XV–P

DEPARTMENT OF AGRICULTURE

Rural Utilities Service

Telecommunications Program: Notice of Availability of a Programmatic Environmental Assessment

AGENCY: Rural Utilities Service, USDA.

ACTION: Notice of Availability of a Programmatic Environmental Assessment of USDA Rural Utilities Service's Financial Support for Deployment of the Telecommunications Programs to Rural America.

SUMMARY: The Rural Utilities Service (RUS, Agency), an agency of the United States Department of Agriculture, issued a Programmatic Environmental Assessment (PEA) for the development of a more efficient and effective environmental review process for the RUS Telecommunications Program on March 1, 2016. The Notice of Availability of a Programmatic Environmental Assessment was published on March 2, 2016, in the **Federal Register** at 81 FR 10575. The PEA provides a broad environmental analysis of the Agency's preliminary decisions and includes a tiered, site-specific analysis at the project level that would be completed before Agency dispersal of funds and/or applicant construction. Since publication of the Agency's Environmental Policies and Procedures (7 CFR part 1970) in the **Federal Register** (81 FR 11000) on March 2, 2016, RUS has updated the PEA with citations to the Agency's new environmental rule. These changes are administrative and not substantive, therefore supplementation of the PEA is not required.

DATES: Written comments on the PEA must be received on or before March 31, 2016.

ADDRESSES: Please submit written comments by physical mail or electronic mail to: Mr. Richard Fristik, Senior Environmental Protection Specialist, Water and Environmental Programs/Engineering and Environmental Staff, Rural Utilities Service, 1400 Independence Ave. SW., Mail Stop 1571, Room 2240, Washington, DC 20250, *fax:* (202) 690–0649, or *email: Richard.Fristik@wdc.usda.gov.*

To obtain copies of the PEA or for further information, contact: Mr. Richard Fristik at the contact information provided in this Notice. A copy of the PEA is available for downloading through the Rural Development homepage at: *http://www.rd.usda.gov/publications/environmental-studies/assessments/programmatic-environmental-assessment.* Additional information about the Agency and its programs is available on the Internet at *http://www.rd.usda.gov/.*

FOR FURTHER INFORMATION CONTACT: For information on the PEA, please contact Mr. Richard Fristik, Senior Environmental Protection Specialist, Water and Environmental Programs/Engineering and Environmental Staff, Rural Utilities Service, 1400 Independence Ave. SW., Mail Stop 1571, Room 2240, Washington, DC 20250, *telephone:* (202) 720–5093, *fax:* (202) 690–0649, or *email: Richard.Fristik@wdc.usda.gov.* Parties wishing to be placed on the PEA's mailing list for future information and to receive copies of the PEA should also contact Mr. Fristik.

SUPPLEMENTARY INFORMATION: RUS issued a PEA for the development of a more efficient and effective environmental review process for its Telecommunications Program on March 1, 2016. The PEA provides a broad environmental analysis of the Agency's preliminary decisions and includes a tiered, site-specific analysis at the project level that would be completed before Agency dispersal of funds and/or applicant construction. Since publication of the Agency's Environmental Policies and Procedures (7 CFR part 1970) on March 2, 2016, RUS has updated the PEA with citations to the Agency's new environmental rule. These changes are administrative and not substantive, therefore supplementation of the PEA is not required.

The RUS Telecommunications Program provides a variety of loans and grants to build and expand broadband networks in rural America. Loans to build broadband networks and deliver service to households and businesses in rural communities provide a necessary source of capital for rural telecommunications companies. Grant funding is awarded based on a number of factors relating to the benefits to be derived from the proposed broadband network project, as specified in applicable program regulations.

Eligible applicants for RUS loans and grants include for-profit and non-profit entities, tribes, municipalities, and cooperatives. The Agency particularly encourages investment in tribal and economically disadvantaged areas. Through low-cost funding for telecommunications infrastructure, rural residents can have access to services that will close the digital divide between rural and urban communities. Once funds are awarded, RUS monitors the projects to make sure they are completed in accordance with program conditions and requirements.

The application process for requesting financial assistance for the various Telecommunications programs varies slightly from a competitive grant program, individual project proposals, or multi-year ''loan design'' applications. The Agency seeks to synchronize and create environmental review efficiencies for future project-level environmental review compliance for the various programs, commensurate with the potential environmental impacts. The Agency also seeks to establish proper sequencing of certain agency preliminary decisions (*i.e.,* obligation of funds and/or approval of interim financing requests) with subsequent tiered, site-specific project environmental reviews.

The PEA is intended to expedite the funding, deployment, and expansion of broadband infrastructure in rural America. The PEA includes detailed descriptions and analyses of the direct, indirect, and cumulative impacts associated with broadband infrastructure technologies and construction methods, such as impacts to water resources, terrestrial resources, historic and cultural resources, air and climate resources, noise, threatened and endangered species, electromagnetic radiation, and Environmental Justice issues. Use of the PEA analyses thereby saves project-level processing time, ensuring consistent and accurate environmental evaluations while avoiding unnecessary duplication and repetition in project-level planning and evaluation. Use of the PEA enables project-level compliance with the National Environmental Policy Act (NEPA), the Endangered Species Act (ESA), the National Historic Preservation Act (NHPA), and other requirements to focus on the remaining relevant site-specific issues, expediting planning, analysis, compliance,

documentation, and ultimately project-level decisions.

The PEA is available for public review at the digital and physical addresses provided in this Notice. Questions and comments should be sent to RUS at the mailing or email addresses provided in this Notice. RUS should receive written comments on the PEA on or before March 31, 2016 to ensure that they are considered in its environmental impact determination.

Any final action by RUS related to the broadband portion of the RUS Telecommunications Program will be subject to, and contingent upon, compliance with all relevant presidential executive orders and federal, state, and local environmental laws and regulations in addition to the completion of the environmental review requirements as prescribed in the Agency's Environmental Policies and Procedures.

Dated: March 7, 2016.

Keith B. Adams,

Assistant Administrator—Telecommunications Program, Rural Utilities Service.

[FR Doc. 2016–05584 Filed 3–11–16; 8:45 am]

BILLING CODE P

DEPARTMENT OF AGRICULTURE

Rural Utilities Service

Information Collection Activity; Comment Request

AGENCY: Rural Utilities Service, USDA.

ACTION: Notice and request for comments.

SUMMARY: In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35, as amended), the Rural Utilities Service (RUS) invites comments on this information collection for which RUS intends to request approval from the Office of Management and Budget (OMB).

DATES: Comments on this notice must be received by May 13, 2016.

FOR FURTHER INFORMATION CONTACT: Thomas P. Dickson, Acting Director, Program Development and Regulatory Analysis, Rural Utilities Service, 1400 Independence Ave. SW., STOP 1522, Room 5164—South Building, Washington, DC 20250–1522. Telephone: (202) 690–4492. FAX: (202) 720–8435. Email: *thomas.dickson@wdc.usda.gov.*

SUPPLEMENTARY INFORMATION: The Office of Management and Budget's (OMB) regulation (5 CFR part 1320) implementing provisions of the Paperwork Reduction Act of 1995 (Pub. L. 104–13) requires that interested members of the public and affected agencies have an opportunity to comment on information collection and recordkeeping activities (see 5 CFR 1320.8(d)). This notice identifies an information collection that RUS is submitting to OMB for extension.

Comments are invited on: (a) Whether the proposed collection of information is necessary for the proper performance of the functions of the Agency, including whether the information will have practical utility; (b) the accuracy of the Agency's estimate of the burden of the proposed collection of information including the validity of the methodology and assumptions used; (c) ways to enhance the quality, utility and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology. Comments may be sent to: Thomas P. Dickson, Acting Director, Program Development and Regulatory Analysis, USDA Rural Utilities Service, STOP 1522, 1400 Independence Ave. SW., Washington, DC 20250–1522. FAX: (202) 720–8435. Email: *Thomas.dickson@wdc.usda.gov.*

Title: 7 CFR 1779, Water and Waste Disposal Programs Guaranteed Loans.

OMB Number: 0572–0122.

Type of Request: Extension of a currently approved information collection.

Abstract: The Rural Utilities Service is authorized by Section 306 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926) to make loans to public agencies, nonprofit corporations, and Indian tribes for the development of water and waste disposal facilities primarily servicing rural residents. The guaranteed loan program encourages lender participation and provides specific guidance in the processing and servicing of guaranteed loans. The regulations governing the Water and Waste Disposal Guaranteed Loan program are codified at 7 CFR 1779. The required information, in the form of written documentation and Agency approved forms, is collected from applicants/borrowers, their lenders, and consultants. The collected information will be used to determine applicant/borrower eligibility, project feasibility, and to ensure borrowers operate on a sound basis and use loan funds for authorized purposes. Failure to collect proper information could result in improper determinations of eligibility, improper use of funds, and/or unsound loans.

Estimate of Burden: Public reporting burden for this collection of information is estimated to average 7.8 hours per response.

Respondents: Business or other for profit; Not-for-profit institutions; State, Local or Tribal government.

Estimated Number of Respondents: 15.

Estimated Number of Responses per Respondent: 7.3.

Estimated Total Annual Burden on Respondents: 858 hours.

Copies of this information collection can be obtained from MaryPat Daskal, Program Development and Regulatory Analysis, at (202) 720–0992. FAX: (202) 720–8435. Email: *marypat.daskal@wdc.usda.gov.* All responses to this notice will be summarized and included in the request for OMB approval. All comments will also become a matter of public record.

Dated: March 4, 2016.

Brandon McBride,

Administrator, Rural Utilities Service.

[FR Doc. 2016–05585 Filed 3–11–16; 8:45 am]

BILLING CODE P

ARCTIC RESEARCH COMMISSION

Notice of 105th Commission Meeting

Notice is hereby given that the U.S. Arctic Research Commission will hold its 105th meeting in Fairbanks, Alaska, on March 16, 2016. The business session, open to the public, will convene at 8:30 a.m.

The agenda items include:

(1) Call to order and approval of the agenda

(2) Approval of the minutes from the 104th meeting

(3) Commissioners and staff reports

The focus of the meeting will be a discussion of Arctic research activities and events.

If you plan to attend this meeting, please notify us via the contact information below. Any person planning to attend who requires special accessibility features and/or auxiliary aids, such as sign language interpreters, must inform the Commission of those needs in advance of the meeting.

Contact person for further information: John Farrell, Executive Director, U.S. Arctic Research Commission, 703–525–0111 or TDD 703–306–0090.

Kathy Farrow,

Communications Specialist.

[FR Doc. 2016–04559 Filed 3–11–16; 8:45 am]

BILLING CODE 7555–01–P

COMMISSION ON CIVIL RIGHTS

Notice of Public Meeting of the Nebraska Advisory Committee To Discuss Memorandum on Civil Rights and State Level Immigration Enforcement

AGENCY: U.S. Commission on Civil Rights.

ACTION: Notice of meeting.

SUMMARY: Notice is hereby given, pursuant to the provisions of the rules and regulations of the U.S. Commission on Civil Rights (Commission) and the Federal Advisory Committee Act that the Nebraska Advisory Committee (Committee) will hold a meeting on Monday March 21, 2016, at 1:00 p.m. CST for the purpose of discussing and voting on approval of an advisory memorandum regarding the civil rights impact of the State's 2009 Legislative Bill 403, which requires immigration status verification for public benefits applicants, and federal employment authorization verification for all state employees and their contractors.

Members of the public can listen to the discussion. This meeting is available to the public through the following toll-free call-in number: 888–395–3227, conference ID: 2406147. Any interested member of the public may call this number and listen to the meeting. An open comment period will be provided at the end of the meeting to allow members of the public to make a statement as time allows. The conference call operator will ask callers to identify themselves, the organization they are affiliated with (if any), and an email address prior to placing callers into the conference room. Callers can expect to incur regular charges for calls they initiate over wireless lines, according to their wireless plan. The Commission will not refund any incurred charges. Callers will incur no charge for calls they initiate over land-line connections to the toll-free telephone number. Persons with hearing impairments may also follow the proceedings by first calling the Federal Relay Service at 1–800–977–8339 and providing the Service with the conference call number and conference ID number.

Member of the public are also entitled to submit written comments; the comments must be received in the regional office within 30 days following the meeting. Written comments may be mailed to the Midwestern Regional Office, U.S. Commission on Civil Rights, 55 W. Monroe St., Suite 410, Chicago, IL 60615. They may also be faxed to the Commission at (312) 353–8324, or emailed to Corrine Sanders at *csanders@usccr.gov.* Persons who desire additional information may contact the Midwestern Regional Office at (312) 353–8311.

Records generated from this meeting may be inspected and reproduced at the Midwestern Regional Office, as they become available, both before and after the meeting. Records of the meeting will be available via *www.facadatabase.gov* under the Commission on Civil Rights, Nebraska Advisory Committee link: *http://facadatabase.gov/committee/meetings.aspx?cid=260*. Click on ''meeting details'' and then ''documents'' to download. Persons interested in the work of this Committee are directed to the Commission's Web site, *http://www.usccr.gov,* or may contact the Midwestern Regional Office at the above email or street address.

Agenda

Welcome and Introductions
Discussion of Advisory Memorandum
Future plans and actions
Public Comment
Adjournment

DATES: The meeting will be held on Monday March 21, 2016 at 1 p.m. Central.

Public Call Information

Dial: 888–395–3227.
Conference ID: 2406147.

Exceptional Circumstance: Pursuant to 41 CFR 102–3.150, the notice for this meeting is given less than 15 calendar days prior to the meeting because of the exceptional circumstances of technical difficulties. Given the exceptional urgency of the events, the agency and advisory committee deem it important for the advisory committee to meet on the date given.

Dated: March 8, 2016.

David Mussatt,

Chief, Regional Programs Unit.

[FR Doc. 2016–05617 Filed 3–11–16; 8:45 am]

BILLING CODE 6335–01–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–122–855]

Certain Polyethylene Terephthalate Resin From Canada: Final Determination of Sales at Less Than Fair Value

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (''the Department'') determines that imports of certain polyethylene terephthalate resin (''PET resin'') from Canada are being sold in the United States at less than fair value (''LTFV''), as provided in section 735 of the Tariff Act of 1930, as amended (the ''Act''). The final weighted-average dumping margins of sales at LTFV are listed below in the section entitled ''Final Determination Margins.''

DATES: *Effective Date:* March 14, 2016.

FOR FURTHER INFORMATION CONTACT: Karine Gziryan, AD/CVD Operations, Office IV, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington, DC 20230; telephone: (202) 482–4081.

SUPPLEMENTARY INFORMATION:

Background

On October 15, 2015, the Department published in the **Federal Register** the preliminary determination in the LTFV investigation of PET resin from Canada.[1] For a description of the events that have occurred since the Preliminary Determination, *see* the Issue and Decision Memorandum.[2] The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at *http://access.trade.gov* and to all parties in the Central Records Unit, room B8024 of the main Department of Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at *http://enforcement.trade.gov*. The signed and electronic versions of the Issues and Decision Memorandum are identical in content.

As explained in the memorandum from the Acting Assistant Secretary for Enforcement & Compliance, the Department has exercised its discretion to toll all administrative deadlines due to the recent closure of the Federal Government because of snowstorm ''Jonas''. All deadlines in this segment

[1] *See Certain Polyethylene Terephthalate Resin from Canada: Affirmative Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination,* 80 FR 62019 (October 15, 2015) (''*Preliminary Determination*'').

[2] *See* Memorandum from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Paul Piquado, Assistant Secretary for Enforcement and Compliance ''Certain Polyethylene Terephthalate Resin from Canada: Issues and Decision Memorandum for the Final Determination of Sales at Less Than Fair Value'' (''Issues and Decision Memorandum''), dated concurrently with this notice.

of the proceeding have been extended by four business days. The revised deadline for the final determination of this investigation is now March 4, 2016.[3]

Period of Investigation

The period of investigation (''POI'') is January 1, 2014, through December 31, 2014.

Scope of the Investigation

The product covered by this investigation is certain PET resin from Canada. For a full description of the scope of the investigation, *see* Appendix I to this notice.

Analysis of Comments Received

All issues raised in the case and rebuttal briefs by parties in this investigation are discussed in the Issues and Decision Memorandum, dated concurrently with and hereby adopted by this notice. A list of the issues that parties raised, and to which we responded in the Issues and Decision Memorandum, is attached to this notice as Appendix II.

Final Determination Margins

The Department determines that the following weighted-average dumping margins exist for the period January 1, 2014, through December 31, 2014:

Exporter or producer	Weighted-average dumping margin (percent)
Selenis Canada	13.60
All-Others	13.60

All-Others Rate

Section 735(c)(5)(A) of the Act provides that the estimated ''all-others'' rate shall be an amount equal to the weighted average of the estimated weighted-average dumping margins established for exporters and producers individually investigated, excluding any zero or *de minimis* margins, and any margins determined entirely under section 776 of the Act. We based our calculation of the ''all-others'' rate on the margin calculated for Selenis Canada, the only mandatory respondent in this investigation.

Disclosure

We will disclose to parties in this proceeding the calculations performed for this final determination within five days of the date of public announcement of our final determination, in accordance with 19 CFR 351.224(b).

Continuation of Suspension of Liquidation

Pursuant to section 735(c)(1)(B) of the Act, the Department will instruct U.S. Customs and Border Protection (''CBP'') to continue to suspend liquidation of all entries of certain PET resin from Canada which were entered, or withdrawn from warehouse, for consumption on or after October 15, 2015, the date of publication of the *Preliminary Determination.* We also will instruct CBP to require a cash deposit equal to the weighted-average amount by which normal value exceeds U.S. price, as follows: (1) The cash deposit rate for Selenis Canada will be equal to the estimated weighted-average dumping margin determined in this final determination; (2) if the exporter is not a firm identified in this investigation but the producer is, the cash deposit rate will be equal to the estimated weighted-average dumping margin established for the producer of the subject merchandise; and (3) the cash deposit rate for all other producers or exporters will be 13.60 percent. The instructions suspending liquidation will remain in effect until further notice.

International Trade Commission Notification

In accordance with section 735(d) of the Act, we will notify the U.S. International Trade Commission (''ITC'') of our final determination. As our final determination is affirmative, in accordance with section 735(b)(2) of the Act, the ITC will determine within 45 days whether the domestic industry in the United States is materially injured, or threatened with material injury, by reason of imports or sales (or the likelihood of sales) for importation of the subject merchandise. If the ITC determines that such injury exists, the Department will issue an antidumping duty order directing CBP to assess, upon further instruction by the Department, antidumping duties on all imports of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the effective date of the suspension of liquidation.

Return or Destruction of Proprietary Information

This notice will serve as a reminder to parties subject to administrative protective order (''APO'') of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of the destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

We are issuing and publishing this determination and notice in accordance with sections 735(d) and 777(i) of the Act.

Dated: March 4, 2016.

Paul Piquado,

Assistant Secretary for Enforcement and Compliance.

Appendix I

Scope of the Investigation

The merchandise covered by this investigation is polyethylene terephthalate (PET) resin having an intrinsic viscosity of at least 0.70, but not more than 0.88, deciliters per gram. The scope includes blends of virgin PET resin and recycled PET resin containing 50 percent or more virgin PET resin content by weight, provided such blends meet the intrinsic viscosity requirements above. The scope includes all PET resin meeting the above specifications regardless of additives introduced in the manufacturing process. The merchandise subject to these investigations is properly classified under subheading 3907.60.00.30 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS subheading is provided for convenience and customs purposes, the written description of the merchandise under investigation is dispositive.

Appendix II

List of Topics in the Issues and Decision Memorandum

[FR Doc. 2016–05703 Filed 3–11–16; 8:45 am]

BILLING CODE 3510–DS–P

[3] *See* Memorandum to the Record from Ron Lorentzen, Acting A/S for Enforcement & Compliance, regarding ''Tolling of Administrative Deadlines As a Result of the Government Closure During Snowstorm Jonas,'' dated January 27, 2016.

DEPARTMENT OF COMMERCE

International Trade Administration

[C–523–811]

Certain Polyethylene Terephthalate Resin From the Sultanate of Oman: Final Negative Countervailing Duty Determination

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Department) determines that countervailable subsidies are not being provided to producers and exporters of certain polyethylene terephthalate resin (PET resin) from the Sultanate of Oman (Oman). Specifically, the Department determines that the subsidy programs reviewed in this investigation do not yield an aggregate net countervailable subsidy rate above a *de minimis* level (*i.e.,* one percent *ad valorem*). The period of investigation is January 1, 2014 through December 31, 2014.

DATES: *Effective Date:* March 14, 2016.

FOR FURTHER INFORMATION CONTACT: Thomas Martin, Office IV, AD/CVD Operations, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington, DC 20230; telephone: (202) 482–3936.

SUPPLEMENTARY INFORMATION:

Background

Petitioners in this investigation are DAK Americas, LLC, M&G Chemicals, and Nan Ya Plastics Corporation, America, (collectively, Petitioners). In addition to the Government of the Sultanate of Oman (GSO), the mandatory respondent in this investigation is OCTAL SAOC–FZC and OCTAL Holding SAOC (collectively, OCTAL).

The events that have occurred since the Department published the *Preliminary Determination* [1] on August 14, 2015 are discussed in the Issues and Decision Memorandum, which is hereby incorporated in this notice.[2] This memorandum also details the changes we made since the *Preliminary Determination* to the subsidy rates calculated for the mandatory respondent. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at *http://access.trade.gov,* and is available to all parties in the Central Records Unit, room B8024 of the main Department of Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at *http://enforcement.trade.gov/frn/index.html.* The signed Issues and Decision Memorandum and the electronic version of the Issues and Decision Memorandum are identical in content.

As explained in the memorandum from the Acting Assistant Secretary for Enforcement and Compliance, the Department has exercised its discretion to toll all administrative deadlines due to the recent closure of the Federal Government. All deadlines in this segment of the proceeding have been extended by four business days. The revised deadline for the final determination is now March 4, 2016.[3]

Scope of the Investigation

The merchandise covered by this investigation is PET resin. The merchandise subject to this investigation is properly classified under subheading 3907.60.00.30 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS subheading is provided for convenience and customs purposes, the written description of the merchandise under investigation is dispositive. For a complete description of the scope of this investigation, *see* Appendix I.

Analysis of Subsidy Programs and Comments Received

The subsidy programs under investigation and the issues raised in the case and rebuttal briefs by parties in this investigation are discussed in the Issues and Decision Memorandum, dated concurrently with this notice. A list of the issues that parties raised, and to which we responded in the Issues and Decision Memorandum, is attached to this notice as Appendix II.

Final Determination

We determine the countervailable subsidy rates to be:

Company	Subsidy rate
OCTAL SAOC—FZC and OCTAL Holding SAOC.	0.59 percent (*de minimis*).[4]

Because the total estimated net countervailable subsidy rate for the examined company is *de minimis,* we determine that countervailable subsidies are not being provided to producers or exporters of PET resin from Oman. We did not calculate an all-others rate pursuant to sections 705(c)(1)(B) and (c)(5) of the Tariff Act of 1930, as amended (the Act) because we did not reach an affirmative final determination. Because our final determination is negative, this proceeding is terminated in accordance with section 705(c)(2) of the Act.

In the *Preliminary Determination,* the total net countervailable subsidy rate for the individually examined respondent was *de minimis* and, therefore, we did not suspend liquidation of entries of PET resin from Oman. Because the estimated subsidy rates for the examined company is *de minimis* in this final determination, we are not directing U.S. Customs and Border Protection to suspend liquidation of entries of PET resin from Oman.

International Trade Commission (ITC) Notification

In accordance with section 705(d) of the Act, we will notify the ITC of our final determination. Because our final determination is negative, this investigation is terminated.

Return or Destruction of Proprietary Information

This notice serves as the only reminder to parties subject to the administrative protective order (APO) of their responsibility concerning the destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of the return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a violation which is subject to sanction.

This determination is issued and published pursuant to sections 705(d) and 777(i) of the Act.

[1] *See Certain Polyethylene Terephthalate Resin From the Sultanate of Oman: Preliminary Negative Countervailing Duty Determination and Alignment of Final Countervailing Duty Determination With Final Antidumping Duty Determination,* 80 FR 48808 (August 14, 2015) (*Preliminary Determination*).

[2] *See* Memorandum to Paul Piquado, ''Countervailing Duty Investigation of Certain Polyethylene Terephthalate resin from the Sultanate of Oman: Issues and Decision Memorandum for the Final Negative Determination'' (March 4, 2015) (Issues and Decision Memorandum).

[3] *See* Memorandum to the Record from Ron Lorentzen, Acting Assistant Secretary for Enforcement & Compliance, regarding ''Tolling of Administrative Deadlines As a Result of the Government Closure During Snowstorm Jonas,'' dated January 27, 2016.

[4] In accordance with section 703(b)(4) of the Act, we are disregarding *de minimis* subsidies for the purposes of this final determination.

Dated: March 4, 2016.

Paul Piquado,

Assistant Secretary for Enforcement and Compliance.

Appendix I

Scope of the Investigation

The merchandise covered by this investigation is polyethylene terephthalate (PET) resin having an intrinsic viscosity of at least 0.70, but not more than 0.88, deciliters per gram. The scope includes blends of virgin PET resin and recycled PET resin containing 50 percent or more virgin PET resin content by weight, provided such blends meet the intrinsic viscosity requirements above. The scope includes all PET resin meeting the above specifications regardless of additives introduced in the manufacturing process. The merchandise subject to this investigation is properly classified under subheading 3907.60.00.30 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS subheading is provided for convenience and customs purposes, the written description of the merchandise under investigation is dispositive.

Appendix II

List of Topics Discussed in the Issues and Decision Memorandum

Tariff Liability Issues

Comment 1: Whether the Absence of Duty Liability Based on OCTAL's Location in the SFZ Is a Countervailable Subsidy
Comment 2: Whether Petitioners' Subsidy Allegations Regarding OCTAL's Tariff Exemptions Were Properly Alleged

Provision of Land for Less Than Adequate Remuneration (LTAR) Issues

Comment 3: Whether the Department Should Recalculate the Land for LTAR Rate With a Revised Benchmark
Comment 4: Whether the Provision of Land for LTAR to OCTAL Is an Export Subsidy
Comment 5: Whether The Department Should Recalculate the Land for LTAR Rate To Adjust for OCTAL's Expenses To Develop the Land

Provision of Infrastructure for LTAR Issues

Comment 6: Whether the Department Should Continue To Find That OCTAL Benefited From GSO Non-General Infrastructure Funding in The Salalah Free Zone (SFZ)
Comment 7: Whether GSO Non-General Infrastructure Funding in the SFZ Is an Export Subsidy
Comment 8: Whether the Department Miscalculated the GSO Non-General Infrastructure Funding Subsidy

Provision of Electricity for LTAR Issues

Comment 9: Whether the Department Should Revise Its Electricity for LTAR Benchmark
Comment 10: Whether the Provision of Electricity for LTAR Is Specific

Miscellaneous Issues

Comment 11: Whether the Department Should Countervail OCTAL's Lease With Salalah Port Services Company SAOG (SPSC)
Comment 12: Whether The Department Should Have Investigated Other Potential Countervailable Subsidies

[FR Doc. 2016–05713 Filed 3–11–16; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

[C–570–043]

Stainless Steel Sheet and Strip From the People's Republic of China: Initiation of Countervailing Duty Investigation

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

DATES: Effective March 3, 2016.

FOR FURTHER INFORMATION CONTACT: Sean Carey at (202) 482–3964; AD/CVD Operations, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington, DC 20230.

SUPPLEMENTARY INFORMATION:

The Petition

On February 12, 2016, the Department of Commerce (Department) received a countervailing duty (CVD) petition concerning imports of stainless steel sheet and strip from the People's Republic of China (PRC), filed in proper form on behalf of AK Steel Corporation, Allegheny Ludlum, LLC d/b/a ATI Flat Rolled Products, North American Stainless, and Outokumpu Stainless USA, LLC (collectively, Petitioners).[1] The CVD petition was accompanied by an Antidumping Duty (AD) petition for stainless steel sheet and strip from the PRC.[2] Petitioners are domestic producers of stainless steel sheet and strip, which represents the domestic industry engaged in the manufacture of stainless steel sheet and strip in the United States.[3]

On February 17, 2016, the Department requested information and clarification of certain areas of the Petition.[4] On February 19, 2016, Petitioners filed responses to these requests[5] and an amendment to the scope section of the petition.[6]

In accordance with section 702(b)(1) of the Tariff Act of 1930, as amended (the Act), Petitioners allege that the Government of China (GOC) is providing countervailable subsidies (within the meaning of sections 701 and 771(5) of the Act) to imports of stainless steel sheet and strip from the PRC, and that such imports are materially injuring, or threatening material injury to, an industry in the United States. Also, consistent with section 702(b)(1) of the Act, for those alleged programs in the PRC on which we have initiated a CVD investigation, the Petition is accompanied by information reasonably available to Petitioners supporting their allegation.

The Department finds that Petitioner filed this Petition on behalf of the domestic industry because it is an interested party as defined in section 771(9)(C) of the Act, and Petitioner has demonstrated sufficient industry support with respect to the CVD investigation that it is requesting the Department to initiate.[7]

Period of Investigation

Pursuant to 19 CFR 351.204(b)(2), because the Petition was filed on February 12, 2016, the period of investigation is January 1, 2015, through December 31, 2015.

Scope of the Investigation

The product covered by this investigation is stainless steel sheet and strip from the PRC. For a full description of the scope of the investigation, *see* the ''Scope of the Investigation'' in Appendix I of this notice.

Comments on Scope of the Investigations

During our review of the Petition, the Department issued questions to, and received responses from, Petitioners pertaining to the proposed scope to ensure that the scope language in the Petition would be an accurate reflection

[1] *See* ''Stainless Steel Sheet and Strip from the People's Republic of China—Petitions for the Imposition of Antidumping and Countervailing Duties,'' dated February 12, 2016 (Petition).

[2] *Id.*

[3] *See* Volume I of the Petition, at 2–3.

[4] *See* the following February 17, 2016, letters from the Department to Petitioners: ''Petitions for the Imposition of Antidumping and Countervailing Duties on Imports of Stainless Steel Sheet and Strip from the People's Republic of China: Supplemental Questions'' (General Issues Supplemental Questionnaire), ''Petition for the Imposition of Countervailing Duties on Imports of Stainless Steel Sheet and Strip from the People's Republic of China: Supplemental Questions'' (CVD Supplemental Questionnaire).

[5] *See* the following February 19, 2016, responses from Petitioners: ''Stainless Steel Sheet and Strip from the People's Republic of China—Petitioners' Response to the Department's Questions on General and Injury Volume of Petition and Amendment to Petition to Modify Scope Language,'' (General Issues Supplement); ''Stainless Steel Sheet and Strip from the People's Republic of China—Petitioners' Response to the CVD Supplemental Questionnaire'' (CVD Supplemental Response).

[6] *See* CVD Supplemental Response, at Exhibit GEN-Supp.2.

[7] *See* the ''Determination of Industry Support for the Petitions'' section below.

of the products for which the domestic industry is seeking relief.[8]

As discussed in the preamble to the Department's regulations,[9] we are setting aside a period for interested parties to raise issues regarding product coverage (scope). The Department will consider all comments received from interested parties and, if necessary, will consult with interested parties prior to the issuance of the preliminary determinations. If scope comments include factual information (*see* 19 CFR 351.102(b)(21)), all such factual information should be limited to public information. In order to facilitate preparation of its questionnaires, the Department requests all interested parties submit such comments by 5:00 p.m. Eastern Time (ET) on Tuesday, March 23, 2016, which is 20 calendar days from the signature date of this notice. Any rebuttal comments, which may include factual information, must be filed by 5:00 p.m. ET on Monday, April 4, 2016, because 10 calendar days after the initial comments deadline falls on Saturday, April 2, 2016.[10]

The Department requests that any factual information the parties consider relevant to the scope of the investigation be submitted during this time period. However, if a party subsequently finds that additional factual information pertaining to the scope of the investigations may be relevant, the party may contact the Department and request permission to submit the additional information. All such comments must also be filed on the record of each of the concurrent AD and CVD investigations.

Filing Requirements

All submissions to the Department must be filed electronically using Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS).[11] An electronically-filed document must be received successfully in its entirety by the time and date it is due. Documents excepted from the electronic submission requirements must be filed manually (*i.e.,* in paper form) with Enforcement and Compliance's APO/Dockets Unit, Room 18022, U.S. Department of Commerce, 14th Street and Constitution Avenue NW, Washington, DC 20230, and stamped with the date and time of receipt by the applicable deadlines.

Consultations

Pursuant to section 702(b)(4)(A)(i) of the Act, the Department notified representatives of the GOC of the receipt of the Petition. Also, in accordance with section 702(b)(4)(A)(ii) of the Act, the Department provided representatives of the GOC the opportunity for consultations with respect to the CVD Petition.

Consultations were held with representatives of the PRC on February 25, 2016.[12] All invitation letters and memoranda regarding these consultations are on file electronically via ACCESS.

Determination of Industry Support for the Petition

Section 702(b)(1) of the Act requires that a petition be filed on behalf of the domestic industry. Section 702(c)(4)(A) of the Act provides that a petition meets this requirement if the domestic producers or workers who support the petition account for: (i) At least 25 percent of the total production of the domestic like product; and (ii) more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the petition. Moreover, section 702(c)(4)(D) of the Act provides that, if the petition does not establish support of domestic producers or workers accounting for more than 50 percent of the total production of the domestic like product, the Department shall: (i) Poll the industry or rely on other information in order to determine if there is support for the petition, as required by subparagraph (A); or (ii) determine industry support using a statistically valid sampling method to poll the ''industry.''

Section 771(4)(A) of the Act defines the ''industry'' as the producers as a whole of a domestic like product. Thus, to determine whether a petition has the requisite industry support, the statute directs the Department to look to producers and workers who produce the domestic like product. The International Trade Commission (ITC), which is responsible for determining whether ''the domestic industry'' has been injured, must also determine what constitutes a domestic like product in order to define the industry. While both the Department and the ITC must apply the same statutory definition regarding the domestic like product,[13] they do so for different purposes and pursuant to a separate and distinct authority. In addition, the Department's determination is subject to limitations of time and information. Although this may result in different definitions of the like product, such differences do not render the decision of either agency contrary to law.[14]

Section 771(10) of the Act defines the domestic like product as ''a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this title.'' Thus, the reference point from which the domestic like product analysis begins is ''the article subject to an investigation'' (*i.e.,* the class or kind of merchandise to be investigated, which normally will be the scope as defined in the Petition).

With regard to the domestic like product, Petitioners do not offer a definition of the domestic like product distinct from the scope of the investigation. Based on our analysis of the information submitted on the record, we have determined that stainless sheet and strip constitutes a single domestic like product, and we have analyzed industry support in terms of that domestic like product.[15]

In determining whether Petitioners have standing under section 702(c)(4)(A) of the Act, we considered the industry support data contained in the Petition with reference to the domestic like product as defined in the ''Scope of the Investigation'' in Appendix I of this notice. Petitioners provided their production of the domestic like product in 2015, as well

[8] *See* General Issues Supplemental Questionnaire.

[9] *See Antidumping Duties; Countervailing Duties; Final Rule,* 62 FR 27296, 27323 (May 19, 1997).

[10] *See* 19 CFR 351.303(b)(1) (''For both electronically filed and manually filed documents, if the applicable due date falls on a non-business day, the Secretary will accept documents that are filed on the next business day.'')

[11] *See* 19 CFR 351.303 (for general filings requirements); *see also Antidumping and Countervailing Duty Proceedings: Electronic Filing Procedures; Administrative Protective Order Procedures,* 76 FR 39263 (July 6, 2011); *see also Enforcement and Compliance; Change of Electronic Filing System Name,* 79 FR 69046 (November 20, 2014) for details of the Department's electronic filing requirements, which went into effect on August 5, 2011. Information on help using ACCESS can be found at *https://access.trade.gov/help.aspx* and a handbook can be found at *https://access.trade.gov/help/Handbook%20on%20Electronic%20Filling%20Procedures.pdf.*

[12] *See* Memorandum, ''Countervailing Duty Petition on Stainless Steel Sheet from the People's Republic of China: Consultations with the Government of China,'' February 26, 2016.

[13] *See* section 771(10) of the Act.

[14] *See USEC, Inc.* v. *United States,* 132 F. Supp. 2d 1, 8 (CIT 2001) (citing *Algoma Steel Corp., Ltd.* v. *United States,* 688 F. Supp. 639, 644 (CIT 1988), *aff'd* 865 F.2d 240 (Fed. Cir. 1989)).

[15] For a discussion of the domestic like product analysis in this case, *see* Countervailing Duty Investigation Initiation Checklist: Stainless Steel Sheet and Strip from the People's Republic of China (PRC CVD Initiation Checklist), at Attachment II, Analysis of Industry Support for the Antidumping and Countervailing Duty Petitions Covering Stainless Steel Sheet and Strip from the People's Republic of China (Attachment II). This checklist is dated concurrently with this notice and on file electronically via ACCESS. Access to documents filed via ACCESS is also available in the Central Records Unit, Room 18022 of the main Department of Commerce building.

as an estimate of total production of the domestic like product for the entire domestic industry.[16] To establish industry support, Petitioners compared their own production to total estimated production of the domestic like product for the entire domestic industry.[17] We have relied upon data Petitioners provided for purposes of measuring industry support.[18]

Our review of the data provided in the Petition, the Second General Issues Supplement, and other information readily available to the Department indicates that Petitioners have established industry support.[19] First, the Petition established support from domestic producers (or workers) accounting for more than 50 percent of the total production of the domestic like product and, as such, the Department is not required to take further action in order to evaluate industry support (*e.g.,* polling).[20] Second, the domestic producers (or workers) have met the statutory criteria for industry support under section 702(c)(4)(A)(i) of the Act because the domestic producers (or workers) who support the Petition account for at least 25 percent of the total production of the domestic like product.[21] Finally, the domestic producers (or workers) have met the statutory criteria for industry support under section 702(c)(4)(A)(ii) of the Act because the domestic producers (or workers) who support the Petition account for more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the Petition.[22] Accordingly, the Department determines that the Petition was filed on behalf of the domestic industry within the meaning of section 702(b)(1) of the Act.

The Department finds that Petitioners filed the Petition on behalf of the domestic industry because they are interested parties as defined in section 771(9)(C) of the Act and that they have demonstrated sufficient industry support with respect to the CVD investigation that they are requesting the Department initiate.[23]

Injury Test

Because the PRC is a ''Subsidies Agreement Country'' within the meaning of section 701(b) of the Act, section 701(a)(2) of the Act applies to this investigation. Accordingly, the ITC must determine whether imports of the subject merchandise from the PRC materially injure, or threaten material injury to, a U.S. industry.

Allegations and Evidence of Material Injury and Causation

Petitioners allege that imports of the subject merchandise are benefitting from countervailable subsidies and that such imports are causing, or threatening to cause, material injury to the U.S. industry producing the domestic like product. In addition, Petitioners allege that subject imports exceed the negligibility threshold provided for under section 771(24)(A) of the Act.[24]

Petitioners contend that the industry's injured condition is illustrated by: reduced market share, underselling and price suppression or depression, lost sales and revenues, reductions in U.S. production, shipments, and capacity utilization, decreased employment, and financial deterioration.[25] We have assessed the allegations and supporting evidence regarding material injury, threat of material injury, and causation, and we have determined that these allegations are properly supported by adequate evidence and meet the statutory requirements for initiation.[26]

Initiation of Countervailing Duty Investigation

Section 702(b)(1) of the Act requires the Department to initiate a CVD investigation whenever an interested party filed a CVD petition on behalf of an industry that: (1) alleges elements necessary for an imposition of a duty under section 701(a) of the Act; and (2) is accompanied by information reasonably available to Petitioners supporting the allegations.

Petitioners allege that producers/exporters of stainless steel sheet and strip from the PRC benefit from countervailable subsidies bestowed by the GOC. The Department examined the Petition and finds that it complies with the requirements of section 702(b)(1) of the Act. Therefore, in accordance with section 702(b)(1) of the Act, we are initiating a CVD investigation to determine whether manufacturers, producers, or exporters of stainless steel sheet and strip from the PRC receive countervailable subsidies from the GOC.

Based on our review of the Petition, we find that there is sufficient information to initiate a CVD investigation on all 41 alleged programs in the PRC.[27] For a full discussion of the basis for our decision to initiate on each program, *see* the PRC CVD Initiation Checklist. A public version of the initiation checklists for each investigation is available on ACCESS.

In accordance with section 703(b)(1) of the Act and 19 CFR 351.205(b)(1), unless postponed, we will make our preliminary determination no later than 65 days after the date of this initiation.

On June 29, 2015, the President of the United States signed into law the Trade Preferences Extension Act of 2015, which made numerous amendments to the AD and CVD law.[28] The 2015 law does not specify dates of application for those amendments. On August 6, 2015, the Department published an interpretative rule, in which it announced the applicability dates for each amendment to the Act, except for amendments contained in section 771(7) of the Act, which relate to determinations of material injury by the ITC.[29] The amendments to sections 771(15), 773, 776, and 782 of the Act are applicable to all determinations made on or after August 6, 2015, and, therefore, apply to this CVD investigation.[30]

Respondent Selection

Petitioners named 158 companies as producers/exporters of stainless steel sheet and strip in the PRC.[31] Following standard practice in CVD investigations, the Department will, where appropriate, select respondents based on U.S. Customs and Border Protection (''CBP'') data for U.S. imports of amorphous silica fabric during the period of investigation. For this investigation, the Department will release U.S. Customs and Border Protection (CBP) data for

[16] *See* Volume I of the Petition, at 4–5 and Exhibits GEN–1 and GEN–12.

[17] *Id.* For further discussion, *see* PRC CVD Initiation Checklist, at Attachment II.

[18] *See* PRC CVD Initiation Checklist, at Attachment II.

[19] *Id.*

[20] *See* section 702(c)(4)(D) of the Act; *see also* PRC CVD Initiation Checklist, at Attachment II.

[21] *See* PRC CVD Initiation Checklist, at Attachment II.

[22] *Id.*

[23] *Id.*

[24] *See* Volume I of the Petition, at 13 and Exhibit GEN–6; *see also* General Issues Supplement, at 4–5 and Exhibit GEN-Supp. 6.

[25] *See* Volume I of the Petition, at 14–19 and Exhibits GEN–6 and GEN–8 through GEN–12; *see also* Second General Issues Supplement, at 4–5 and Exhibit GEN-Supp. 5.

[26] *See* PRC CVD Initiation Checklist, at Attachment III, Analysis of Allegations and Evidence of Material Injury and Causation for the Antidumping and Countervailing Duty Petitions Covering Stainless Steel Sheet and Strip from the People's Republic of China.

[27] *See* PRC CVD Initiation Checklist for a more detailed explanation.

[28] *See* Trade Preferences Extension Act of 2015, Pub. L. 114–27, 129 Stat. 362 (2015).

[29] *See Dates of Application of Amendments to the Antidumping and Countervailing Duty Laws Made by the Trade Preferences Extension Act of 2015,* 80 FR 46793 (August 6, 2015) (*Applicability Notice*).

[30] *Id.,* at 46794–95. The 2015 amendments may be found at *https://www.congress.gov/bill/114th-congress/house-bill/1295/text/pl.*

[31] *See* Volume I of the Petition, at Exhibit GEN–5.

U.S. imports of subject merchandise during the period of investigation under the Harmonized Tariff Schedule of the United States (HTSUS) numbers listed in the scope. We intend to release the CBP data under Administrative Protective Order (APO) to all parties with access to information protected by APO within five business days of the announcement of this **Federal Register** notice. Interested parties must submit applications for disclosure under APO in accordance with 19 CFR 351.305(b). Instructions for filing such applications may be found at *http://enforcement.trade.gov/apo/*. Interested parties may submit comments regarding the CBP data and respondent selection. Comments must be filed in accordance with the filing requirements stated above. If respondent selection is necessary, we intend to base our decision regarding respondent selection upon comments received from interested parties and our analysis of the record information within 20 days of publication of this notice.

Distribution of Copies of the Petition

In accordance with section 702(b)(4)(A)(i) of the Act and 19 CFR 351.202(f), copies of the public version of the Petition have been provided to the GOC *via* ACCESS. Because of the particularly large number of producers/exporters identified in the Petition, the Department considers the service of the public version of the Petition to the foreign producers/exporters satisfied by the delivery of the public version to the GOC, consistent with 19 CFR 351.203(c)(2).

ITC Notification

We will notify the ITC of our initiation, as required by section 702(d) of the Act.

Preliminary Determination by the ITC

The ITC will preliminarily determine, within 45 days after the date on which the Petition was filed, whether there is a reasonable indication that imports of stainless steel sheet and strip from the PRC are materially injuring, or threatening material injury to, a U.S. industry.[32] A negative ITC determination will result in the investigation being terminated;[33] otherwise, these investigation will proceed according to statutory and regulatory time limits.

Submission of Factual Information

Factual information is defined in 19 CFR 351.102(b)(21) as: (i) Evidence submitted in response to questionnaires; (ii) evidence submitted in support of allegations; (iii) publicly available information to value factors under 19 CFR 351.408(c) or to measure the adequacy of remuneration under 19 CFR 351.511(a)(2); (iv) evidence placed on the record by the Department; and (v) evidence other than factual information described in (i)–(iv). Any party, when submitting factual information, is required to specify under which subsection of 19 CFR 351.102(b)(21) the information is being submitted[34] and, if the information is being submitted to rebut, clarify, or correct factual information already on the record, to provide an explanation identifying the information already on the record that the factual information seeks to rebut, clarify, or correct.[35] Time limits for the submission of factual information are addressed in 19 CFR 351.301, which provides specific time limits based on the type of factual information being submitted. Parties should review the regulations prior to submitting factual information in these investigations.

Extension of Time Limits

Parties may request an extension of time limits before the expiration of a time limit established under 19 CFR 351, or as otherwise specified by the Secretary. In general, an extension request will be considered untimely if it is filed after the expiration of the time limit established under 19 CFR 351. For submissions that are due from multiple parties simultaneously, an extension request will be considered untimely if it is filed after 10:00 a.m. ET on the due date. Under certain circumstances, we may elect to specify a different time limit by which extension requests will be considered untimely for submissions which are due from multiple parties simultaneously. In such a case, we will inform parties in the letter or memorandum setting forth the deadline (including a specified time) by which extension requests must be filed to be considered timely. An extension request must be made in a separate, stand-alone submission; under limited circumstances, we will grant untimely-filed requests for the extension of time limits. Review *Extension of Time Limits; Final Rule,* 78 FR 57790 (September 20, 2013), available at *http://www.gpo.gov/fdsys/pkg/FR-2013-09-20/html/2013-22853.htm,* prior to submitting factual information in these investigations.

Certification Requirements

Any party submitting factual information in an AD or CVD proceeding must certify to the accuracy and completeness of that information.[36] Parties are hereby reminded that revised certification requirements are in effect for company/government officials, as well as their representatives. Investigations initiated on the basis of petitions filed on or after August 16, 2013, and other segments of any AD or CVD proceedings initiated on or after August 16, 2013, should use the formats for the revised certifications provided at the end of the *Final Rule*.[37] The Department intends to reject factual submissions if the submitting party does not comply with the applicable revised certification requirements.

Notification to Interested Parties

Interested parties must submit applications for disclosure under APO in accordance with 19 CFR 351.305. On January 22, 2008, the Department published *Antidumping and Countervailing Duty Proceedings: Documents Submission Procedures; APO Procedures,* 73 FR 3634 (January 22, 2008). Parties wishing to participate in these investigations should ensure that they meet the requirements of these procedures (*e.g.,* the filing of letters of appearance as discussed at 19 CFR 351.103(d)).

This notice is issued and published pursuant to sections 702 and 777(i) of the Act.

Dated: March 3, 2016.

Paul Piquado,

Assistant Secretary for Enforcement and Compliance.

Appendix I

Scope of the Investigation

The merchandise covered by this investigation is stainless steel sheet and strip, whether in coils or straight lengths. Stainless steel is an alloy steel containing, by weight, 1.2 percent or less of carbon and 10.5 percent or more of chromium, with or without other elements. The subject sheet and strip is a flat-rolled product with a width that is greater than 9.5 mm and with a thickness of 0.3048 mm and greater but less than 4.75 mm, and that is annealed or otherwise heat treated, and pickled or otherwise descaled. The subject sheet and strip may also be further processed (*e.g.,* cold-rolled, annealed, tempered, polished, aluminized, coated, painted, varnished, trimmed, cut, punched,

[32] *See* section 703(a)(2) of the Act.

[33] *See* section 703(a)(1) of the Act.

[34] *See* 19 CFR 351.301(b).

[35] *See* 19 CFR 351.301(b)(2).

[36] *See* section 782(b) of the Act.

[37] *See Certification of Factual Information to Import Administration During Antidumping and Countervailing Duty Proceedings,* 78 FR 42678 (July 17, 2013) (*Final Rule*); *see also* frequently asked questions regarding the *Final Rule,* available at *http://enforcement.trade.gov/tlei/notices/factual_info_final_rule_FAQ_07172013.pdf.*

or slit, *etc.*) provided that it maintains the specific dimensions of sheet and strip set forth above following such processing. The products described include products regardless of shape, and include products of either rectangular or non-rectangular cross-section where such cross-section is achieved subsequent to the rolling process, *i.e.,* products which have been ''worked after rolling'' (*e.g.,* products which have been beveled or rounded at the edges).

For purposes of the width and thickness requirements referenced above: (1) Where the nominal and actual measurements vary, a product is within the scope if application of either the nominal or actual measurement would place it within the scope based on the definitions set forth above; and (2) where the width and thickness vary for a specific product (*e.g.,* the thickness of certain products with non-rectangular cross-section, the width of certain products with non-rectangular shape, *etc.*), the measurement at its greatest width or thickness applies.

All products that meet the written physical description, and in which the chemistry quantities do not exceed any one of the noted element levels listed above, are within the scope of this investigation unless specifically excluded.

Subject merchandise includes stainless steel sheet and strip that has been further processed in a third country, including but not limited to cold-rolling, annealing, tempering, polishing, aluminizing, coating, painting, varnishing, trimming, cutting, punching, and/or slitting, or any other processing that would not otherwise remove the merchandise from the scope of the investigation if performed in the country of manufacture of the stainless steel sheet and strip.

Excluded from the scope of this investigation are the following: (1) Sheet and strip that is not annealed or otherwise heat treated and not pickled or otherwise descaled; (2) plate (*i.e.,* flat-rolled stainless steel products of a thickness of 4.75 mm or more); and (3) flat wire (*i.e.,* cold-rolled sections, with a mill edge, rectangular in shape, of a width of not more than 9.5 mm).

The products under investigation are currently classifiable under Harmonized Tariff Schedule of the United States (HTSUS) subheadings 7219.13.0031, 7219.13.0051, 7219.13.0071, 7219.13.0081, 7219.14.0030, 7219.14.0065, 7219.14.0090, 7219.23.0030, 7219.23.0060, 7219.24.0030, 7219.24.0060, 7219.32.0005, 7219.32.0020, 7219.32.0025, 7219.32.0035, 7219.32.0036, 7219.32.0038, 7219.32.0042, 7219.32.0044, 7219.32.0045, 7219.32.0060, 7219.33.0005, 7219.33.0020, 7219.33.0025, 7219.33.0035, 7219.33.0036, 7219.33.0038, 7219.33.0042, 7219.33.0044, 7219.33.0045, 7219.33.0070, 7219.33.0080, 7219.34.0005, 7219.34.0020, 7219.34.0025, 7219.34.0030, 7219.34.0035, 7219.34.0050, 7219.35.0005, 7219.35.0015, 7219.35.0030, 7219.35.0035, 7219.35.0050, 7219.90.0010, 7219.90.0020, 7219.90.0025, 7219.90.0060, 7219.90.0080, 7220.12.1000, 7220.12.5000, 7220.20.1010, 7220.20.1015, 7220.20.1060, 7220.20.1080, 7220.20.6005, 7220.20.6010, 7220.20.6015, 7220.20.6060, 7220.20.6080, 7220.20.7005, 7220.20.7010, 7220.20.7015, 7220.20.7060, 7220.20.7080, 7220.90.0010, 7220.90.0015, 7220.90.0060, and 7220.90.0080. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this proceeding is dispositive.

[FR Doc. 2016–05469 Filed 3–11–16; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–570–806]

Silicon Metal From the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review; 2014–2015

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce

DATES: *Effective Date:* March 14, 2016.

SUMMARY: The Department of Commerce (''Department'') is conducting an administrative review of the antidumping duty order on silicon metal from the People's Republic of China (''PRC'') for the period of review (''POR'') June 1, 2014, through May 31, 2015. This review covers two PRC companies. The Department preliminarily determines that both of the companies under review, Shanghai Jinneng and Shanghai Jinfeng, are part of the PRC-wide entity. Interested parties are invited to comment on these preliminary results.

FOR FURTHER INFORMATION CONTACT: Aleksandras Nakutis, AD/CVD Operations, Office IV, Enforcement & Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington, DC 20230; telephone: (202) 482–3147.

SUPPLEMENTARY INFORMATION:

Background

The Department published the notice of initiation of this administrative review on August 3, 2015.[1] The Department has exercised its discretion to toll all administrative deadlines due to the recent closure of the Federal Government because of Snowstorm ''Jonas''. Thus, all of the deadlines in this segment of the proceeding have been extended by four business days. The revised deadline for the preliminary results of review is now March 7, 2016.[2] For a complete description of the events that followed the initiation of this administrative review, see the Preliminary Decision Memorandum [3] that is dated concurrently with, and hereby adopted by, this notice. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (''ACCESS''). ACCESS is available to registered users at *http://access.trade.gov* and in the Central Records Unit, room B8024 of the main Department of Commerce building. In addition, a complete version of the Preliminary Results Decision Memorandum can be accessed directly on the Internet at *http://enforcement.trade.gov/frn/index.html.* The signed and the electronic versions of the Preliminary Decision Memorandum are identical in content.

Scope of the Order

The merchandise covered by this review is silicon metal containing at least 96.00 percent, but less than 99.99 percent of silicon by weight. Also covered by this review is silicon metal containing between 89.00 and 96.00 percent silicon by weight but which contains a higher aluminum content than the silicon metal containing at least 96.00 percent but less than 99.99 percent silicon by weight (58 FR 27542, May 10, 1993). Silicon metal is currently provided for under subheadings 2804.69.10 and 2804.69.50 of the Harmonized Tariff Schedule (''HTS'') as a chemical product, but is commonly referred to as a metal. Semiconductor-grade silicon (silicon metal containing by weight not less than 99.99 percent of silicon and provided for in subheading 2804.61.00 of the HTS) is not subject to this order. Although the HTS numbers are provided for convenience and customs purposes, the written description remains dispositive.

[1] *See Initiation of Antidumping and Countervailing Duty Administrative Reviews,* 80 FR 45947 (August 03, 2015) (''*Initiation Notice*''). The companies under review are: Shanghai Jinneng International Trade Co. Ltd. (''Shanghai Jinneng'') and Shanghai Jinfeng Hardware Plastics Co. Ltd. (''Shanghai Jinfeng'').

[2] *See* Memorandum to the Record from Ron Lorentzen, Acting Assistant Secretary for Enforcement & Compliance, regarding ''Tolling of Administrative Deadlines as a Result of the Government Closure during Snowstorm Jonas,'' dated January 27, 2016.

[3] *See* Decision Memorandum for *Preliminary Results of Antidumping Duty Administrative Review: Silicon Metal from the People's Republic of China; 2014–2015* (''Preliminary Decision Memorandum''), from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations to Paul Piquado, Assistant Secretary for Enforcement and Compliance.

Methodology

The Department is conducting this review in accordance with section 751(a)(1)(B) of the Tariff Act of 1930, as amended (''the Act''). For a full description of the methodology underlying our conclusions, *see* the Preliminary Decision Memorandum.

Preliminary Results of Review

The Department preliminarily determines that Shanghai Jinneng and Shanghai Jinfeng are part of the PRC-wide entity. No review has been requested for the PRC-wide entity. The PRC-wide rate is 139.49 percent.

Public Comment

Interested parties are invited to comment on the preliminary results and may submit case briefs and/or written comments, filed electronically using ACCESS, within 30 days of the date of publication of this notice, pursuant to 19 CFR 351.309(c)(1)(ii).[4] Rebuttal briefs, limited to issues raised in the case briefs, will be due five days after the due date for case briefs, pursuant to 19 CFR 351.309(d). Parties who submit case or rebuttal briefs in this proceeding are requested to submit with each argument a statement of the issue, a summary of the argument not to exceed five pages, and a table of statutes, regulations, and cases cited, in accordance with 19 CFR 351.309(c)(2).

Pursuant to 19 CFR 351.310(c), interested parties, who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce, filed electronically using ACCESS. Electronically filed case briefs/written comments and hearing requests must be received successfully in their entirety by the Department's electronic records system, ACCESS, by 5:00 p.m. Eastern Standard Time, within 30 days after the date of publication of this notice.[5] Hearing requests should contain: (1) The party's name, address and telephone number; (2) the number of participants; and (3) a list of issues to be discussed. Issues raised in the hearing will be limited to those issues raised in the respective case briefs. If a request for a hearing is made, parties will be notified of the time and date of the hearing which will be held at the U.S. Department of Commerce, 1401 Constitution Avenue NW., Washington DC 20230. The Department intends to issue the final results of this administrative review, including the results of its analysis of the issues raised in any written briefs, not later than 120 days after the date of publication of this notice, pursuant to section 751(a)(3)(A) of the Act.

Assessment Rates

Upon issuance of the final results, the Department will determine, and U.S. Customs and Border Protection (''CBP'') shall assess, antidumping duties on all appropriate entries covered by this review.[6] The Department intends to issue assessment instructions to CBP 15 days after the publication date of the final results of this review. The Department intends to instruct CBP to liquidate entries of subject merchandise from Shanghai Jinneng and Shanghai Jinfeng, at 139.49 percent (the PRC-wide rate). For a full discussion of this practice, *see Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties,* 76 FR 65694 (October 24, 2011).

Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results of this administrative review for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of review, as provided by section 751(a)(2)(C) of the Act: (1) For previously investigated or reviewed PRC and non-PRC exporters which are not under review in this segment of the proceeding but which have separate rates, the cash deposit rate will continue to be the exporter-specific rate published for the most recent period; (2) for all PRC exporters of subject merchandise that have not been found to be entitled to a separate rate, including Shanghai Jinneng and Shanghai Jinfeng, the cash deposit rate will be the PRC-wide entity rate of 139.49 percent; and (3) for all non-PRC exporters of subject merchandise which have not received their own rate, the cash deposit rate will be the rate applicable to the PRC exporter(s) that supplied that non-PRC exporter. These deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Department's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

We are issuing and publishing these results in accordance with sections 751(a)(1) and 777(i)(1) of the Act and 19 CFR 351.213.

Dated: March 7, 2016.

Paul Piquado,

Assistant Secretary for Enforcement and Compliance.

Appendix

List of Sections in the Preliminary Decision Memorandum

[FR Doc. 2016–05688 Filed 3–11–16; 8:45 am]

BILLING CODE 3510–DS–P

[4] *See also* 19 CFR 351.303 (for general filing requirements).

[5] *See* 19 CFR 351.310(c).

[6] *See* 19 CFR 351.212(b)(1).

DEPARTMENT OF COMMERCE

International Trade Administration

[A–533–861]

Certain Polyethylene Terephthalate Resin From India: Final Determination of Sales at Less Than Fair Value and Final Affirmative Determination of Critical Circumstances

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (the Department) determines that imports of certain polyethylene terephthalate resin (PET resin) from India are being sold in the United States at less than fair value (LTFV), as provided in section 735 of the Tariff Act of 1930, as amended (the Act). The final weighted-average dumping margins of sales at LTFV are listed below in the section entitled ''Final Determination Margins.''

DATES: *Effective Date:* March 14, 2016.

FOR FURTHER INFORMATION CONTACT: Fred Baker or Robert James, AD/CVD Operations, Office IV, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington, DC 20230; telephone: (202) 482–2924 or (202) 482–0649.

SUPPLEMENTARY INFORMATION:

Background

On October 15, 2015, the Department published in the **Federal Register** the preliminary determination in the LTFV investigation of PET resin from India.[1] The events occurring since the *Preliminary Determination* was issued are addressed in detail in the Issues and Decision Memorandum.[2] The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at *http://access.trade.gov.* The Issues and Decision Memorandum is available to all parties in the Central Records Unit, room B8024 of the main Department of Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at *http://enforcement.trade.gov.* The signed and electronic versions of the Issues and Decision Memorandum are identical in content.

As explained in the memorandum from the Acting Assistant Secretary for Enforcement & Compliance, the Department has exercised its discretion to toll all administrative deadlines due to the recent closure of the Federal Government. All deadlines in this segment of the proceeding have been extended by four business days. The revised deadline for the final determination of this investigation is now March 4, 2016.[3]

Period of Investigation

The period of investigation (POI) is January 1, 2014, through December 31, 2014.

Scope of the Investigation

The product covered by this investigation is certain PET resin from India. For a full description of the scope of the investigation, *see* Appendix I to this notice.

Analysis of Comments Received

All issues raised in the case and rebuttal briefs by parties in this investigation are addressed in the Issues and Decision Memorandum accompanying this notice, and which is hereby adopted by this notice.[4] A list of the issues raised and to which the Department responded is attached to this notice as Appendix II.

Changes to the Margin Calculations Since the Preliminary Determination

Based on our review and analysis of the comments received from parties, and minor corrections presented at verification, we made certain changes to Ester's and Reliance's margin calculations in the *Preliminary Determination.* For a discussion of these changes, see the accompanying Issues and Decision Memorandum.

Use of Facts Otherwise Available and AFA

In the preliminary determination, we stated that because the mandatory respondents Dhunseri Petrochem, Limited (Dhunseri) and JBF Industries, Limited (JBF) failed to respond to the Department's questionnaire, we preliminarily determined to apply facts otherwise available with an adverse inference to these respondents pursuant to sections 776(a) and (b) of the Act.[5] Pursuant to section 776 of the Act, the Department continues to find it appropriate to base Dhunseri and JBF's rate on AFA. In applying AFA, we are assigning Dhunseri and JBF the highest margin identified in the petition, 19.41 percent. *See* the Issues and Decision Memorandum at Comment 14.

Final Determination Margins

The Department determines that the following weighted-average dumping margins exist for the period January 1, 2014, through December 31, 2014:

Exporter or producer	Weighted-average dumping margin (percent)
Dhunseri Petrochem, Ltd	19.41
Ester Industries, Ltd	14.23
JBF Industries, Ltd	19.41
Reliance Industries, Ltd	8.03
All-Others	11.13

All-Others Rate

Section 735(c)(5)(A) of the Act provides that the estimated ''all-others'' rate shall be an amount equal to the weighted average of the estimated weighted-average dumping margins established for exporters and producers individually investigated, excluding any zero or *de minimis* margins, and any margins determined entirely under section 776 of the Act. In this investigation, we calculated weighted-average dumping margins for mandatory respondents Ester and Reliance that are above *de minimis* and which are not based on section 776 of the Act. However, because there are only two relevant weighted-average dumping margins for this final determination, using a weighted-average of these two rates risks disclosure of business proprietary data. Therefore, the Department assigned a margin to the all-others rate companies based on the simple average of the two mandatory respondents' rates,[6] less an adjustment for the export subsidies identified in the companion countervailing duty investigation.[7]

[1] *See Certain Polyethylene Terephthalate Resin From India: Affirmative Preliminary Determination of Sales at Less Than Fair Value, Affirmative Preliminary Determination of Critical Circumstances, and Postponement of Final Determination,* 80 FR 62029 (October 15, 2015) (*Preliminary Determination*).

[2] *See* Memorandum from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Paul Piquado, Assistant Secretary for Enforcement and Compliance, ''Issues and Decision Memorandum for the Final Determination of the Less-Than-Fair Value Investigation of Certain Polyethylene Terephthalate Resin (PET) Resin from India (Issues and Decision Memorandum),'' dated concurrently with this notice.

[3] *See* Memorandum to the Record from Ron Lorentzen, Acting A/S for Enforcement & Compliance, regarding ''Tolling of Administrative Deadlines As a Result of the Government Closure During Snowstorm Jonas,'' dated January 27, 2016.

[4] *See* Issues and Decision Memorandum.

[5] *See* Memorandum from Christian Marsh to Paul Piquado, ''Decision Memorandum for the Preliminary Determination in the Antidumping Duty Investigation of Certain Polyethylene Terephthalate Resin from India,'' dated October 6, 2015, at 14.

[6] With two respondents, we would normally calculate (A) a weighted-average of the dumping margins calculated for the mandatory respondents; (B) a simple average of the dumping margins calculated for the mandatory respondents; and (C) a weighted-average of the dumping margins calculated for the mandatory respondents using each company's publicly-ranged values for the merchandise under consideration. We would compare (B) and (C) to (A) and select the rate closest to (A) as the most appropriate rate for all other companies. *See, Ball Bearings and Parts Thereof From France, Germany, Italy, Japan, and the United Kingdom: Final Results of Antidumping Duty Administrative Reviews, Final Results of Changed-Circumstances Review, and Revocation of an Order in Part,* 75 FR 53661, 53663 (September 1, 2010). As complete publicly ranged sales data was unavailable, we based the all-others rate on a simple average of the two calculated margins. *See, e.g., Large Power Transformers From the Republic of Korea: Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination,* 77 FR 9204 (February 16, 2012), *unchanged in Final Determination of Sales at Less Than Fair Value,* 77 FR 40857, 40858 (July 11, 2012).

[7] *See* section 772(c)(1)(C) of the Act. Unlike in administrative reviews, the Department calculates the adjustment for export subsidies in investigations not in the margin calculation program, but in the cash deposit instructions issued to CBP. *See Notice of Final Determination of Sales at Less Than Fair Value, and Negative Determination of Critical Circumstances: Certain Lined Paper Products from India,* 71 FR 45012 (August 8, 2006), and accompanying Issues and Decision Memorandum at Comment 1.

Disclosure

We will disclose to parties in this proceeding the calculations performed for this final determination within five days of the date of public announcement of our final determination, in accordance with 19 CFR 351.224(b).

Final Affirmative Determination of Critical Circumstances

In the *Preliminary Determination,* the Department found that, based on respondents' reported shipment volumes, there was reason to believe or suspect that critical circumstances existed for imports of subject merchandise from India from Ester and Reliance. Furthermore, we drew an adverse inference with respect to Dhunseri and JBF, both of which are mandatory respondents that failed to respond to our requests for information, and thereby determined that critical circumstances existed with respect to them also. Finally, based on data from the ITC Dataweb, we found that there were critical circumstances with respect to those Indian shippers which were not selected for individual examination.[8] We received one comment on the Department's preliminary affirmative determination of critical circumstances, and have addressed the comment in the accompanying Issues and Decision Memorandum. It did not cause us to change our preliminary determination. Therefore, pursuant to section 735(a)(3) of the Act, we continue to determine that critical circumstances exist with respect to imports of PET resin from India from all parties.

Continuation of Suspension of Liquidation

Pursuant to section 735(c)(1)(B) of the Act, the Department will instruct U.S. Customs and Border Protection (CBP) to continue to suspend liquidation of all entries of certain PET resin from India which were entered, or withdrawn from warehouse, for consumption on or after July 17, 2015, which is 90 days prior to the date of publication of the preliminary determination.

We also will instruct CBP to require a cash deposit equal to the weighted-average amount by which normal value exceeds U.S. price, adjusted where appropriate for export subsidies, as follows: (1) The cash deposit rate for Dhunseri, Ester, JBF, and Reliance will be equal to the estimated weighted-average dumping margins determined in this final determination; (2) if the exporter is not a firm identified in this investigation but the producer is, the cash deposit rate will be equal to the estimated weighted-average dumping margin established for the producer of the subject merchandise; and (3) the cash deposit rate for all other producers or exporters will be 11.13 percent.

Consistent with our practice,[9] where the product under investigation is also subject to a concurrent CVD investigation, we instruct CBP to require a cash deposit less the amount of the countervailing duty determined to constitute an export subsidy.[10] Therefore, in the event that a CVD order is issued and suspension of liquidation is resumed in the companion CVD investigation on PET resin from India, the Department will instruct CBP to require cash deposits adjusted for export subsidies, as appropriate, found in the final determination of the companion CVD investigation. Specifically, for cash deposit purposes, we will subtract from the applicable cash deposit rate that portion of the CVD rate attributable to the export subsidies found in the final affirmative countervailing duty determination for each respondent (*i.e.,* 5.10 percent for Dhunseri, Ester, Reliance, and ''all-others,'' and 37.08 for JBF.)[11] After this adjustment, the resulting cash deposit rates will be 14.31 percent for Dhunseri, 9.13 percent for Ester, 2.93 percent for Reliance, 00.00 percent for JBF, and 6.03 for ''all-others.''

These suspension of liquidation instructions will remain in effect until further notice.

International Trade Commission Notification

In accordance with section 735(d) of the Act, we will notify the U.S. International Trade Commission (ITC) of our final determination. As our final determination is affirmative, in accordance with section 735(b)(2) of the Act, the ITC will determine within 45 days whether the domestic industry in the United States is materially injured, or threatened with material injury, by reason of imports or sales (or the likelihood of sales) for importation of the subject merchandise. If the ITC determines that such injury exists, the Department will issue an antidumping duty order directing CBP to assess, upon further instruction by the Department, antidumping duties on all imports of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the effective date of the suspension of liquidation.

Return or Destruction of Proprietary Information

This notice will serve as a reminder to parties subject to administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of the destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

We are issuing and publishing this determination and notice in accordance with sections 735(d) and 777(i) of the Act.

Dated: March 4, 2016.

Paul Piquado,

Assistant Secretary for Enforcement & Compliance.

Appendix I—Scope of the Investigation

The merchandise covered by this investigation is polyethylene terephthalate (PET) resin having an intrinsic viscosity of at least 0.70, but not more than 0.88, deciliters per gram. The scope includes blends of virgin PET resin and recycled PET resin containing 50 percent or more virgin PET resin content by weight, provided such blends meet the intrinsic viscosity requirements above. The scope includes all PET resin meeting the above specifications regardless of additives introduced in the manufacturing process. The merchandise subject to this investigation is properly classified under subheading 3907.60.00.30 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS subheading is provided for convenience and customs purposes, the written description of the merchandise under investigation is dispositive.

Appendix II—List of Topics in the Issues and Decision Memorandum

[8] *See Preliminary Determination,* 80 FR at 62030, and accompanying Preliminary Issues and Decision Memorandum at 18.

[9] The Department terminated the suspension of liquidation associated with the CVD investigation effective December 12, 2015. *See* CBP message no. 5348309 dated December 14, 2015. Therefore, until and unless suspension of liquidation is resumed, we will not adjust the antidumping cash deposit rate for collection of duties associated with export subsidies.

[10] *See, e.g., Notice of Final Determination of Sales at Less Than Fair Value: Carbazole Violet Pigment 23 From India,* 69 FR 67306, 67307 (November 17, 2004); and *Notice of Final Determination of Sales at Less Than Fair Value and Negative Critical Circumstances Determination: Bottom Mount Combination Refrigerator-Freezers From the Republic of Korea,* 77 FR 17413 (March 26, 2012).

[11] *See* the Memorandum to the File, through Robert James, Program Manager, Office VI, AD/CVD Operations, from Fred Baker, Analyst, Office VI, AD/CVD Operations, entitled, ''Export Subsidies Calculated in the Countervailing Duty Final Determination of Certain Polyethylene Terephthalate Resin from India,'' dated March 4, 2016.

[FR Doc. 2016–05710 Filed 3–11–16; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

[C–580–837]

Certain Cut-to-Length Carbon-Quality Steel Plate From the Republic of Korea: Preliminary Results of Countervailing Duty Administrative Review and New Shipper Review; Calendar Year 2014

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (the Department) is conducting an administrative review and new shipper review (NSR) of the countervailing duty (CVD) order on certain cut-to-length carbon-quality steel plate from the Republic of Korea (Korea). The period of review (POR) for the CVD review and the NSR is January 1, 2014, through December 31, 2014. The Department preliminary determines that Dongkuk Steel Mill Co., Ltd. (DSM), the firm examined in the administrative review, and Hyundai Steel Company (Hyundai Steel), the firm examined in the NSR, each received a *de minimis* net subsidy rate during the POR. Interested parties are invited to comment on these preliminary results.

DATES: Effective March 14, 2016.

FOR FURTHER INFORMATION CONTACT: John Conniff (for Hyundai Steel) or Jolanta Lawska (for DSM), AD/CVD Operations, Office III, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington, DC 20230; telephone (202) 482–1009 and (202) 482–8362, respectively.

Scope of the Order

The merchandise covered by the *Order*[1] is certain hot-rolled carbon-quality steel: (1) Universal mill plates (*i.e.,* flat-rolled products rolled on four faces or in a closed box pass, of a width exceeding 150 mm but not exceeding 1250 mm, and of a nominal or actual thickness of not less than 4 mm, which are cut-to-length (not in coils) and without patterns in relief), of iron or non-alloy-quality steel; and (2) flat-rolled products, hot-rolled, of a nominal or actual thickness of 4.75 mm or more and of a width which exceeds 150 mm and measures at least twice the thickness, and which are cut-to-length (not in coils).[2]

The merchandise subject to the *Order* is currently classifiable in the HTSUS under subheadings: 7208.40.3030, 7208.40.3060, 7208.51.0030, 7208.51.0045, 7208.51.0060, 7208.52.0000, 7208.53.0000, 7208.90.0000, 7210.70.3000, 7210.90.9000, 7211.13.0000, 7211.14.0030, 7211.14.0045, 7211.90.0000, 7212.40.1000, 7212.40.5000, 7212.50.0000, 7225.40.3050, 7225.40.7000, 7225.50.6000, 7225.99.0090, 7226.91.5000, 7226.91.7000, 7226.91.8000, 7226.99.0000. While HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this *Order* is dispositive.[3]

Methodology

The Department conducted this review in accordance with section 751(a)(1)(A) of the Tariff Act of 1930, as amended (the Act).[4] For a full description of the methodology underlying our conclusions, *see* the accompanying Preliminary Decision Memorandum, dated concurrently with these results and hereby adopted by this notice. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at *http://access.trade.gov* and in the Central Records Unit, Room B8024 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly on the Internet at *http://enforcement.trade.gov/frn/.* The signed Preliminary Decision Memorandum and the electronic version of the Preliminary

[1] *See Certain Cut-To-Length Carbon-Quality Steel Plate from India, Indonesia, and the Republic of Korea: Continuation of Antidumping and Countervailing Duty Orders,* 77 FR 264 (January 4, 2012) (the *Order*); *see also Notice of Amended Final Determination: Certain Cut–to-Length Carbon–Quality Steel Plate From India and the Republic of Korea; and Notice of Countervailing Duty Orders: Certain Cut–to-Length Carbon–Quality Steel Plate From France, India, Indonesia, Italy, and the Republic of Korea,* 65 FR 6587 (February 10, 2000).

[2] *See* ''Decision Memorandum for the Preliminary Results of the Countervailing Duty Administrative Review and New Shipper Review, and the Preliminary Intent to Rescind in Part: Certain Cut-to-Length Carbon-Quality Steel Plate from the Republic of Korea,'' from Chris Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Paul Piquado, Assistant Secretary for Enforcement and Compliance, dated concurrently with this notice (Preliminary Decision Memorandum) for a complete description of the scope of the *Order.*

[3] *See Order.*

[4] *See* sections 771(5)(B) and (D) of the Act regarding financial contribution; section 771(5)(E) of the Act regarding benefit; and, section 771(5A) of the Act regarding specificity.

Decision Memorandum are identical in content.

Preliminary Results of the Review [5]

In accordance with 19 CFR 351.221(b)(4)(i), we calculated an individual subsidy rate for DSM, the firm subject to the administrative review. For the period January 1, 2014, through December 31, 2014, we preliminarily determine the total net countervailable subsidy rate for DSM is 0.01 percent which is *de minimis.* We preliminarily determine that the net countervailable subsidy rate for Hyundai Steel, the firm subject to the NSR, is 0.23 percent *ad valorem,* which is *de minimis.*

Disclosure and Public Comment

The Department intends to disclose to parties to this proceeding the calculations performed in reaching the preliminary results within five days of the date of publication of these preliminary results.[6] Interested parties may submit written arguments (case briefs) within 30 days of publication of the preliminary results and rebuttal comments (rebuttal briefs) within five days after the time limit for filing the case briefs.[7] Pursuant to 19 CFR 351.309(d)(2), rebuttal briefs must be limited to issues raised in the case briefs. Parties who submit arguments are requested to submit with the argument: (1) Statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.

Interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce, within 30 days after the date of publication of this notice.[8] Requests should contain the party's name, address, and telephone number, the number of participants, and a list of the issues to be discussed. If a request for a hearing is made, we will inform parties of the scheduled date for the hearing, which will be held at the U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington, DC 20230, at a time and location to be determined.[9] Parties should confirm by telephone the date, time, and location of the hearing.

Parties are reminded that briefs and hearing requests are to be filed electronically using ACCESS and that electronically filed documents must be received successfully in their entirety by 5:00 p.m Eastern Time on the due date.

Unless the deadline is extended pursuant to section 751(a)(3)(A) of the Act, the Department will issue the final results of this administrative review, including the results of our analysis of the issues raised by parties in their comments, within 120 days after issuance of these preliminary results.

Assessment Rates

The Department intends to issue assessment instructions to U.S. Customs and Border Protection (CBP) 15 days after the date of publication of the final results of this review. If the final results remain the same as these preliminary results, the Department will instruct CBP to liquidate without regard to CVDs all shipments of subject merchandise produced by DSM and Hyundai Steel entered or withdrawn from warehouse, for consumption from January 1, 2014, through December 31, 2014.

Cash Deposit Instructions

The Department also intends to instruct CBP to collect cash deposits of zero percent on shipments of the subject merchandise produced and/or exported by DSM and Hyundai Steel entered or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this review. For all non-reviewed firms, we will instruct CBP to collect cash deposits of estimated countervailing duties at the most recent company-specific or all-others rate applicable to the company. These cash deposit requirements, when imposed, shall remain in effect until further notice.

This administrative review and notice are in accordance with sections 751(a)(1) and 777(i)(1) of the Act and 19 CFR 351.213.

Dated: March 4, 2016.

Paul Piquado,

Assistant Secretary for Enforcement and Compliance.

Appendix

List of Topics Discussed in the Preliminary Decision Memorandum:

[FR Doc. 2016–05569 Filed 3–11–16; 8:45 am]

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[5] As explained in the memorandum from the Acting Assistant Secretary for Enforcement and Compliance, the Department has exercised its discretion to toll all administrative deadlines due to the recent closure of the Federal Government. *See* Memorandum to the Record from Ron Lorentzen, Acting A/S for Enforcement & Compliance, regarding ''Tolling of Administrative Deadlines As a Result of the Government Closure During Snowstorm Jonas,'' dated January 27, 2016. All deadlines in this segment of the proceeding have been extended by four business days. The revised deadline for the preliminary determination of this administrative review and NSR is now March 4, 2016.

[6] *See* 19 CFR 351.224(b).

[7] *See* 19 CFR 351.309(c)(1)(ii); 351.309(d)(1); and 19 CFR 351.303 (for general filing requirements).

[8] *See* 19 CFR 351.310(c).

[9] *See* 19 CFR 351.310.

DEPARTMENT OF COMMERCE

International Trade Administration

[A–570–024]

Certain Polyethylene Terephthalate Resin From the People's Republic of China: Final Determination of Sales at Less Than Fair Value

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (the Department) determines that imports of certain polyethylene terephthalate resin (PET resin) from the People's Republic of China (PRC) are being sold in the United States at less than fair value (LTFV), as provided in section 735 of the Tariff Act of 1930, as amended (the Act). The final weighted-average dumping margins of sales at LTFV are listed in the ''Final Determination Margins'' section, *infra.*

DATES: *Effective Date:* March 14, 2016.

FOR FURTHER INFORMATION CONTACT: Steve Bezirganian or Tyler Weinhold, AD/CVD Operations, Office VI, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW., Washington, DC 20230; telephone: (202) 482–1131 or (202) 482–1121, respectively.

SUPPLEMENTARY INFORMATION:

Background

On October 15, 2015, the Department of Commerce (Department) published in the **Federal Register** the preliminary determination in the LTFV investigation of PET resin from the PRC.[1] For a

[1] *See Certain Polyethylene Terephthalate Resin From the People's Republic of China: Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination,* 80 FR 62024 (October 15, 2015) (*Preliminary Determination*). We later published a correction to that notice, which corrected errors in the weighted-average margin chart appearing in the *Preliminary Determination* (*see Certain Polyethylene Terephthalate Resin From the People's Republic of China: Notice of Correction to Preliminary Affirmative Less Than Fair Value Determination,* 80 FR 69643 (November 10, 2015).

description of the events that have occurred since the *Preliminary Determination, see* the Issue and Decision Memorandum, which is hereby adopted by this notice.[2] The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at *http://access.trade.gov* and to all parties in the Central Records Unit, room B8024 of the main Department of Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at *http://enforcement.trade.gov.* The signed and electronic versions of the Issues and Decision Memorandum are identical in content.

As explained in the memorandum from the Acting Assistant Secretary for Enforcement & Compliance, the Department has exercised its discretion to toll all administrative deadlines due to the recent closure of the Federal Government because of snowstorm ''Jonas.'' All deadlines in this segment of the proceeding have been extended by four business days. The revised deadline for the final determination of this investigation is now March 4, 2016.

Period of Investigation

The period of investigation (POI) is July 1, 2014, through December 31, 2014.

Scope of the Investigation

The merchandise covered by this investigation is certain PET resin from the PRC. For a full description of the scope of the investigation, *see* Appendix I to this notice.

Analysis of Comments Received

All issues raised in the case and rebuttal briefs by parties in this investigation are addressed in the Issues and Decision Memorandum accompanying this notice. A list of the issues raised and to which the Department responded is attached to this notice as Appendix II.

Changes to the Margin Calculations Since the Preliminary Determination

Based on the Department's analysis of the comments received and our findings at verification, we made certain changes to our margin calculations. For a discussion of these changes, see the Issues and Decision Memorandum.

Combination Rates

In the *Initiation Notice,*[3] the Department stated that it would calculate combination rates for the respondents that are eligible for a separate rate in this investigation. *Policy Bulletin 05.1* describes this practice.[4]

Separate Rate

Under section 735(c)(5)(A) of the Act, the rate for all other companies that have not been individually examined is normally an amount equal to the weighted average of the estimated weighted average dumping margins established for exporters and producers individually investigated, excluding any zero and *de minimis* margins, and any margins determined entirely on the basis of facts available. In this final determination, the Department has calculated rates for both mandatory respondents that are not zero, *de minimis,* or based entirely on facts available. Therefore, the Department has assigned to the companies that have not been individually examined but have demonstrated their eligibility for a separate rate a margin of 114.47 percent, which is the weighted-average of Xingyu's and FEIS's margins using publicly-ranged quantities for their sales of subject merchandise.[5]

PRC-Wide Rate

In our *Preliminary Determination,* we found that certain PRC exporters and/or producers of the merchandise under consideration during the POI did not respond to the Department's quantity and value questionnaire. As a result, we preliminarily determined to calculate the PRC-wide rate on the basis of adverse facts available (AFA). For the final determination, we have determined to use, as the AFA rate applied to the PRC-wide entity, 126.58 percent, the highest CONNUM-specific dumping margin calculated in this final determination. Consistent with our practice, the Department selected Xingyu's highest CONNUM-specific margin, as AFA, because this rate is higher than the other rates in this investigation and therefore, sufficiently adverse to serve the purposes of facts available.[6] Furthermore, there is no need to corroborate the selected margin because it is based on information submitted by Xingyu in the course of this investigation, *i.e.,* it is not secondary information.[7]

Final Determination Margins

The Department determines that the final weighted-average dumping margins, and cash deposit rates reflecting adjustments to the weighted-average dumping margins to account for export subsidies and estimated domestic subsidy pass-through (*see* below for additional explanation), are as follows:

Exporter	Producer	Weighted-average marginl (percent)	Cash deposit rate (percent)
Far Eastern Industries (Shanghai) Ltd. or Oriental Industries (Suzhou) Limited.[8]	Far Eastern Industries (Shanghai) Ltd. or Oriental Industries (Suzhou) Limited.	104.98	99.29

[2] *See* Memorandum from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Paul Piquado, Assistant Secretary for Enforcement and Compliance, ''Issues and Decision Memorandum for the Final Determination of the Antidumping Duty Investigation of Certain Polyethylene Terephthalate Resin From the People's Republic of China,'' dated concurrently with this notice (Issues and Decision Memorandum).

[3] *See Certain Polyethylene Terephthalate Resin From Canada, the People's Republic of China, India, and the Sultanate of Oman: Initiation of Less-Than-Fair-Value Investigations,* 80 FR 18376 (April 6, 2015) (*Initiation Notice*).

[4] *See* Enforcement and Compliance's Policy Bulletin No. 05.1, regarding, ''Separate-Rates Practice and Application of Combination Rates in Antidumping Investigations involving Non-Market Economy Countries,'' (April 5, 2005) (Policy Bulletin 05.1), available on the Department's Web site at *http://enforcement.trade.gov/policy/bull05-1.pdf.*

[5] *See* Memorandum to the File entitled ''Final Determination of the Investigation of Certain Polyethylene Terephthalate Resin from the People's Republic of China: Calculation of the Final Margin for Separate Rate Companies,'' dated concurrently with this notice. With two respondents, we normally calculate: (A) A weighted-average of the dumping margins calculated for the mandatory respondents; (B) a simple average of the dumping margins calculated for the mandatory respondents; and (C) a weighted-average of the dumping margins calculated for the mandatory respondents using each company's publicly-ranged values for the merchandise under consideration. We compare (B) and (C) to (A) and select the rate closest to (A) as the most appropriate rate for all other companies. *See Ball Bearings and Parts Thereof From France, Germany, Italy, Japan, and the United Kingdom: Final Results of Antidumping Duty Administrative Reviews, Final Results of Changed-Circumstances Review, and Revocation of an Order in Part,* 75 FR 53661, 53663 (September 1, 2010).

[6] *See* Issues and Decision Memorandum for a detailed discussion.

[7] *See* 19 CFR 351.308(c) and (d) and section 776(c) of the Act.

Exporter	Producer	Weighted-average marginl (percent)	Cash deposit rate (percent)
Jiangyin Xingyu New Material Co., Ltd. or Jiangsu Xingye Plastic Co., Ltd. or Jiangyin Xingjia Plastic Co., Ltd. or Jiangyin Xingtai New Material Co., Ltd. or Jiangsu Xingye Polytech Co., Ltd.[9]	Jiangyin Xingyu New Material Co., Ltd. or Jiangsu Xingye Plastic Co., Ltd. or Jiangyin Xingjia Plastic Co., Ltd. or Jiangyin Xingtai New Material Co., Ltd. or Jiangsu Xingye Polytech Co., Ltd.	118.32	114.25
Dragon Special Resin (XIAMEN) Co., Ltd	Dragon Special Resin (XIAMEN) Co., Ltd	114.47	100.90
Hainan Yisheng Petrochemical Co., Ltd	Hainan Yisheng Petrochemical Co., Ltd	114.47	105.75
Shanghai Hengyi Polyester Fiber Co., Ltd	Shanghai Hengyi Polyester Fiber Co., Ltd	114.47	105.75
Zhejiang Wankai New Materials Co., Ltd	Zhejiang Wankai New Materials Co., Ltd	114.47	105.75
PRC-Wide Entity		126.58	125.75

[8] In the *Preliminary Determination,* we collapsed Oriental Industries (Suzhou) Limited with FEIS. No parties challenged those findings, and we are continuing to collapse those firms in this final determination.

[9] In the *Preliminary Determination,* we collapsed four firms (Jiangsu Xingye Plastic Co., Ltd., Jiangyin Xingjia Plastic Co., Ltd., Jiangyin Xingtai New Material Co., Ltd., and Jiangsu Xingye Polytech Co., Ltd.) with Xingyu. No parties challenged those findings, and we are continuing to so collapse those firms in this final determination.

Disclosure

We intend to disclose to parties in this proceeding the calculations performed for this final determination within five days of the date of public announcement of our final determination, in accordance with 19 CFR 351.224(b).

Continuation of Suspension of Liquidation

Pursuant to section 735(c)(1)(B) of the Act, the Department will instruct U.S. Customs and Border Protection (CBP) to continue to suspend liquidation of all entries of PET resin from the PRC, which were entered, or withdrawn from warehouse, for consumption on or after October 15, 2015, the date of publication in the **Federal Register** of the affirmative *Preliminary Determination.* Further, pursuant to section 735(c)(1)(B)(ii) of the Act, the Department will instruct CBP to require a cash deposit [10] equal to the weighted-average amount by which the normal value exceeds U.S. price, adjusted where appropriate for export subsidies and estimated domestic subsidy pass-through,[11] as follows: (1) For the exporter/producer combination listed in the table above, the cash deposit rate will be equal to the dumping margin which the Department determined in this final determination; (2) for all combinations of PRC exporters/producers of merchandise under consideration which have not received their own separate rate above, the cash deposit rate will be equal to the dumping margin established for the PRC-wide entity; and (3) for all non-PRC exporters of merchandise under consideration which have not received their own separate rate above, the cash deposit rate will be equal to the cash deposit rate applicable to the PRC exporter/producer combination that supplied that non-PRC exporter. The suspension of liquidation instructions will remain in effect until further notice.

Consistent with the *Preliminary Determination* and as noted above, where the product under investigation is also subject to a concurrent countervailing duty investigation, we instruct CBP to require a cash deposit less the amount of the countervailing duty determined to constitute any export subsidies or domestic subsidy pass through. Therefore, in the event that countervailing duty order is issued and suspension of liquidation is resumed in the companion countervailing duty investigation on PET resin from the PRC, the Department will instruct CBP to require cash deposits adjusted by the amount of export subsidies and domestic subsidy pass through, as appropriate. These adjustments are reflected in the final column of the rate chart, above.[12] Until such suspension of liquidation is resumed in the companion countervailing duty investigation, and so long as suspension of liquidation continues under this antidumping duty investigation, the cash deposit rates for this antidumping duty investigation will be the rates identified in the weighted-average margin column in the rate chart, above.

International Trade Commission Notification

In accordance with section 735(d) of the Act, we will notify the U.S. International Trade Commission (ITC) of our final determination. As our final determination is affirmative, in accordance with section 735(b)(2) of the Act, the ITC will determine within 45 days whether the domestic industry in the United States is materially injured, or threatened with material injury, by reason of imports or sales (or the likelihood of sales) for importation of the subject merchandise. If the ITC determines that such injury exists, the Department will issue an antidumping duty order directing CBP to assess, upon further instruction by the Department, antidumping duties on all imports of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the effective date of the suspension of liquidation.

Return or Destruction of Proprietary Information

This notice will serve as a reminder to parties subject to administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of the destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

We are issuing and publishing this determination and notice in accordance with sections 735(d) and 777(i) of the Act.

[10] *See Modification of Regulations Regarding the Practice of Accepting Bonds During the Provisional Measures Period in Antidumping and Countervailing Duty Investigations,* 76 FR 61042 (October 3, 2011).

[11] *See* sections 772(c)(1)(C) and 777A(f) of the Act, respectively.

[12] For details regarding the calculation of these adjustments, see the March 4, 2016, memorandum to the File entitled ''Certain Polyethylene Terephthalate Resin From the People's Republic of China: Final Double Remedies Calculation Memorandum.''

Dated: March 4, 2016.

Paul Piquado,

Assistant Secretary for Enforcement and Compliance.

Appendix I—Scope of the Investigation

The merchandise covered by this investigation is polyethylene terephthalate (PET) resin having an intrinsic viscosity of at least 0.70, but not more than 0.88, deciliters per gram. The scope includes blends of virgin PET resin and recycled PET resin containing 50 percent or more virgin PET resin content by weight, provided such blends meet the intrinsic viscosity requirements above. The scope includes all PET resin meeting the above specifications regardless of additives introduced in the manufacturing process. The merchandise subject to this investigation is properly classified under subheading 3907.60.00.30 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS subheading is provided for convenience and customs purposes, the written description of the merchandise under investigation is dispositive.

Appendix II—Issues and Decision Memorandum

[FR Doc. 2016–05707 Filed 3–11–16; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

[C–533–862]

Countervailing Duty Investigation of Certain Polyethylene Terephthalate Resin From India: Final Affirmative Determination and Final Affirmative Critical Circumstances Determination, in Part

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (the Department) determines that countervailable subsidies are being provided to producers and exporters of certain polyethylene terephthalate (PET) resin from India as provided in section 705 of the Tariff Act of 1930, as amended (the Act). For information on the estimated subsidy rates, see the ''Final Determination'' section of this notice. The period of investigation is January 1, 2014, through December 31, 2014.

DATES: *Effective Date:* March 14, 2016.

FOR FURTHER INFORMATION CONTACT: Yasmin Bordas or John Corrigan, AD/CVD Operations, Office VI, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW, Washington, DC 20230; telephone (202) 482–3813 or (202) 482–7438, respectively.

SUPPLEMENTARY INFORMATION:

Background

The Department published the *Preliminary Determination* on August 14, 2015,[1] and placed the Post-Preliminary Memorandum on the record of this investigation on November 13, 2015.[2] A summary of the events that occurred since the post-preliminary determination, as well as a full discussion of the issues raised by parties for this final determination, may be found in the Issues and Decision Memorandum.[3] The Issues and Decision Memorandum is a public document and is on file electronically *via* Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at *http://access.trade.gov,* and is available to all parties in the Central Records Unit, room B8024 of the main Department of Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at *http://trade.gov/enforcement.* The signed Issues and Decision Memorandum and the electronic versions of the Issues and Decision Memorandum are identical in content.

As explained in the memorandum from the Acting Assistant Secretary for Enforcement and Compliance, the Department has exercised its discretion to toll all administrative deadlines due to the recent closure of the Federal Government. All deadlines in this segment of the proceeding have been extended by four business days. The revised deadline for the final determination is now March 4, 2016.[4]

Scope of the Investigation

The merchandise covered by this investigation is PET resin. The merchandise subject to this investigation is properly classified under subheading 3907.60.00.30 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS subheading is provided for convenience and customs purposes, the written description of the merchandise under investigation is dispositive. For a complete description of the scope of this investigation, *see* Appendix II.

The Department did not receive comments regarding the scope of this investigation.

Methodology

The Department is conducting this countervailing duty (CVD) investigation in accordance with section 701 of the Tariff Act of 1930, as amended (the Act). For each of the subsidy programs found countervailable, we determine that there is a subsidy, *i.e.,* a financial contribution by an ''authority'' that

[1] *See Countervailing Duty Investigation of Certain Polyethylene Terephthalate Resin From India: Preliminary Affirmative Determination, Preliminary Affirmative Critical Circumstances Determination, in Part, and Alignment of Final Determination With Final Antidumping Duty Determination,* 80 FR 48819 (August 14, 2015) (*Preliminary Determination*).

[2] *See* Memorandum to Paul Piquado, Assistant Secretary for Enforcement and Compliance, ''RE: Countervailing Duty (CVD) Investigation on Certain Polyethylene Terephthalate Resin from India—New Subsidy Allegations,'' dated November 13, 2015 (Post-Preliminary Memorandum).

[3] *See* Memorandum from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Paul Piquado, Assistant Secretary for Enforcement and Compliance, ''Issues and Decision Memorandum for the Final Affirmative Determination in the Countervailing Duty Investigation of Certain Polyethylene Terephthalate Resin from India,'' dated concurrently with this notice (Issues and Decision Memorandum).

[4] *See* Memorandum to the Record from Ron Lorentzen, Acting Assistant Secretary for Enforcement & Compliance, regarding ''Tolling of Administrative Deadlines As a Result of the Government Closure During Snowstorm Jonas,'' dated January 27, 2016.

gives rise to a benefit to the recipient, and that the subsidy is specific.[5] For a full description of the methodology underlying our conclusions, *see* the Issues and Decision Memorandum.[6]

Analysis of Subsidy Programs and Comments Received

The subsidy programs under investigation and the issues raised in the case and rebuttal briefs by parties in this investigation are discussed in the Issues and Decision Memorandum. A list of the issues that parties raised, and to which we responded in the Issues and Decision Memorandum, is attached to this notice at Appendix I.

Use of Adverse Facts Available

In making this final determination, the Department relied, in part, on facts available and, because JBF Industries Limited and the Government of India did not act to the best of their ability to respond to the Department's requests for information, we drew an adverse inference where appropriate in selecting from among the facts otherwise available.[7] For further information, *see* the section ''Use of Facts Otherwise Available and Adverse Inferences'' in the accompanying Issues and Decision Memorandum.

Changes Since the Preliminary Determination

Based on our review and analysis of the comments received from parties and minor corrections presented at verification, we made certain changes to the respondents' subsidy rate calculations since the *Preliminary Determination* and post-preliminary determination. For a discussion of these changes, *see* the Issues and Decision Memorandum.

Final Affirmative Determination of Critical Circumstances, in Part

On July 16, 2015, Petitioners filed a timely critical circumstances allegation, pursuant to section 773(e)(1) of the Act and 19 CFR 351.206(c)(1), alleging that critical circumstances exist with respect to imports of PET resin from India.[8] We preliminarily determined that critical circumstances did not exist for Dhunseri Petrochem Ltd., but did exist for JBF Industries Limited and the all-others companies. That determination remains unchanged and a discussion of our final critical circumstances determination can be found in the Issues and Decision Memorandum at the section, ''Final Determination of Critical Circumstances, In Part.''

Final Determination

In accordance with section 705(c)(1)(B)(i) of the Act, we calculated a rate for Dhunseri, the only individually investigated exporter/producer of the subject merchandise that participated in this investigation. In accordance with sections 705(c)(1)(B)(i)(I) and 705(c)(5)(A) of the Act, for companies not individually investigated, we apply an ''all-others'' rate, which is normally calculated by weighting the subsidy rates of the individual companies selected as respondents with those companies' export sales of the subject merchandise to the United States. Under section 705(c)(5)(A)(i) of the Act, the all-others rate should exclude zero and *de minimis* rates calculated for the exporters and producers individually investigated, and any rates determined entirely under section 776 of the Act. In this investigation, the only rate that is not zero or *de minimis,* or based entirely on facts available, is the rate calculated for Dhunseri. Consequently, the rate calculated for Dhunseri is also assigned as the ''all-others'' rate.

Exporter/producer	Subsidy rate (percent)
Dhunseri Petrochem Ltd (formerly Dhunseri Petrochem and Tea Ltd) (collectively, Dhunseri)	5.12
JBF Industries Limited	153.80
All-Others	5.12

Continuation of Suspension of Liquidation

As a result of our *Preliminary Determination,* and pursuant to section 703(d) of the Act, we instructed U.S. Customs and Border Protection (CBP) to suspend liquidation of entries of merchandise under consideration from India that were entered or withdrawn from warehouse, for consumption, on or after May 16, 2015 (for those entities for which we found critical circumstances exist) or on or after August 14, 2015, the date of publication of the *Preliminary Determination* in the **Federal Register** (for all entities for which we did not find critical circumstances exist). In accordance with section 703(d) of the Act, we issued instructions to CBP to discontinue the suspension of liquidation for CVD purposes for subject merchandise entered, or withdrawn from warehouse, on or after December 12, 2015, but to continue the suspension of liquidation of all entries from May 16, 2015, or August 14, 2015, as the case may be, through December 11, 2015.

If the U.S. International Trade Commission (the ITC) issues a final affirmative injury determination, we will issue a CVD order and will reinstate the suspension of liquidation under section 706(a) of the Act and will require a cash deposit of estimated CVDs for such entries of subject merchandise in the amounts indicated above. If the ITC determines that material injury, or threat of material injury, does not exist, this proceeding will be terminated and all estimated duties deposited or securities posted as a result of the suspension of liquidation will be refunded or canceled.

International Trade Commission Notification

In accordance with section 705(d) of the Act, we will notify the ITC of our determination. In addition, we are making available to the ITC all non-privileged and non-proprietary information relating to this investigation. We will allow the ITC access to all privileged and business proprietary information in our files, provided the ITC confirms that it will not disclose such information, either publicly or under an administrative protective order, without the written consent of the Assistant Secretary for Enforcement and Compliance.

Notification Regarding Administrative Protective Orders

In the event the ITC issues a final negative injury determination, this notice will serve as the only reminder to parties subject to an APO of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of the return or destruction of APO materials, or conversion to judicial protective order, is hereby requested. Failure to comply with the regulations and terms of an APO is a violation subject to sanction.

This determination is issued and published pursuant to sections 705(d) and 777(i) of the Act.

Dated: March 4, 2016.

Paul Piquado,

Assistant Secretary for Enforcement and Compliance.

Appendix I

List of Topics Discussed in the Issues and Decision Memorandum

[5] *See* sections 771(5)(B) and (D) of the Act regarding financial contribution; section 771(5)(E) of the Act regarding benefit; and section 771(5A) of the Act regarding specificity.

[6] *See* Issues and Decision Memorandum.

[7] *See* sections 776(a) and (b) of the Act.

[8] *See* Letter from Petitioners dated July 16, 2015.

Appendix II

The merchandise covered by this investigation is polyethylene terephthalate (PET) resin having an intrinsic viscosity of at least 0.70, but not more than 0.88, deciliters per gram. The scope includes blends of virgin PET resin and recycled PET resin containing 50 percent or more virgin PET resin content by weight, provided such blends meet the intrinsic viscosity requirements above. The scope includes all PET resin meeting the above specifications regardless of additives introduced in the manufacturing process.

The merchandise subject to this investigation is properly classified under subheading 3907.60.00.30 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS subheading is provided for convenience and customs purposes, the written description of the merchandise under investigation is dispositive.

[FR Doc. 2016–05712 Filed 3–11–16; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

[A–523–810]

Certain Polyethylene Terephthalate Resin From the Sultanate of Oman: Final Determination of Sales at Less Than Fair Value

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (''the Department'') determines that imports of certain polyethylene terephthalate resin (''PET resin'') from the Sultanate of Oman (''Oman'') are being sold in the United States at less than fair value (''LTFV''), as provided in section 735 of the Tariff Act of 1930, as amended (the ''Act''). The final weighted-average dumping margins of sales at LTFV are listed below in the section entitled ''Final Determination Margins.''

DATES: *Effective Date:* March 14, 2016.

FOR FURTHER INFORMATION CONTACT: Jonathan Hill, AD/CVD Operations, Office IV, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington, DC 20230; telephone: (202) 482–3518.

SUPPLEMENTARY INFORMATION:

Background

On October 15, 2015, the Department published in the **Federal Register** the preliminary determination in the LTFV investigation of PET resin from Oman.[1] For a description of the events that have occurred since the Preliminary Determination, *see* the Issue and Decision Memorandum.[2] The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at *http://access.trade.gov* and to all parties in the Central Records Unit, room B8024 of the main Department of Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at *http://enforcement.trade.gov.* The signed and electronic versions of the Issues and Decision Memorandum are identical in content.

As explained in the memorandum from the Acting Assistant Secretary for Enforcement & Compliance, the Department has exercised its discretion to toll all administrative deadlines due to the recent closure of the Federal Government because of snowstorm ''Jonas''. All deadlines in this segment of the proceeding have been extended by four business days. The revised deadline for the final determination of this investigation is now March 4, 2016.[3]

Period of Investigation

The period of investigation (''POI'') is January 1, 2014, through December 31, 2014.

Scope of the Investigation

The product covered by this investigation is certain PET resin from Oman. For a full description of the scope of the investigation, *see* Appendix I to this notice.

Analysis of Comments Received

All issues raised in the case and rebuttal briefs by parties in this investigation are addressed in the Issues and Decision Memorandum accompanying this notice, and which is hereby adopted by this notice. A list of the issues addressed in the Issues and

[1] *See Certain Polyethylene Terephthalate Resin From the Sultanate of Oman: Affirmative Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination,* 80 FR 62021 (October 15, 2015) (''*Preliminary Determination*'').

[2] *See* Memorandum from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Paul Piquado, Assistant Secretary for Enforcement and Compliance ''Certain Polyethylene Terephthalate Resin From the Sultanate of Oman: Issues and Decision Memorandum for the Final Determination of Sales at Less-Than-Fair Value'' (''Issues and Decision Memorandum''), dated concurrently with this notice.

[3] *See* Memorandum to the Record from Ron Lorentzen, Acting A/S for Enforcement & Compliance, regarding ''Tolling of Administrative Deadlines As a Result of the Government Closure During Snowstorm Jonas,'' dated January 27, 2016.

Decision Memorandum is appended to the notice.

Final Determination Margins

The Department determines that the following weighted-average dumping margins exist for the period January 1, 2014, through December 31, 2014:

Exporter or producer	Weighted-average dumping margin (percent)
OCTAL SAOC–FZC	7.82
All-Others	7.82

All-Others Rate

Section 735(c)(5)(A) of the Act provides that the estimated ''all-others'' rate shall be an amount equal to the weighted average of the estimated weighted-average dumping margins established for exporters and producers individually investigated, excluding any zero or *de minimis* margins, and any margins determined entirely under section 776 of the Act. We based our calculation of the ''all-others'' rate on the margin calculated for OCTAL, the only mandatory respondent in this investigation.

Disclosure

We will disclose to parties in this proceeding the calculations performed for this final determination within five days of the date of public announcement of our final determination, in accordance with 19 CFR 351.224(b).

Continuation of Suspension of Liquidation

Pursuant to section 735(c)(1)(B) of the Act, the Department will instruct U.S. Customs and Border Protection (''CBP'') to continue to suspend liquidation of all entries of certain PET resin from Oman which were entered, or withdrawn from warehouse, for consumption on or after October 15, 2015, the date of publication of the *Preliminary Determination.* We also will instruct CBP to require a cash deposit equal to the weighted-average amount by which normal value exceeds U.S. price, as follows: (1) The cash deposit rate for OCTAL will be equal to the estimated weighted-average dumping margin determined in this final determination; (2) if the exporter is not a firm identified in this investigation but the producer is, the cash deposit rate will be equal to the estimated weighted-average dumping margin established for the producer of the subject merchandise; and (3) the cash deposit rate for all other producers or exporters will be 7.82 percent. The instructions suspending liquidation will remain in effect until further notice.

International Trade Commission Notification

In accordance with section 735(d) of the Act, we will notify the U.S. International Trade Commission (''ITC'') of our final determination. As our final determination is affirmative, in accordance with section 735(b)(2) of the Act, the ITC will determine within 45 days whether the domestic industry in the United States is materially injured, or threatened with material injury, by reason of imports or sales (or the likelihood of sales) for importation of the subject merchandise. If the ITC determines that such injury exists, the Department will issue an antidumping duty order directing CBP to assess, upon further instruction by the Department, antidumping duties on all imports of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the effective date of the suspension of liquidation.

Return or Destruction of Proprietary Information

This notice will serve as a reminder to parties subject to administrative protective order (''APO'') of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of the destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

We are issuing and publishing this determination and notice in accordance with sections 735(d) and 777(i) of the Act.

Dated: March 4, 2016.

Paul Piquado,

Assistant Secretary for Enforcement and Compliance.

Appendix I—Scope of the Investigation

The merchandise covered by this investigation is polyethylene terephthalate (PET) resin having an intrinsic viscosity of at least 0.70, but not more than 0.88, deciliters per gram. The scope includes blends of virgin PET resin and recycled PET resin containing 50 percent or more virgin PET resin content by weight, provided such blends meet the intrinsic viscosity requirements above. The scope includes all PET resin meeting the above specifications regardless of additives introduced in the manufacturing process. The merchandise subject to this investigation is properly classified under subheading 3907.60.00.30 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS subheading is provided for convenience and customs purposes, the written description of the merchandise under investigation is dispositive.

Appendix II— List of Topics in the Issues and Decision Memorandum

[FR Doc. 2016–05705 Filed 3–11–16; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[C–570–025]

Countervailing Duty Investigation of Certain Polyethylene Terephthalate Resin From the People's Republic of China: Final Affirmative Determination

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (the Department) determines that countervailable subsidies are being provided to producers and exporters of certain polyethylene terephthalate (PET) resin from the People's Republic of China (PRC) as provided in section 705 of the Tariff Act of 1930, as amended (the Act). For information on the estimated subsidy rates, see the ''Final Determination'' section of this notice. The period of investigation is January 1, 2014, through December 31, 2014.

DATES: *Effective Date:* March 14, 2016.

FOR FURTHER INFORMATION CONTACT: Yasmin Bordas or Emily Maloof, AD/CVD Operations, Office VI, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington, DC 20230; telephone (202) 482–3813 or (202) 482–5649, respectively.

SUPPLEMENTARY INFORMATION:

Background

The Department published the *Preliminary Determination* on August 14, 2015.[1] A summary of the events that

[1] *See Countervailing Duty Investigation of Certain Polyethylene Terephthalate Resin From the People's Republic of China: Preliminary Affirmative Determination and Alignment of Final*

Continued

occurred since the Department submitted the *Preliminary Determination,* as well as a full discussion of the issues raised by parties for this final determination, may be found in the Issues and Decision Memorandum.[2] The Issues and Decision Memorandum is a public document and is on file electronically *via* Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at *http://access.trade.gov,* and is available to all parties in the Central Records Unit, Room B8024 of the main Department of Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at *http://trade.gov/enforcement.* The signed Issues and Decision Memorandum and the electronic versions of the Issues and Decision Memorandum are identical in content.

As explained in the memorandum from the Acting Assistant Secretary for Enforcement and Compliance, the Department has exercised its discretion to toll all administrative deadlines due to the recent closure of the Federal Government. All deadlines in this segment of the proceeding have been extended by four business days. The revised deadline for the final determination is now March 4, 2016.[3]

Scope of the Investigation

The merchandise covered by this investigation is PET resin. The merchandise subject to this investigation is properly classified under subheading 3907.60.00.30 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS subheading is provided for convenience and customs purposes, the written description of the merchandise under investigation is dispositive. For a complete description of the scope of this investigation, *see* Appendix II.

The Department did not receive comments regarding the scope of this investigation.

Methodology

The Department is conducting this countervailing duty (CVD) investigation in accordance with section 701 of the Tariff Act of 1930, as amended (the Act). For each of the subsidy programs found countervailable, we determine that there is a subsidy, *i.e.,* a financial contribution by an ''authority'' that gives rise to a benefit to the recipient, and that the subsidy is specific.[4] For a full description of the methodology underlying our conclusions, *see* the Issues and Decision Memorandum.

Analysis of Subsidy Programs and Comments Received

The subsidy programs under investigation and the issues raised in the case and rebuttal briefs by parties in this investigation are discussed in the Issues and Decision Memorandum. A list of the issues that parties raised, and to which we responded in the Issues and Decision Memorandum, is attached to this notice at Appendix I.

Use of Facts Available, Including Adverse Inferences

The Department notes that, in making this final determination, we relied, in part, on facts available and, because two respondents did not act to the best of their ability to respond to the Department's requests for information, we drew an adverse inference where appropriate in selecting from among the facts otherwise available with respect to those respondents.[5] For further information, *see* the section ''Use of Facts Otherwise Available and Adverse Inferences'' in the accompanying Issues and Decision Memorandum.

Changes Since the Preliminary Determination

Based on our review and analysis of the comments received from parties and minor corrections presented at verification, we made certain changes to the respondents' subsidy rate calculations since the *Preliminary Determination.* For a discussion of these changes, *see* the Issues and Decision Memorandum.

Final Determination

In accordance with section 705(c)(1)(B)(i) of the Act, we calculated a rate for Jiangyin Xingyu New Material Co., Ltd. (Xingyu) and Dragon Special Resin (Xiamen) Co., Ltd. (Dragon), the two individually investigated exporters/producers of the subject merchandise that participated in this investigation. In accordance with sections 705(c)(1)(B)(i)(I) and 705(c)(5)(A) of the Act, for companies not individually investigated, we will determine an ''all-others'' rate equal to the weighted-average countervailable subsidy rates established for exporters and producers individually investigated, excluding any zero and *de minimis* countervailable subsidy rates, and any rates determined entirely under section 776 of the Act. Notwithstanding the language of section 705(c)(5)(A)(i) of the Act, we have not calculated the ''all-others'' rate by weight-averaging the rates of the two individually investigated respondents, because doing so risks disclosure of proprietary information. Instead, we have calculated the all-others rate using a simple average of the final rates for the two mandatory company respondents. We intend to disclose to parties the calculations performed in this proceeding within five days of the public announcement of this final determination in accordance with 19 CFR 351.224(b).

Exporter/producer	Subsidy rate (percent)
Jiangyin Xingyu New Material Co., Ltd., Jiangsu Xingye Plastic Co., Ltd., Jiangyin Xingjia Plastic Co., Ltd., Jiangyin Xingtai New Material Co., Ltd., Jiangsu Xingye Polarization Co., Ltd., Jiangsu Sanfangxiang Group Co., Ltd., Jiangyin Hailun Petrochemicals Co., Ltd., Jiangyin Xinlun Chemical Fiber Co., Ltd., Jiangyin Huasheng Polymer Co., Ltd., Jiangsu SanFangxiang International Trading Co., Ltd., Jiangyin HuaYi Polymerization Co., Ltd., Jiangyin Xingsheng Plastic Co., Ltd., Jiangyin Chemical Fiber Co., Ltd., Jiangyin Huaxing Synthetic Co., Ltd., Jiangyin Bolun Chemical Fiber Co., Ltd., (collectively, Xingyu)	6.83

Determination With Final Antidumping Duty Determination, 80 FR 48819 (August 14, 2015) (''*Preliminary Determination*'').

[2] *See* Memorandum from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Paul Piquado, Assistant Secretary for Enforcement and Compliance, ''Countervailing Duty Investigation of Certain Polyethylene Terephthalate Resin from the People's Republic of China: Issues & Decision Memorandum for the Final Determination,'' dated concurrently with this notice (Issues and Decision Memorandum).

[3] *See* Memorandum to the Record from Ron Lorentzen, Acting Assistant Secretary for Enforcement & Compliance, regarding ''Tolling of Administrative Deadlines As a Result of the Government Closure During Snowstorm Jonas,'' dated January 27, 2016.

[4] *See* sections 771(5)(B) and (D) of the Act regarding financial contribution; section 771(5)(E) of the Act regarding benefit; and section 771(5A) of the Act regarding specificity.

[5] *See* sections 776(a) and (b) of the Act.

Exporter/producer	Subsidy rate (percent)
Dragon Special Resin (Xiamen) Co., Ltd.; Xiang Lu Petrochemicals Co., Ltd.; Xianglu Petrochemicals (Zhangzhou) Co., Ltd.; Xiamen Xianglu Chemical Fiber Company Limited; and Dragon Aromatics (Zhangzhou) Co., Ltd. (collectively, Dragon Group)	47.56
All-Others	27.20

Continuation of Suspension of Liquidation

As a result of our affirmative *Preliminary Determination,* and pursuant to section 703(d) of the Act, we instructed U.S. Customs and Border Protection (CBP) to suspend liquidation of entries of merchandise under consideration from the PRC that were entered or withdrawn from warehouse, for consumption, on or after August 14, 2015, the date of publication of the *Preliminary Determination* in the **Federal Register**. In accordance with section 703(d) of the Act, we issued instructions to CBP to discontinue the suspension of liquidation for CVD purposes for subject merchandise entered, or withdrawn from warehouse, on or after December 12, 2015, but to continue the suspension of liquidation of all entries from August 14, 2015 through December 11, 2015.

If the U.S. International Trade Commission (the ITC) issues a final affirmative injury determination, we will issue a CVD order and will reinstate the suspension of liquidation under section 706(a) of the Act and will require a cash deposit of estimated CVDs for such entries of subject merchandise in the amounts indicated above. If the ITC determines that material injury, or threat of material injury, does not exist, this proceeding will be terminated and all estimated duties deposited or securities posted as a result of the suspension of liquidation will be refunded or canceled.

International Trade Commission Notification

In accordance with section 705(d) of the Act, we will notify the ITC of our determination. In addition, we are making available to the ITC all non-privileged and non-proprietary information relating to this investigation. We will allow the ITC access to all privileged and business proprietary information in our files, provided the ITC confirms that it will not disclose such information, either publicly or under an administrative protective order, without the written consent of the Assistant Secretary for Enforcement and Compliance.

Notification Regarding Administrative Protective Orders

This notice serves as the only reminder to parties subject to an APO of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of the return or destruction of APO materials, or conversion to judicial protective order, is hereby requested. Failure to comply with the regulations and terms of an APO is a violation subject to sanction.

This determination is issued and published pursuant to sections 705(d) and 777(i) of the Act.

Dated: March 4, 2016.

Paul Piquado,

Assistant Secretary for Enforcement and Compliance.

Appendix I—List of Topics Discussed in the Issues and Decision Memorandum

Appendix II

The merchandise covered by this investigation is polyethylene terephthalate (PET) resin having an intrinsic viscosity of at least 0.70, but not more than 0.88, deciliters per gram. The scope includes blends of virgin PET resin and recycled PET resin containing 50 percent or more virgin PET resin content by weight, provided such blends meet the intrinsic viscosity requirements above. The scope includes all PET resin meeting the above specifications regardless of additives introduced in the manufacturing process.

The merchandise subject to this investigation is properly classified under

subheading 3907.60.00.30 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS subheading is provided for convenience and customs purposes, the written description of the merchandise under investigation is dispositive.

[FR Doc. 2016–05715 Filed 3–11–16; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

Western Pacific Fishery Management Council; Public Meetings

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Notice of public meetings.

SUMMARY: The Western Pacific Fishery Management Council (Council) will hold meetings of its Marine Planning and Climate Change Committee (MPCCC), Social Science Plan Committee (SSPC) and Protected Species Advisory Committee (PSAC) to review relevant sections of the draft 2015 annual reports for the Pacific Pelagic Fishery Ecosystem Plan (Pelagic FEP), American Samoa Archipelago FEP, Hawaii FEP, Mariana Archipelago FEP and Pacific Remote Island Areas (PRIA) FEP and related purposes. The committees will also receive updates on matters related to fishery management and may make recommendations on these topics.

DATES: The MPCCC meeting will be held between 8:30 a.m. and 5 p.m. on March 30–31, 2016. The SSPC will be held between 1 p.m. and 5 p.m. on April 1, 2016. The PSAC meeting will be held between 9 a.m. and 5 p.m. on April 7 and 8, 2016. For specific times and agendas, see **SUPPLEMENTARY INFORMATION**.

ADDRESSES: The MPCCC, SSPC and PSAC meetings will be held at the Council office, 1164 Bishop Street, Suite 1400, Honolulu, HI 96813; phone: (808) 522–8220.

FOR FURTHER INFORMATION CONTACT: Kitty M. Simonds, Executive Director, phone: (808) 522–8220.

SUPPLEMENTARY INFORMATION: Public comment periods will be provided throughout the agendas. The order in which agenda items are addressed may change. The meetings will run as late as necessary to complete scheduled business.

Agenda for the MPCCC Meeting

8:30 a.m.–5 p.m., Wednesday, March 30, 2016

1. Welcome and Introductions
2. Approval of Agenda
3. Overview of Fishery Ecosystem Plans
A. Pelagic FEP Fisheries
B. Hawai'i Archipelago and Pacific Remote Island Areas FEP Fisheries
C. Mariana Archipelago FEP Fisheries
D. American Samoa FEP Fisheries
E. Ecosystem Components
i. Protected Species
ii. Fishing Communities
iii. Oceanography and Climate Change
iv. Essential Fish Habitat
v. Marine Planning
4. Overview of 2015 Annual Report Components
A. Marine Planning Indicators
i. Pelagic
ii. Archipelagic
B. Climate Change Indicators
i. Pelagic
ii. Archipelagic
5. Public Comment
6. Discussion
7. Recommendations

8:30 a.m.–5 p.m., Thursday, March 31, 2016

8. Pacific Islands Regional Planning Body Update
9. Marine Planning and Climate Change Community Workshops
A. Overview
B. Breakout Planning Sessions
i. American Samoa
ii. Hawaii
iii. Guam and Commonwealth of the Northern Mariana Islands (CNMI)
A. Planning Session Reports
i. American Samoa
ii. Hawaii
iii. Guam and CNMI
10. Public Comment
11. Discussion
12. Recommendations
13. Old Business
A. MPCC Action Plan Update
B. Other
14. New Business
A. Pacific Islands Regional Action Plan for the NOAA Climate Science Strategy
B. NOAA Marine Fisheries Advisory Committee's Proposed Work Plan Resilience Working Group
C. 2016 Officer Nominations
D. Other
15. Public Comment
16. Discussion
17. Recommendations

Agenda for the SSPC Meeting

1 p.m.–5 p.m., Friday, April 1, 2016

1. Welcome and Introductions
2. Approval of Agenda
3. Status of the Previous Committee Meeting Recommendations
4. Council Human Dimensions Activities Update
A. 2015 Accomplishments
1. Human Dimensions Elements in Stock Assessment and Fishery Evaluation (SAFE) Reports
2. Guam Fishing Conflict Study
3. Annual Catch Limit Social, Economic, Ecological, Management Uncertainty Process
B. 2016 Activities
1. Fishing Community Profiles
2. SAFE Report Data Gaps
3. Linking up Human Communities Research Priorities, SAFE Reports, Fishing Community Profiles
C. Current and Upcoming Research
5. Fishery Ecosystem Plans Annual/ SAFE Report Review
A. Overview
B. Pelagic SAFE Report
C. Archipelagic SAFE Report
D. Chapter 3—Data Integration
6. Public Comment
7. Committee Discussion and Recommendations
8. Other Business and Next Meeting

Agenda for the PSAC Meeting

9 a.m.–5 p.m., Thursday, April 7, 2016

1. Welcome and Introductions
2. Approval of Agenda
3. Status of the Second Protected Species Advisory Committee Meeting Recommendations
4. Fisheries and Protected Species Management Updates
A. Recent Council Actions
i. Pelagic fisheries actions
ii. Insular fisheries actions
iii. Discussion
B. Council Protected Species Activities Update
C. Endangered Species Act (ESA) Updates
i. Section 7 ESA consultations for pelagic and insular fisheries
ii. ESA listing and other related actions
iii. Discussion
5. FEP Annual Report Review Part I
A. Overview of the Report Structure and Process
B. Overview of the Ecosystem Module
i. Climate, ecosystems and biological section
ii. Habitat section
iii. Human dimensions section
iv. Marine planning section
C. Longline Fishery Sections
i. Summary of relevant fishery data
ii. Protected species section
iii. Data analysis and related meetings
a. Leatherback interactions in the Hawaii deep-set longline fishery
b. Seabird interactions in the Hawaii deep-set longline fishery

c. Rare events bycatch workshop plan
iv. Discussion and synthesis
6. Public Comment

9 a.m.–5 p.m., Friday, April 8, 2016

7. FEP Annual Report Review Part II
A. Pelagic Non-longline Fishery Sections
i. Summary of relevant fishery data
ii. Protected species section
iii. Discussion and synthesis
B. Insular Fishery Sections
i. Summary of relevant fishery data
ii. Protected species section
iii. Discussion and synthesis
C. Discussion on Monitoring Protected Species Interactions under the FEP Annual Reports
D. Discussion on Data Gaps and Research Needs
8. Council's Research Priorities
A. Five-year Research Priorities
B. Cooperative Research Priorities
C. Discussion
8. Public Comment
9. Committee Discussion and Recommendations
10. Other Business & Next Meeting

Special Accommodations

These meetings are physically accessible to people with disabilities. Requests for sign language interpretation or other auxiliary aids should be directed to Kitty M. Simonds, (808) 522–8220 (voice) or (808) 522–8226 (fax), at least 5 days prior to the meeting date.

Authority: 16 U.S.C. 1801 *et seq.*

Dated: March 9, 2016.

Tracey L. Thompson,

Acting Deputy Director, Office of Sustainable Fisheries, National Marine Fisheries Service.

[FR Doc. 2016–05637 Filed 3–11–16; 8:45 am]

BILLING CODE 3510–22–P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

Proposed Information Collection; Comment Request; Basic Requirements for Special Exemption Permits and Authorizations To Take, Import, and Export Marine Mammals, Threatened and Endangered Species, and for Maintaining a Captive Marine Mammal Inventory Under the Marine Mammal Protection, the Fur Seal, and the Endangered Species Acts

AGENCY: National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Notice.

SUMMARY: The Department of Commerce, as part of its continuing effort to reduce paperwork and respondent burden, invites the general public and other Federal agencies to take this opportunity to comment on proposed and/or continuing information collections, as required by the Paperwork Reduction Act of 1995.

DATES: Written comments must be submitted on or before May 13, 2016.

ADDRESSES: Direct all written comments to Jennifer Jessup, Departmental Paperwork Clearance Officer, Department of Commerce, Room 6616, 14th and Constitution Avenue NW., Washington, DC 20230 (or via the Internet at *JJessup@doc.gov*).

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of the information collection instrument and instructions should be directed to Amy Sloan, NOAA Fisheries Office of Protected Resources, 1315 East-West Highway, Silver Spring, MD 20910 ((301) 427–84010), *Amy.Sloan@noaa.gov*.

SUPPLEMENTARY INFORMATION:

I. Abstract

This request is for a revision and extension of a currently approved information collection.

The Marine Mammal Protection Act (16 U.S.C. 1361 *et seq.;* MMPA), Fur Seal Act (16 U.S.C. 1151 *et seq.;* FSA), and Endangered Species Act (16 U.S.C. 1531 *et seq.;* ESA) prohibit certain activities affecting marine mammals and endangered and threatened species, with exceptions. Pursuant to section 104 of the MMPA and Section 10(a)(1)(A) of the ESA, special exception permits may be obtained for scientific research and enhancing the survival or recovery of a species or stock of marine mammals or threatened or endangered species. Section 104 of the MMPA also includes permits for commercial and educational photography of marine mammals; import and capture of marine mammals for public display; and, Letters of Confirmation under the General Authorization for scientific research that involves minimal disturbance to marine mammals. The regulations implementing permits and reporting requirements under the MMPA and FSA are at 50 CFR part 216; the regulations for permit requirements under the ESA are at 50 CFR part 222. The required information in this collection is used to make the determinations required by the MMPA, ESA and their implementing regulations prior to issuing a permit; to establish appropriate permit conditions; and to evaluate the impacts of the proposed activity on protected species. Inventory reporting pertaining to marine mammals in public display facilities is required by the MMPA.

This information collection applies to certain protected species for which NMFS is responsible, including cetaceans (whales, dolphins and porpoises), pinnipeds (seals and sea lions), sawfish (largetooth and smalltooth), sea turtles (in water), and sturgeon (Atlantic and shortnose). The information collection may be used for future listed species.

The currently approved application and reporting requirements will be revised to (1) create separate sections for marine mammals versus non-mammal species where doing so will result in less burden to the applicant (*e.g.,* for scientific methods); (2) clarify to applicants why the information is required and what level of detail is needed for our analyses; (3) create 'enhanced help' features (*e.g.,* pop-up windows) in the online application system, Authorizations and Permits for Protected Species (APPS; *https://apps.nmfs.noaa.gov/*) to make the instructions more accessible; (4) create a streamlined application and online module in APPS for scientific research permits involving only import, export, or receipt of biological samples (*i.e.,* where no animals in the wild are affected); (5) make photography permit applications accessible via APPS.

II. Method of Collection

Permit applications, permit reports, and inventory reports are available in paper or electronic versions (online or via email). Respondents may submit all applications and forms by email, facsimile, or mail. Respondents may also submit scientific research and enhancement permit applications and Letters of Intent under the General Authorization online via APPS.

III. Data

OMB Control Number: 0648–0084.
Form Number(s): None.
Type of Review: Regular (revision and extension of a currently approved collection).
Affected Public: Individuals; business or other for-profit organizations; not-for-profit institutions; state, local, or tribal government; Federal government.
Estimated Number of Respondents: 536.
Estimated Time per Response: Scientific research permit applications, 50 hours; public display permit applications, 30 hours; photography permit applications, 10 hours; General Authorization applications, 10 hours; major permit modification requests, 35 hours; minor permit modification requests, 3 hours; scientific research

permit reports, 12 hours; public display permit reports, 2 hours; photography permit reports, 2 hours; General Authorization reports, 8 hours; public display inventory reporting, 2 hours; and record keeping, 2 hours per permit or authorization type (including permits for scientific research, public display, photography, General Authorization; and retention or transfer of rehabilitated animals).

Estimated Total Annual Burden Hours: 7,455.

Estimated Total Annual Cost to Public: $1,000 in recordkeeping/reporting costs.

IV. Request for Comments

Comments are invited on: (a) Whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden (including hours and cost) of the proposed collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology.

Comments submitted in response to this notice will be summarized and/or included in the request for OMB approval of this information collection; they also will become a matter of public record.

Dated: March 8, 2016.

Sarah Brabson,

NOAA PRA Clearance Officer.

[FR Doc. 2016–05612 Filed 3–11–16; 8:45 am]

BILLING CODE 3510–22–P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

New England Fishery Management Council; Public Meeting

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Notice; public meeting.

SUMMARY: The New England Fishery Management Council (Council) is scheduling a public meeting of its Herring Committee to consider actions affecting New England fisheries in the exclusive economic zone (EEZ). Recommendations from this group will be brought to the full Council for formal consideration and action, if appropriate.

DATES: This meeting will be held on Wednesday, March 30, 2016 at 9 a.m.

ADDRESSES:

Meeting address: The meeting will be held at the Holiday Inn, 300 Woodbury Avenue, Portsmouth, NH 03801; phone: (603) 431–8000; fax: (603) 431–2065.

Council address: New England Fishery Management Council, 50 Water Street, Mill 2, Newburyport, MA 01950.

FOR FURTHER INFORMATION CONTACT: Thomas A. Nies, Executive Director, New England Fishery Management Council; telephone: (978) 465–0492.

SUPPLEMENTARY INFORMATION:

Agenda

The Committee plans to discuss the Atlantic Herring Fishery Management Plan in regards to plans for a public workshop on the Management Strategy Evaluation of Atlantic Herring Acceptable Biological Catch control rules, Plan Development Team (PDT) analyses related to localized depletion in inshore waters and potentially develop a definition of localized depletion, a problem statement and related measures, and/or task PDT with additional analyses. The Committee also plans to discuss Georges Bank haddock catch cap accountability measures (AMs), specifically, plans to potentially develop a framework adjustment in 2016 to consider revising the AMs. Other business will be discussed as necessary.

Although non-emergency issues not contained in this agenda may come before this group for discussion, those issues may not be the subject of formal action during these meetings. Action will be restricted to those issues specifically listed in this notice and any issues arising after publication of this notice that require emergency action under section 305(c) of the Magnuson-Stevens Act, provided the public has been notified of the Council's intent to take final action to address the emergency.

Special Accommodations

This meeting is physically accessible to people with disabilities. Requests for sign language interpretation or other auxiliary aids should be directed to Thomas A. Nies, Executive Director, at (978) 465–0492, at least 5 days prior to the meeting date.

Authority: 16 U.S.C. 1801 *et seq.*

Dated: March 9, 2016.

Tracey L. Thompson,

Acting Deputy Director, Office of Sustainable Fisheries, National Marine Fisheries Service.

[FR Doc. 2016–05636 Filed 3–11–16; 8:45 am]

BILLING CODE 3510–22–P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

RIN 0648–XE075

Marine Mammals; File No. 18636

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Notice; issuance of permit.

SUMMARY: Notice is hereby given that a permit has been issued to Iain Kerr, D.H.L., Ocean Alliance, 32 Horton Street, Gloucester, MA 01930 to conduct research on 15 species of whales, including endangered sperm (*Physeter macrocephalus*), southern right (*Eubalaena australis*), blue (*Balaenoptera musculus*), fin (*B. physalus*), humpback (*Megaptera novaeangliae*), and sei (*B. borealis*) whales.

ADDRESSES: The permit and related documents are available for review upon written request or by appointment in the Permits and Conservation Division, Office of Protected Resources, NMFS, 1315 East-West Highway, Room 13705, Silver Spring, MD 20910; phone (301) 427–8401; fax (301) 713–0376.

FOR FURTHER INFORMATION CONTACT: Amy Hapeman or Amy Sloan, (301) 427–8401.

SUPPLEMENTARY INFORMATION: On August 27, 2015, notice was published in the **Federal Register** (80 FR 52035) that a request for a permit to conduct research on the species identified above had been submitted by the above-named applicant. The requested permit has been issued under the authority of the Marine Mammal Protection Act of 1972, as amended (16 U.S.C. 1361 *et seq.*), the regulations governing the taking and importing of marine mammals (50 CFR part 216), the Endangered Species Act of 1973, as amended (ESA; 16 U.S.C. 1531 *et seq.*), and the regulations governing the taking, importing, and exporting of endangered and threatened species (50 CFR parts 222–226).

Mr. Kerr has been issued a permit to conduct research on cetaceans in U.S. waters and the high seas of the Pacific, Atlantic and Indian Oceans to determine how environmental toxicants

affect cetaceans and vary spatially and temporally across species; and to determine the route of exposure. Authorized research includes vessel surveys targeting live cetaceans; tissue collection of dead, stranded cetaceans; cell line development of tissue samples; and the import/export/receipt of biological samples collected in foreign waters/countries. Research activities on live animals include recordings and observations, biological sampling that includes use of an unmanned aircraft system, tracking, and incidental harassment during vessel surveys. The permit is valid through February 28, 2021.

In compliance with the National Environmental Policy Act of 1969 (42 U.S.C. 4321 *et seq.*), a final determination has been made that the activity proposed is categorically excluded from the requirement to prepare an environmental assessment or environmental impact statement.

As required by the ESA, issuance of this permit was based on a finding that such permit: (1) Was applied for in good faith; (2) will not operate to the disadvantage of such endangered species; and (3) is consistent with the purposes and policies set forth in section 2 of the ESA.

Dated: March 8, 2016.

Julia Harrison,

Chief, Permits and Conservation Division, Office of Protected Resources, National Marine Fisheries Service.

[FR Doc. 2016–05614 Filed 3–11–16; 8:45 am]

BILLING CODE 3510–22–P

DEPARTMENT OF DEFENSE

Department of the Army

Board of Visitors, United States Military Academy (USMA)

AGENCY: Department of the Army, DoD.

ACTION: Notice of committee meeting.

SUMMARY: Under the provisions of the Federal Advisory Committee Act of 1972 the Government in the Sunshine Act of 1976 and the Code of Federal Regulations, the Department of Defense announces that the following Federal advisory committee meeting will take place.

DATES: Monday, April 4, 2016, Time 1:30–4:30 p.m. Members of the public wishing to attend the meeting will be required to show a government photo ID upon entering West Point in order to gain access to the meeting location. All members of the public are subject to security screening.

ADDRESSES: The meeting will be held in the Haig Room, Jefferson Hall, West Point, New York 10996.

FOR FURTHER INFORMATION CONTACT: Mrs. Deadra K. Ghostlaw, the Designated Federal Officer for the committee, in writing at: Secretary of the General Staff, ATTN: Deadra K. Ghostlaw, 646 Swift Road, West Point, NY 10996; by email at: *deadra.ghostlaw@usma.edu* or *BoV@usma.edu;* or by telephone at (845) 938–4200.

SUPPLEMENTARY INFORMATION: The committee meeting is being held under the provisions of the Federal Advisory Committee Act of 1972 (5 U.S.C., Appendix, as amended), the Government in the Sunshine Act of 1976 (5 U.S.C. 552b, as amended), and 41 CFR 102–3.150. The USMA BoV provides independent advice and recommendations to the President of the United States on matters related to morale, discipline, curriculum, instruction, physical equipment, fiscal affairs, academic methods, and any other matters relating to the Academy that the Board decides to consider.

Purpose of the Meeting: This is the 2016 Organizational Meeting of the USMA BoV. Members of the Board will be provided updates on Academy issues.

Proposed Agenda: The Board Chair will discuss the following topics: Election of 2016 committee Chair and Vice Chair, set dates for the Summer and Fall Board Meetings, 2015 Annual Report Update, Federal Advisory Committee Act Final Rule, Swearing in of Board Members, Board Charter Renewal, and Review of USMA Board of Visitors Rules. The Superintendent will then give the following updates: Key Past/Upcoming Events Since last Board of Visitors Meeting, First Semester Highlights, Class of 2020 Admissions Update, Military Program Review, Class of 2016 Branching Update, Intellectual Capital for the Army, SHARP (Sexual Harassment and Assault Response and Prevention) Update, Athletic Department Restructure Timeline, Construction Update, Department of Defense Warrior Games, and Upcoming Events.

Public's Accessibility to the Meeting: Pursuant to 5 U.S.C. 552b and 41 CFR 102–3.140 through 102–3.165 and subject to the availability of space, this meeting is open to the public. Seating is on a first to arrive basis. Attendees are requested to submit their name, affiliation, and daytime phone number seven business days prior to the meeting to Mrs. Ghostlaw, via electronic mail, the preferred mode of submission, at the address listed in the **FOR FURTHER INFORMATION CONTACT** section. Pursuant to 41 CFR 102–3.140d, the committee is not obligated to allow a member of the public to speak or otherwise address the committee during the meeting, and members of the public attending the committee meeting will not be permitted to present questions from the floor or speak to any issue under consideration by the committee. Because the committee meeting will be held in a Federal Government facility on a military post, security screening is required. A government photo ID is required to enter post. Please note that security and gate guards have the right to inspect vehicles and persons seeking to enter and exit the installation. The United States Military Academy, Jefferson Hall, is fully handicap accessible. Wheelchair access is available at the south entrance of the building. For additional information about public access procedures, contact Mrs. Ghostlaw, the committee's Designated Federal Officer, at the email address or telephone number listed in the **FOR FURTHER INFORMATION CONTACT** section.

Written Comments or Statements: Pursuant to 41 CFR 102–3.105(j) and 102–3.140 and section 10(a)(3) of the Federal Advisory Committee Act, the public or interested organizations may submit written comments or statements to the committee, in response to the stated agenda of the open meeting or in regard to the committee's mission in general. Written comments or statements should be submitted to Mrs. Ghostlaw, the committee Designated Federal Officer, via electronic mail, the preferred mode of submission, at the address listed in the **FOR FURTHER INFORMATION CONTACT** section. Each page of the comment or statement must include the author's name, title or affiliation, address, and daytime phone number. Written comments or statements should be submitted to Mrs. Ghostlaw, the committee Designated Federal Officer, via electronic mail, the preferred mode of submission, at the address listed in the **FOR FURTHER INFORMATION CONTACT** section. Written comments or statements being submitted in response to the agenda set forth in this notice must be received by the Designated Federal Official at least seven business days prior to the meeting to be considered by the committee. The Designated Federal Official will review all timely submitted written comments or statements with the committee Chairperson and ensure the comments are provided to all members of the committee before the meeting. Written comments or statements received after

this date may not be provided to the committee until its next meeting.

Pursuant to 41 CFR 102–3.140d, the committee is not obligated to allow a member of the public to speak or otherwise address the committee during the meeting. However, the committee Designated Federal Official and Chairperson may choose to invite certain submitters to present their comments verbally during the open portion of this meeting or at a future meeting. The Designated Federal Officer, in consultation with the committee Chairperson, may allot a specific amount of time for submitters to present their comments verbally.

Brenda S. Bowen,

Army Federal Register Liaison Officer.

[FR Doc. 2016–05512 Filed 3–11–16; 8:45 am]

BILLING CODE 5001–03–P

DEPARTMENT OF EDUCATION

Applications for New Awards; Technical Assistance and Dissemination To Improve Services and Results for Children With Disabilities—National Center for Students With Disabilities Who Require Intensive Intervention

AGENCY: Office of Special Education and Rehabilitative Services, Department of Education.

ACTION: Notice.

SUMMARY: *Overview Information:* Technical Assistance and Dissemination to Improve Services and Results for Children with Disabilities—National Center for Students with Disabilities Who Require Intensive Intervention

Notice inviting applications for a new award for fiscal year (FY) 2016.

Catalog of Federal Domestic Assistance (CFDA) Number: 84.326Q.

DATES: *Applications Available:* March 14, 2016.

Deadline for Transmittal of Applications: April 28, 2016.

Deadline for Intergovernmental Review: June 27, 2016.

SUPPLEMENTARY INFORMATION:

Full Text of Announcement

I. Funding Opportunity Description

Purpose of Program: The purpose of the Technical Assistance and Dissemination to Improve Services and Results for Children with Disabilities program is to promote academic achievement and to improve results for children with disabilities by providing technical assistance (TA), supporting model demonstration projects, disseminating useful information, and implementing activities that are supported by scientifically based research.

Priority: In accordance with 34 CFR 75.105(b)(2)(v), this priority is from allowable activities specified in the statute (see sections 663 and 681(d) of the Individuals with Disabilities Education Act (IDEA)).

Absolute Priority: For FY 2016 and any subsequent year in which we make awards from the list of unfunded applications from this competition, this priority is an absolute priority. Under 34 CFR 75.105(c)(3), we consider only applications that meet this priority.

This priority is:

National Center for Students with Disabilities Who Require Intensive Intervention.

Background:

Providing effective evidence-based (as defined in this notice) instruction and intervention for all students, including students with disabilities, is critical for their success in postsecondary settings. Recent data demonstrate that academic and behavioral outcomes for students with disabilities continue to be poor.

In 2015, for example, a large proportion of students with disabilities scored below the basic level [1] on the National Assessment of Educational Progress (NAEP) in both reading (4th grade: 70 percent; 8th grade: 67 percent) and math (4th grade: 49 percent; 8th grade: 72 percent) (U.S. Department of Education, 2015). In the 2011–12 school year, students with disabilities were more than twice as likely to receive an out-of-school suspension as their non-disabled peers, and over half (58 percent) were subjected to seclusion (U.S. Department of Education, 2014). Further, students with emotional disturbance or a specific learning disability were suspended at higher rates than other students with disabilities (Losen, Hodson, Ee, & Martinez, 2014). Nationally, in the 2011–12 school year, it is estimated that nearly 18 million instructional days were lost for all U.S. public school children due to exclusionary discipline (Losen, Hodson, Keith, Morrison, & Belway, 2015).

Significant and persistent academic and behavioral difficulties can limit success in school and postsecondary opportunities. A recent report suggests that the graduation rate for students with disabilities (61.9 percent) is much lower than the graduation rate for all students (81.4 percent) (DePaoli et al., 2015). Students with disabilities are also less likely to have enrolled in postsecondary education, have lower salaries when employed, and have higher involvement with the criminal justice system than their non-disabled peers (Sanford et al., 2011).

For some students, the typical evidence-based instruction and behavioral supports provided in the classroom are not sufficient to address their educational needs or prepare them for postsecondary opportunities. They will need individualized, more intensive intervention composed of practices that are evidence-based.

Interventions can be intensified in multiple ways (*e.g.,* dosage, group size, intervention components, interventionist expertise) (*e.g.,* Barnett, Daly, Jones, & Lentz, 2004; Codding & Lane, 2014; Daly, Martens, Barnett, Witt, & Olson, 2007; Mellard, McKnight, & Jordan, 2010; Warren, Fey, & Yoder, 2007), and for students at risk of, or identified as having, a disability, research has demonstrated the effectiveness of intensive interventions in improving reading outcomes (*e.g.,* Allor, Mathes, Roberts, Cheatham, & Al Otaiba, 2014; Al Otaiba et al., 2014; Denton et al., 2013; Solis, Miciak, Vaughn, & Fletcher, 2014; Wanzek et al., 2013); mathematics outcomes (*e.g.,* Bryant et al., 2014; Dennis, 2015; Fuchs, Fuchs, Powell, Seethaler, Cirino, & Fletcher, 2008; Gersten et al., 2009); and behavioral outcomes (*e.g.,* Gage, Lewis, & Stichter, 2012; Goh & Bambara, 2012).

The co-occurrence of academic and behavioral difficulties has been well documented, yet the exact nature of the relationship is still not well understood (*e.g.,* Algozzine, Wang, & Violette, 2011; Morgan & Sideridis, 2013). However, recent research on integrating academic and behavioral interventions has demonstrated promise for improving student outcomes (*e.g.,* Algozzine et al., 2012; Chaparro, Smolkowski, Baker, Hanson, & Ryan-Jackson, 2012; Stewart, Benner, Martella, Marchand-Martella, 2007). In an analysis of academic, behavioral, and integrated academic and behavioral intervention models, Stewart et al. (2007) found greater gains in reading and behavior for the integrated intervention model than the academic or behavioral intervention models alone.

In short, there are students with disabilities who have persistent learning or behavior difficulties and who need intensive intervention to succeed in school and to be prepared for postsecondary opportunities. However, States, districts, and schools need assistance in developing or refining and coordinating their systems of instruction

[1] For NAEP achievement level definitions, see: *https://nces.ed.gov/nationsreportcard/achievement.aspx.*

and intervention to address the needs of these students.

Research has identified numerous components within schools' systems of instruction and intervention that can make an intervention more or less effective and sustainable. For example, the need to improve educators' knowledge and use of evidence-based interventions through teacher preparation (*e.g.,* Ciullo et al., 2015; Gable, Tonelson, Sheth, Wilson, & Park, 2012; Kern, Hilt-Panahon, & Sokol, 2009) and professional development (*e.g.,* Bambara, Goh, Kern, & Caskie, 2012; Ciullo et al., 2015; Debnam, Pas, & Bradshaw, 2012; Kern, Hilt-Panahon, & Sokol, 2009; Regan, Berkeley, Hughes, & Brady, 2015) has been well documented. The need to improve educators' knowledge and use of culturally and linguistically responsive instruction for students with disabilities (*e.g.,* Ford, 2012; Orosco & Klingner, 2010) has also been noted, as 91 percent of 4th and 89 percent of 8th grade students with disabilities who are English Learners (ELs) scored below the basic level in reading on the 2015 NAEP (U.S. Department of Education, 2015).

Another component that can facilitate or impede implementation and sustainability of an intervention is school culture (O'Connor & Freeman, 2012), particularly for students with persistent difficulties (*e.g.,* Bambara et al., 2012). The leadership and organizational supports, such as scheduling, roles of staff, adequate planning time, professional development structure, evaluation, leadership support, policies, and funding (*e.g.,* Bambara et al., 2012; Fixsen, Naoom, Blasé, Friedman, & Wallace, 2005; O'Connor & Freeman, 2012), can also facilitate or impede the effectiveness and sustainability of the system of instruction and intervention. Addressing academic and behavioral difficulties separately, instead of using an integrated approach, may result in inefficiencies in coordinating intervention. By using a more integrated approach, limited resources can be maximized and organizational structures and efficiency can be improved (*e.g.,* Chaparro et al., 2012; Lane, Oakes, & Menzies, 2014; McIntosh, Bohanon, & Goodman, 2010).

As part of the recent emphasis in the Department's accountability efforts on improved results for students with disabilities, the Department required States under Indicator 17 of their IDEA Part B State Performance Plans/Annual Performance Reports (SPPs/APRs) to develop a State Systemic Improvement Plan (SSIP).[2] As part of the SSIP, States must identify the result(s) they intend to achieve through implementing the SSIP (referred to as the State Identified Measureable Result(s) (SIMR)). To date, 42 States are focusing on improving performance in reading, math, or both, and 12 States are focusing on increasing the graduation rate of children and youth with disabilities. States will need TA to support the implementation of their SSIP strategies to improve academic and behavior-related results.

The priority established in this notice will fund a national center that will focus on intensive academic and behavioral interventions for students with disabilities with persistent learning or behavior difficulties, but not students with the most significant cognitive disabilities, as the needs of those students are targeted in other Office of Special Education Programs (OSEP) investments.

Priority:

The purpose of this priority is to fund a cooperative agreement to establish and operate a National Center for Students with Disabilities Who Require Intensive Intervention (Center). The Center will assist State educational agencies (SEAs) and local educational agencies (LEAs) in their efforts to support schools and educators in implementing intensive intervention composed of practices that are evidence-based (''intensive intervention'') for students with disabilities who have persistent learning or behavior difficulties and who need intensive intervention to succeed in school and be prepared for postsecondary opportunities (''students with disabilities who need intensive intervention''). The Center will give priority to those States with SIMRs that focus on academic or behavior-related results. The Center must achieve, at a minimum, the following expected outcomes:

(1) Increased LEA and educators' knowledge and use of intensive intervention in reading, mathematics, and behavior;

(2) Increased LEA and educators' knowledge and use of culturally and linguistically responsive intensive intervention, including intensive intervention for ELs with disabilities;

(3) Increased capacity of LEAs and schools to develop or refine and coordinate their system of instruction and intervention to implement intensive intervention in reading, mathematics, and behavior;

(4) Increased capacity of SEAs, LEAs, and educators to support, implement, and sustain intensive intervention in reading, mathematics, and behavior;

(5) Increased capacity of SEAs to support the efforts of LEAs to use intensive intervention to achieve the academic and behavior-related results identified in a State's SIMR;

(6) Increased knowledge and capacity of SEAs, LEAs, and educators to use and coordinate existing national, regional, State, and local resources (*e.g.,* parent and family organizations, TA providers, mental health agencies and organizations, etc.) to better support, implement, and sustain intensive intervention in reading, mathematics, and behavior;

(7) Increased dissemination of lessons learned from implementing intensive intervention to inform State and local implementation efforts; and

(8) Increased capacity of institutions of higher education (IHEs) to prepare educators to coordinate instruction and intervention and support, implement, and sustain intensive intervention in reading, mathematics, and behavior.

In addition to these programmatic requirements, to be considered for funding under this priority, applicants must meet the application and administrative requirements in this priority. OSEP encourages innovative approaches to meet these requirements, which are:

(a) Demonstrate, in the narrative section of the application under ''Significance of the Project,'' how the proposed project will—

(1) Address the current training and information needs of LEAs and educators in providing intensive intervention to students with disabilities who need intensive intervention. To meet this requirement the applicant must—

(i) Present information and current data on the current capacity of LEAs and educators to address the needs of students with disabilities who need intensive intervention; and

[2] In accordance with section 616(b) of IDEA, States must have in place a performance plan that evaluates the State's efforts to implement the requirements and purposes of Part B of the IDEA and describes how the State will improve such implementation. As part of the SPP/APR, each State establishes measurable and rigorous targets for each indicator established by the Secretary. In the Results Driven Accountability System, OSERS required States under Indicator 17 to develop a SSIP as part of their Federal fiscal year (FFY) 2013 through FFY 2018 IDEA Part B SPPs/APRs. The SSIP must include: (1) FFY 2013 baseline data expressed as a percentage and aligned with the State-identified Measurable Result(s) (SIMR) for children with disabilities; (2) measurable and rigorous targets (expressed as a percentage) for each of the five years for FFY 2014 through FFY 2018, with the FFY 2018 target reflecting improvement over the FFY 2013 baseline data; and (3) a plan that includes an explanation of how the improvement strategies selected will lead to measurable improvement in the SIMR.

(ii) Demonstrate knowledge of current educational issues around, and policy initiatives intended to address, the needs of students with disabilities who need intensive intervention; and

(2) Address the current and emerging needs of SEAs and LEAs in developing or refining and coordinating their systems of instruction and intervention for supporting, implementing, and sustaining intensive intervention.

(b) Demonstrate, in the narrative section of the application under ''Quality of the Project Services,'' how the proposed project will—

(1) Ensure equal access and treatment for members of groups that have historically been underrepresented based on race, color, national origin, gender, age, or disability. To meet this requirement, the applicant must describe how it will—

(i) Identify the needs of the intended recipients for TA and information; and

(ii) Ensure that services and products meet the needs of the intended recipients (*e.g.,* by creating materials in formats accessible to and in languages understandable to the stakeholders served by the intended recipients);

(2) Achieve its goals, objectives, and intended outcomes. To meet this requirement, the applicant must provide—

(i) Measurable intended project outcomes; and

(ii) The logic model by which the proposed project will achieve its intended outcomes. A logic model communicates how a project will achieve its intended outcomes and provides a framework for both the formative and summative evaluations of the project;

(3) Use a conceptual framework to develop project plans and activities, describing any underlying concepts, assumptions, expectations, beliefs, or theories, as well as the presumed relationships or linkages among these variables, and any empirical support for this framework;

Note: Rather than use the definition of ''logic model'' in section 77.1(c) of EDGAR, OSEP uses the definition in paragraph (b)(2)(ii) of these application requirements. This definition, unlike the definition in 34 CFR 77.1(c), differentiates between logic models and conceptual frameworks. The following Web sites provide more information on logic models: *www.researchutilization.org/matrix/logicmodel_resource3c.html* and *www.osepideasthatwork.org/logicModel/index.asp;*

(4) Be based on current research and make use of evidence-based practices. To meet this requirement, the applicant must describe—

(i) The current research on the effectiveness of intensive intervention for students with disabilities who need intensive intervention;

(ii) The current research about adult learning principles and implementation science that will inform the proposed TA; and

(iii) How the proposed project will incorporate current research and evidence-based practices in the development and delivery of its products and services;

(5) Develop products and provide services that are of high quality and sufficient intensity and duration to achieve the intended outcomes of the proposed project. To address this requirement, the applicant must describe—

(i) How it proposes to identify or develop the knowledge base on coordinating systems of instruction and intervention and supporting, implementing, and sustaining intensive intervention for students with disabilities who need intensive intervention;

(ii) Its proposed approach to universal, general TA,[3] which must identify the intended recipients of the products and services under this approach;

(iii) Its proposed approach to targeted, specialized TA,[4] which must identify—

(A) The intended recipients of the products and services under this approach; and

(B) Its proposed approach to measure the readiness of potential TA recipients to work with the project, assessing, at a minimum, their current infrastructure, available resources, and ability to build capacity at the local level;

(C) Its proposed approach to working with IHEs to prepare educators to coordinate instruction and intervention and support, implement, and sustain intensive intervention in reading, mathematics, and behavior; and

(iv) Its proposed approach to intensive, sustained TA,[5] which must identify—

(A) The intended recipients of the products and services under this approach;

(B) Its proposed approach to measure the readiness of the SEAs, LEAs, and schools to work with the project, including their commitment to the initiative, alignment of the initiative to their needs, current infrastructure, available resources, and ability to build capacity at the district level;

(C) Its proposed plan for assisting LEAs to build or enhance training systems that include professional development based on adult learning principles and coaching;

(D) Its proposed plan for working with appropriate levels of the education system (*e.g.,* SEAs, LEAs, schools) to ensure that there is communication between each level and that there are systems in place to support the use of intensive intervention;

(E) Its proposed plan for working with national, State, regional, and local TA providers and agencies (*e.g.,* State TA providers, regional TA providers, Department-funded and other federally funded TA Centers, mental health agencies and organizations) and families to ensure that there is communication between each level and that there are systems in place to support the use of intensive intervention; and

(F) Its proposed plan for collaborating and coordinating with Department-funded TA investments, where appropriate, in order to align complementary work and jointly develop and implement products and services to implement intensive intervention;

(6) Develop products and implement services that maximize efficiency. To address this requirement, the applicant must describe—

(i) How the proposed project will use technology to achieve the intended project outcomes;

(ii) With whom the proposed project will collaborate and the intended outcomes of this collaboration; and

[3] ''Universal, general TA'' means TA and information provided to independent users through their own initiative, resulting in minimal interaction with TA center staff and including one-time, invited or offered conference presentations by TA center staff. This category of TA also includes information or products, such as newsletters, guidebooks, or research syntheses, downloaded from the TA center's Web site by independent users. Brief communications by TA center staff with recipients, either by telephone or email, are also considered universal, general TA.

[4] ''Targeted, specialized TA'' means TA services based on needs common to multiple recipients and not extensively individualized. A relationship is established between the TA recipient and one or more TA center staff. This category of TA includes one-time, labor-intensive events, such as facilitating strategic planning or hosting regional or national conferences. It can also include episodic, less labor-intensive events that extend over a period of time, such as facilitating a series of conference calls on single or multiple topics that are designed around the needs of the recipients. Facilitating communities of practice can also be considered targeted, specialized TA.

[5] ''Intensive, sustained TA'' means TA services often provided on-site and requiring a stable, ongoing relationship between the TA center staff and the TA recipient. ''TA services'' are defined as negotiated series of activities designed to reach a valued outcome. This category of TA should result in changes to policy, program, practice, or operations that support increased recipient capacity or improved outcomes at one or more systems levels.

(iii) How the proposed project will use non-project resources to achieve the intended project outcomes.

(c) In the narrative section of the application under ''Quality of the Evaluation Plan,'' include an evaluation plan for the project as described in the following paragraphs. The evaluation plan must describe: Measures of progress in implementation, including the criteria for determining the extent to which the project's products and services have reached their target population; measures of intended outcomes or results of the project's activities in order to evaluate those activities; and how well the goals or objectives of the proposed project, as described in its logic model, have been met.

The applicant must provide an assurance that, in designing the evaluation plan, it will—

(1) Designate, with the approval of the OSEP project officer, a project liaison staff person with sufficient dedicated time, experience in evaluation, and knowledge of the project to work in collaboration with the Center to Improve Project Performance (CIPP),[6] the project director, and the OSEP project officer on the following tasks:

(i) Revise, as needed, the logic model submitted in the grant application to provide for a more comprehensive measurement of implementation and outcomes and to reflect any changes or clarifications to the model discussed at the kick-off meeting;

(ii) Refine the evaluation design and instrumentation proposed in the grant application consistent with the logic model (*e.g.,* prepare evaluation questions about significant program processes and outcomes; develop quantitative or qualitative data collections that permit both the collection of progress data, including fidelity of implementation, as appropriate, and the assessment of project outcomes; select respondent samples if appropriate; design instruments or identifying data sources; and identify analytic strategies); and

(iii) Revise, as needed, the evaluation plan submitted in the grant application such that it clearly—

(A) Specifies the measures and associated instruments or sources for data appropriate to the evaluation questions, suggests analytic strategies for those data, provides a timeline for conducting the evaluation, and includes staff assignments for completing the plan;

(B) Delineates the data expected to be available by the end of the second project year for use during the project's 3+2 review for continued funding described under the heading *Fourth and Fifth Years of the Project;* and

(C) Can be used to assist the project director and the OSEP project officer, with the assistance of CIPP, as needed, to specify the performance measures to be addressed in the project's Annual Performance Report;

(2) Cooperate with CIPP staff in order to accomplish the tasks described in paragraph (1) of this section; and

(3) Dedicate sufficient funds in each budget year to cover the costs of carrying out the tasks described in paragraphs (1) and (2) of this section and implementing the evaluation plan.

(d) Demonstrate, in the narrative section of the application under ''Adequacy of Project Resources,'' how—

(1) The proposed project will encourage applications for employment from persons who are members of groups that have traditionally been underrepresented based on race, color, national origin, gender, age, or disability, as appropriate;

(2) The proposed key project personnel, consultants, and subcontractors have the qualifications and experience to carry out the proposed activities and achieve the project's intended outcomes;

(3) The applicant and any key partners have adequate resources to carry out the proposed activities; and

(4) The proposed costs are reasonable in relation to the anticipated results and benefits.

(e) Demonstrate, in the narrative section of the application under ''Quality of the Management Plan,'' how—

(1) The proposed management plan will ensure that the project's intended outcomes will be achieved on time and within budget. To address this requirement, the applicant must describe—

(i) Clearly defined responsibilities for key project personnel, consultants, and subcontractors, as applicable; and

(ii) Timelines and milestones for accomplishing the project tasks;

(2) Key project personnel and any consultants and subcontractors will be allocated to the project and how these allocations are appropriate and adequate to achieve the project's intended outcomes;

(3) The proposed management plan will ensure that the products and services provided are of high quality, relevant, and useful to recipients; and

(4) The proposed project will benefit from a diversity of perspectives, including those of families, educators, TA providers, researchers, and policy makers, among others, in its development and operation.

(f) Address the following application requirements. The applicant must—

(1) Include, in Appendix A, a logic model that depicts, at a minimum, the goals, activities, outputs, and intended outcomes of the proposed project.

(2) Include, in Appendix A, a conceptual framework for the project;

(3) Include, in Appendix A, personnel-loading charts and timelines, as applicable, to illustrate the management plan described in the narrative;

(4) Include, in the budget, attendance at the following:

(i) A one and one-half day kick-off meeting in Washington, DC, after receipt of the award, and an annual planning meeting in Washington, DC, with the OSEP project officer and other relevant staff during each subsequent year of the project period.

Note: Within 30 days of receipt of the award, a post-award teleconference must be held between the OSEP project officer and the grantee's project director or other authorized representative;

(ii) A two and one-half day project directors' conference in Washington, DC, during each year of the project period;

(iii) Two annual two-day trips to attend Department briefings, Department-sponsored conferences, and other meetings, as requested by OSEP; and

(iv) A one-day intensive 3+2 review meeting in Washington, DC, during the last half of the second year of the project period;

(5) Include, in the budget, a line item for an annual set-aside of five percent of the grant amount to support emerging needs that are consistent with the proposed project's intended outcomes, as those needs are identified in consultation with, and approved by, the OSEP project officer. With approval from the OSEP project officer, the project must reallocate any remaining funds from this annual set-aside no later than the end of the third quarter of each budget period; and

(6) Maintain a Web site that meets government or industry-recognized standards for accessibility.

[6] The major tasks of CIPP are to guide, coordinate, and oversee the design of formative evaluations for every large discretionary investment (*i.e.,* those awarded $500,000 or more per year and required to participate in the 3+2 process) in OSEP's Technical Assistance and Dissemination; Personnel Development; Parent Training and Information Centers; and Educational Technology, Media, and Materials programs. The efforts of CIPP are expected to enhance individual project evaluation plans by providing expert and unbiased TA in designing the evaluations with due consideration of the project's budget. CIPP does not function as a third-party evaluator.

Fourth and Fifth Years of the Project:

In deciding whether to continue funding the project for the fourth and fifth years, the Secretary will consider the requirements of 34 CFR 75.253(a), as well as—

(a) The recommendation of a 3+2 review team consisting of experts selected by the Secretary. This review will be conducted during a one-day intensive meeting that will be held during the last half of the second year of the project period;

(b) The timeliness and effectiveness with which all requirements of the negotiated cooperative agreement have been or are being met by the project; and

(c) The quality, relevance, and usefulness of the project's products and services and the extent to which the project's products and services are aligned with the project's objectives and likely to result in the project achieving its intended outcomes.

References

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Definitions:

For the purposes of this priority:

Evidence-based means supported by strong theory.

Strong theory means a rationale for the proposed process, product, strategy, or practice that includes a logic model.

Waiver of Proposed Rulemaking: Under the Administrative Procedure Act (APA) (5 U.S.C. 553) the Department generally offers interested parties the opportunity to comment on proposed priorities and requirements. Section 681(d) of IDEA, however, makes the public comment requirements of the APA inapplicable to the priority in this notice.

Program Authority: 20 U.S.C. 1463 and 1481.

Applicable Regulations: (a) The Education Department General Administrative Regulations in 34 CFR parts 75, 77, 79, 81, 82, 84, 86, 97, 98, and 99. (b) The Office of Management and Budget Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement) in 2 CFR part 180, as adopted and amended as regulations of the Department in 2 CFR part 3485. (c) The Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards in 2 CFR part 200, as adopted and amended as regulations of the Department in 2 CFR part 3474.

Note: The regulations in 34 CFR part 79 apply to all applicants except federally recognized Indian tribes.

Note: The regulations in 34 CFR part 86 apply to IHEs only.

II. Award Information

Type of Award: Cooperative agreement.

Estimated Available Funds: $2,100,000.

Contingent upon the availability of funds and the quality of applications, we may make additional awards in FY 2017 from the list of unfunded applications from this competition.

Maximum Award: We will reject any application that proposes a budget exceeding $2,100,000 for a single budget period of 12 months.

Estimated Number of Awards: 1.

Note: The Department is not bound by any estimates in this notice.

Project Period: Up to 36 months with an optional additional 24 months based on performance. Applications must include plans for both the 36-month award and the 24-month extension.

III. Eligibility Information

1. *Eligible Applicants:* SEAs; LEAs, including public charter schools that operate as LEAs under State law; IHEs; other public agencies; private nonprofit organizations; freely associated States and outlying areas; Indian tribes or tribal organizations; and for-profit organizations.

2. *Cost Sharing or Matching:* This program does not require cost sharing or matching.

3. *Eligible Subgrantees:* (a) Under 34 CFR 75.708(b) and (c) a grantee may award subgrants—to directly carry out project activities described in its application—to the following types of entities: SEAs; LEAs, including public charter schools that operate as LEAs under State law; IHEs; other public agencies; private nonprofit organizations; freely associated States and outlying areas; Indian tribes or tribal organizations; and for-profit organizations suitable to carry out the activities proposed in the application.

(b) The grantee may award subgrants to entities it has identified in an approved application.

4. *Other General Requirements:*

(a) Recipients of funding under this competition must make positive efforts to employ and advance in employment qualified individuals with disabilities (see section 606 of IDEA).

(b) Each applicant for, and recipient of, funding under this program must involve individuals with disabilities, or parents of individuals with disabilities ages birth through 26, in planning, implementing, and evaluating the project (see section 682(a)(1)(A) of IDEA).

IV. Application and Submission Information

1. *Address to Request Application Package:* You can obtain an application package via the Internet or from the Education Publications Center (ED Pubs). To obtain a copy via the Internet, use the following address: *www.ed.gov/fund/grant/apply/grantapps/index.html.* To obtain a copy from ED Pubs, write, fax, or call: ED Pubs, U.S. Department of Education, P.O. Box 22207, Alexandria, VA 22304. Telephone, toll free: 1–877–433–7827. FAX: (703) 605–6794. If you use a telecommunications device for the deaf (TDD) or a text telephone (TTY), call, toll free: 1–877–576–7734.

You can contact ED Pubs at its Web site, also: *www.EDPubs.gov* or at its email address: *edpubs@inet.ed.gov.*

If you request an application package from ED Pubs, be sure to identify this competition as follows: CFDA number 84.326Q.

Individuals with disabilities can obtain a copy of the application package in an accessible format (*e.g.,* braille, large print, audiotape, or compact disc) by contacting the person or team listed under *Accessible Format* in section VIII of this notice.

2. *Content and Form of Application Submission:* Requirements concerning the content of an application, together with the forms you must submit, are in

the application package for this competition.

Page Limit: The application narrative (Part III of the application) is where you, the applicant, address the selection criteria that reviewers use to evaluate your application. You must limit Part III to no more than 70 pages, using the following standards:

- A ''page'' is 8.5″ x 11″, on one side only, with 1″ margins at the top, bottom, and both sides.
- Double-space (no more than three lines per vertical inch) all text in the application narrative, including titles, headings, footnotes, quotations, reference citations, and captions, as well as all text in charts, tables, figures, graphs, and screen shots.
- Use a font that is 12 point or larger.
- Use one of the following fonts: Times New Roman, Courier, Courier New, or Arial. An application submitted in any other font (including Times Roman or Arial Narrow) will not be accepted.

The page limit and double-spacing requirements do not apply to Part I, the cover sheet; Part II, the budget section, including the narrative budget justification; Part IV, the assurances and certifications; or the abstract (follow the guidance provided in the application package for completing the abstract), the table of contents, the list of priority requirements, the resumes, the reference list, the letters of support, or the appendices. However, the page limit and double-spacing requirements do apply to all of Part III, the application narrative, including all text in charts, tables, figures, graphs, and screen shots.

We will reject your application if you exceed the page limit in the application narrative section or if you apply standards other than those specified in this notice and the application package.

3. *Submission Dates and Times:*

Applications Available: March 14, 2016.

Deadline for Transmittal of Applications: April 28, 2016.

Applications for grants under this competition must be submitted electronically using the Grants.gov Apply site (Grants.gov). For information (including dates and times) about how to submit your application electronically, or in paper format by mail or hand delivery if you qualify for an exception to the electronic submission requirement, please refer to *Other Submission Requirements* in section IV of this notice.

We do not consider an application that does not comply with the deadline requirements.

Individuals with disabilities who need an accommodation or auxiliary aid in connection with the application process should contact the person listed under *For Further Information Contact* in section VII of this notice. If the Department provides an accommodation or auxiliary aid to an individual with a disability in connection with the application process, the individual's application remains subject to all other requirements and limitations in this notice.

Deadline for Intergovernmental Review: June 27, 2016.

4. *Intergovernmental Review:* This competition is subject to Executive Order 12372 and the regulations in 34 CFR part 79. Information about Intergovernmental Review of Federal Programs under Executive Order 12372 is in the application package for this competition.

5. *Funding Restrictions:* We reference regulations outlining funding restrictions in the *Applicable Regulations* section of this notice.

6. *Data Universal Numbering System Number, Taxpayer Identification Number, and System for Award Management:* To do business with the Department of Education, you must—

a. Have a Data Universal Numbering System (DUNS) number and a Taxpayer Identification Number (TIN);

b. Register both your DUNS number and TIN with the System for Award Management (SAM) (formerly the Central Contractor Registry), the Government's primary registrant database;

c. Provide your DUNS number and TIN on your application; and

d. Maintain an active SAM registration with current information while your application is under review by the Department and, if you are awarded a grant, during the project period.

You can obtain a DUNS number from Dun and Bradstreet at the following Web site: *http://fedgov.dnb.com/webform.* A DUNS number can be created within one to two business days.

If you are a corporate entity, agency, institution, or organization, you can obtain a TIN from the Internal Revenue Service. If you are an individual, you can obtain a TIN from the Internal Revenue Service or the Social Security Administration. If you need a new TIN, please allow two to five weeks for your TIN to become active.

The SAM registration process can take approximately seven business days, but may take upwards of several weeks, depending on the completeness and accuracy of the data you enter into the SAM database. Thus, if you think you might want to apply for Federal financial assistance under a program administered by the Department, please allow sufficient time to obtain and register your DUNS number and TIN. We strongly recommend that you register early.

Note: Once your SAM registration is active, it may be 24 to 48 hours before you can access the information in, and submit an application through, Grants.gov.

If you are currently registered with SAM, you may not need to make any changes. However, please make certain that the TIN associated with your DUNS number is correct. Also note that you will need to update your registration annually. This may take three or more business days.

Information about SAM is available at *www.SAM.gov*. To further assist you with obtaining and registering your DUNS number and TIN in SAM or updating your existing SAM account, we have prepared a SAM.gov Tip Sheet, which you can find at: *www2.ed.gov/fund/grant/apply/sam-faqs.html*.

In addition, if you are submitting your application via Grants.gov, you must (1) be designated by your organization as an Authorized Organization Representative (AOR); and (2) register yourself with Grants.gov as an AOR. Details on these steps are outlined at the following Grants.gov Web page: *www.grants.gov/web/grants/register.html*.

7. *Other Submission Requirements:* Applications for grants under this competition must be submitted electronically unless you qualify for an exception to this requirement in accordance with the instructions in this section.

a. *Electronic Submission of Applications.*

Applications for grants under the National Center for Students with Disabilities Who Require Intensive Intervention competition, CFDA number 84.326Q, must be submitted electronically using the Governmentwide Grants.gov Apply site at *www.Grants.gov*. Through this site, you will be able to download a copy of the application package, complete it offline, and then upload and submit your application. You may not email an electronic copy of a grant application to us.

We will reject your application if you submit it in paper format unless, as described elsewhere in this section, you qualify for one of the exceptions to the electronic submission requirement *and* submit, no later than two weeks before the application deadline date, a written statement to the Department that you qualify for one of these exceptions. Further information regarding calculation of the date that is two weeks

before the application deadline date is provided later in this section under *Exception to Electronic Submission Requirement.*

You may access the electronic grant application for the National Center for Students with Disabilities Who Require Intensive Intervention competition at *www.Grants.gov.* You must search for the downloadable application package for this competition by the CFDA number. Do not include the CFDA number's alpha suffix in your search (*e.g.,* search for 84.326, not 84.326Q).

Please note the following:

• When you enter the Grants.gov site, you will find information about submitting an application electronically through the site, as well as the hours of operation.

• Applications received by Grants.gov are date and time stamped. Your application must be fully uploaded and submitted and must be date and time stamped by the Grants.gov system no later than 4:30:00 p.m., Washington, DC time, on the application deadline date. Except as otherwise noted in this section, we will not accept your application if it is received—that is, date and time stamped by the Grants.gov system—after 4:30:00 p.m., Washington, DC time, on the application deadline date. We do not consider an application that does not comply with the deadline requirements. When we retrieve your application from Grants.gov, we will notify you if we are rejecting your application because it was date and time stamped by the Grants.gov system after 4:30:00 p.m., Washington, DC time, on the application deadline date.

• The amount of time it can take to upload an application will vary depending on a variety of factors, including the size of the application and the speed of your Internet connection. Therefore, we strongly recommend that you do not wait until the application deadline date to begin the submission process through Grants.gov.

• You should review and follow the Education Submission Procedures for submitting an application through Grants.gov that are included in the application package for this competition to ensure that you submit your application in a timely manner to the Grants.gov system. You can also find the Education Submission Procedures pertaining to Grants.gov under News and Events on the Department's G5 system home page at *www.G5.gov.* In addition, for specific guidance and procedures for submitting an application through Grants.gov, please refer to the Grants.gov Web site at: *www.grants.gov/web/grants/applicants/apply-for-grants.html.*

• You will not receive additional point value because you submit your application in electronic format, nor will we penalize you if you qualify for an exception to the electronic submission requirement, as described elsewhere in this section, and submit your application in paper format.

• You must submit all documents electronically, including all information you typically provide on the following forms: the Application for Federal Assistance (SF 424), the Department of Education Supplemental Information for SF 424, Budget Information—Non-Construction Programs (ED 524), and all necessary assurances and certifications.

• You must upload any narrative sections and all other attachments to your application as files in a read-only, non-modifiable Portable Document Format (PDF). Do not upload an interactive or fillable PDF file. If you upload a file type other than a read-only, non-modifiable PDF (*e.g.,* Word, Excel, WordPerfect, etc.) or submit a password-protected file, we will not review that material. Please note that this could result in your application not being considered for funding because the material in question—for example, the project narrative—is critical to a meaningful review of your proposal. For that reason it is important to allow yourself adequate time to upload all material as PDF files. The Department will not convert material from other formats to PDF. Additional, detailed information on how to attach files is in the application instructions.

• Your electronic application must comply with any page-limit requirements described in this notice.

• After you electronically submit your application, you will receive from Grants.gov an automatic notification of receipt that contains a Grants.gov tracking number. This notification indicates receipt by Grants.gov only, not receipt by the Department. Grants.gov will also notify you automatically by email if your application met all the Grants.gov validation requirements or if there were any errors (such as submission of your application by someone other than a registered Authorized Organization Representative, or inclusion of an attachment with a file name that contains special characters). You will be given an opportunity to correct any errors and resubmit, but you must still meet the deadline for submission of applications.

Once your application is successfully validated by Grants.gov, the Department will retrieve your application from Grants.gov and send you an email with a unique PR/Award number for your application.

These emails do not mean that your application is without any disqualifying errors. While your application may have been successfully validated by Grants.gov, it must also meet the Department's application requirements as specified in this notice and in the application instructions. Disqualifying errors could include, for instance, failure to upload attachments in a read-only, non-modifiable PDF; failure to submit a required part of the application; or failure to meet applicant eligibility requirements. It is your responsibility to ensure that your submitted application has met all of the Department's requirements.

• We may request that you provide us original signatures on forms at a later date.

Application Deadline Date Extension in Case of Technical Issues with the Grants.gov System: If you are experiencing problems submitting your application through Grants.gov, please contact the Grants.gov Support Desk, toll free, at 1–800–518–4726. You must obtain a Grants.gov Support Desk Case Number and must keep a record of it.

If you are prevented from electronically submitting your application on the application deadline date because of technical problems with the Grants.gov system, we will grant you an extension until 4:30:00 p.m., Washington, DC time, the following business day to enable you to transmit your application electronically or by hand delivery. You also may mail your application by following the mailing instructions described elsewhere in this notice.

If you submit an application after 4:30:00 p.m., Washington, DC time, on the application deadline date, please contact the person listed under **FOR FURTHER INFORMATION CONTACT** in section VII of this notice and provide an explanation of the technical problem you experienced with Grants.gov, along with the Grants.gov Support Desk Case Number. We will accept your application if we can confirm that a technical problem occurred with the Grants.gov system and that the problem affected your ability to submit your application by 4:30:00 p.m., Washington, DC time, on the application deadline date. We will contact you after we determine whether your application will be accepted.

Note: The extensions to which we refer in this section apply only to the unavailability of, or technical problems with, the Grants.gov system. We will not grant you an extension if you failed to fully register to submit your application to Grants.gov before the

application deadline date and time or if the technical problem you experienced is unrelated to the Grants.gov system.

Exception to Electronic Submission Requirement: You qualify for an exception to the electronic submission requirement, and may submit your application in paper format, if you are unable to submit an application through the Grants.gov system because—

- You do not have access to the Internet; or
- You do not have the capacity to upload large documents to the Grants.gov system;

and

- No later than two weeks before the application deadline date (14 calendar days or, if the fourteenth calendar day before the application deadline date falls on a Federal holiday, the next business day following the Federal holiday), you mail or fax a written statement to the Department, explaining which of the two grounds for an exception prevents you from using the Internet to submit your application.

If you mail your written statement to the Department, it must be postmarked no later than two weeks before the application deadline date. If you fax your written statement to the Department, we must receive the faxed statement no later than two weeks before the application deadline date.

Address and mail or fax your statement to: Celia Rosenquist, U.S. Department of Education, 400 Maryland Avenue SW., Room 5146, Potomac Center Plaza, Washington, DC 20202–5076. FAX: (202) 245–7590.

Your paper application must be submitted in accordance with the mail or hand delivery instructions described in this notice.

b. *Submission of Paper Applications by Mail.*

If you qualify for an exception to the electronic submission requirement, you may mail (through the U.S. Postal Service or a commercial carrier) your application to the Department. You must mail the original and two copies of your application, on or before the application deadline date, to the Department at the following address: U.S. Department of Education, Application Control Center, Attention: (CFDA Number 84.326Q) LBJ Basement Level 1, 400 Maryland Avenue SW., Washington, DC 20202–4260.

You must show proof of mailing consisting of one of the following:

(1) A legibly dated U.S. Postal Service postmark.

(2) A legible mail receipt with the date of mailing stamped by the U.S. Postal Service.

(3) A dated shipping label, invoice, or receipt from a commercial carrier.

(4) Any other proof of mailing acceptable to the Secretary of the U.S. Department of Education.

If you mail your application through the U.S. Postal Service, we do not accept either of the following as proof of mailing:

(1) A private metered postmark.

(2) A mail receipt that is not dated by the U.S. Postal Service.

Note: The U.S. Postal Service does not uniformly provide a dated postmark. Before relying on this method, you should check with your local post office.

We will not consider applications postmarked after the application deadline date.

c. *Submission of Paper Applications by Hand Delivery.*

If you qualify for an exception to the electronic submission requirement, you (or a courier service) may deliver your paper application to the Department by hand. You must deliver the original and two copies of your application by hand, on or before the application deadline date, to the Department at the following address: U.S. Department of Education, Application Control Center, Attention: (CFDA Number 84.326Q) 550 12th Street SW., Room 7039, Potomac Center Plaza, Washington, DC 20202–4260.

The Application Control Center accepts hand deliveries daily between 8:00 a.m. and 4:30:00 p.m., Washington, DC time, except Saturdays, Sundays, and Federal holidays.

Note for Mail or Hand Delivery of Paper Applications: If you mail or hand deliver your application to the Department—

(1) You must indicate on the envelope and—if not provided by the Department—in Item 11 of the SF 424 the CFDA number, including suffix letter, if any, of the competition under which you are submitting your application; and

(2) The Application Control Center will mail to you a notification of receipt of your grant application. If you do not receive this notification within 15 business days from the application deadline date, you should call the U.S. Department of Education Application Control Center at (202) 245–6288.

V. Application Review Information

1. *Selection Criteria:* The selection criteria for this competition are from 34 CFR 75.210 and are listed in the application package.

2. *Review and Selection Process:* We remind potential applicants that in reviewing applications in any discretionary grant competition, the Secretary may consider, under 34 CFR 75.217(d)(3), the past performance of the applicant in carrying out a previous award, such as the applicant's use of funds, achievement of project objectives, and compliance with grant conditions. The Secretary may also consider whether the applicant failed to submit a timely performance report or submitted a report of unacceptable quality.

In addition, in making a competitive grant award, the Secretary requires various assurances including those applicable to Federal civil rights laws that prohibit discrimination in programs or activities receiving Federal financial assistance from the Department of Education (34 CFR 100.4, 104.5, 106.4, 108.8, and 110.23).

3. *Additional Review and Selection Process Factors:* In the past, the Department has had difficulty finding peer reviewers for certain competitions because so many individuals who are eligible to serve as peer reviewers have conflicts of interest. The standing panel requirements under section 682(b) of IDEA also have placed additional constraints on the availability of reviewers. Therefore, the Department has determined that for some discretionary grant competitions, applications may be separated into two or more groups and ranked and selected for funding within specific groups. This procedure will make it easier for the Department to find peer reviewers by ensuring that greater numbers of individuals who are eligible to serve as reviewers for any particular group of applicants will not have conflicts of interest. It also will increase the quality, independence, and fairness of the review process, while permitting panel members to review applications under discretionary grant competitions for which they also have submitted applications. However, if the Department decides to select an equal number of applications in each group for funding, this may result in different cut-off points for fundable applications in each group.

4. *Risk Assessment and Special Conditions:* Consistent with 2 CFR 200.205, before awarding grants under this competition the Department conducts a review of the risks posed by applicants. Under 2 CFR 3474.10, the Secretary may impose special conditions and, in appropriate circumstances, high-risk conditions on a grant if the applicant or grantee is not financially stable; has a history of unsatisfactory performance; has a financial or other management system that does not meet the standards in 2 CFR part 200, subpart D; has not fulfilled the conditions of a prior grant; or is otherwise not responsible.

VI. Award Administration Information

1. *Award Notices:* If your application is successful, we notify your U.S. Representative and U.S. Senators and send you a Grant Award Notification (GAN); or we may send you an email containing a link to access an electronic version of your GAN. We may notify you informally, also.

If your application is not evaluated or not selected for funding, we notify you.

2. *Administrative and National Policy Requirements:* We identify administrative and national policy requirements in the application package and reference these and other requirements in the *Applicable Regulations* section of this notice.

We reference the regulations outlining the terms and conditions of an award in the *Applicable Regulations* section of this notice and include these and other specific conditions in the GAN. The GAN also incorporates your approved application as part of your binding commitments under the grant.

3. *Reporting:* (a) If you apply for a grant under this competition, you must ensure that you have in place the necessary processes and systems to comply with the reporting requirements in 2 CFR part 170 should you receive funding under the competition. This does not apply if you have an exception under 2 CFR 170.110(b).

(b) At the end of your project period, you must submit a final performance report, including financial information, as directed by the Secretary. If you receive a multiyear award, you must submit an annual performance report that provides the most current performance and financial expenditure information as directed by the Secretary under 34 CFR 75.118. The Secretary may also require more frequent performance reports under 34 CFR 75.720(c). For specific requirements on reporting, please go to *www.ed.gov/fund/grant/apply/appforms/appforms.html.*

(c) Under 34 CFR 75.250(b), the Secretary may provide a grantee with additional funding for data collection analysis and reporting. In this case the Secretary establishes a data collection period.

4. *Performance Measures:* Under the Government Performance and Results Act of 1993 (GPRA), the Department has established a set of performance measures, including long-term measures, that are designed to yield information on various aspects of the effectiveness and quality of the Technical Assistance and Dissemination to Improve Services and Results for Children With Disabilities program. For purposes of this priority, the Center will use these measures, which focus on the extent to which projects provide high-quality products and services, the relevance of project products and services to educational and early intervention policy and practice, and the use of products and services to improve educational and early intervention policy and practice.

Projects funded under this competition are required to submit data on these measures as directed by OSEP.

Grantees will be required to report information on their project's performance in annual and final performance reports to the Department (34 CFR 75.590).

5. *Continuation Awards:* In making a continuation award under 34 CFR 75.253, the Secretary considers, among other things: Whether a grantee has made substantial progress in achieving the goals and objectives of the project; whether the grantee has expended funds in a manner that is consistent with its approved application and budget; and, if the Secretary has established performance measurement requirements, the performance targets in the grantee's approved application.

In making a continuation award, the Secretary also considers whether the grantee is operating in compliance with the assurances in its approved application, including those applicable to Federal civil rights laws that prohibit discrimination in programs or activities receiving Federal financial assistance from the Department (34 CFR 100.4, 104.5, 106.4, 108.8, and 110.23).

VII. Agency Contact

For Further Information Contact: Celia Rosenquist, U.S. Department of Education, 400 Maryland Avenue SW., Room 5146, Potomac Center Plaza, Washington, DC 20202–5076. Telephone: (202) 245–7373.

If you use a TDD or a TTY, call the Federal Relay Service (FRS), toll free, at 1–800–877–8339.

VIII. Other Information

Accessible Format: Individuals with disabilities can obtain this document and a copy of the application package in an accessible format (*e.g.,* braille, large print, audiotape, or compact disc) by contacting the Grants and Contracts Services Team, U.S. Department of Education, 400 Maryland Avenue SW., Room 5037, Potomac Center Plaza, Washington, DC 20202–2550. Telephone: (202) 245–7363. If you use a TDD or a TTY, call the FRS, toll free, at 1–800–877–8339.

Electronic Access to This Document: The official version of this document is the document published in the **Federal Register**. Free Internet access to the official edition of the **Federal Register** and the Code of Federal Regulations is available via the Federal Digital System at: *www.gpo.gov/fdsys.* At this site you can view this document, as well as all other documents of this Department published in the **Federal Register**, in text or PDF. To use PDF you must have Adobe Acrobat Reader, which is available free at the site.

You may also access documents of the Department published in the **Federal Register** by using the article search feature at: *www.federalregister.gov.* Specifically, through the advanced search feature at this site, you can limit your search to documents published by the Department.

Dated: March 9, 2016.

Michael K. Yudin,

Assistant Secretary for Special Education and Rehabilitative Services.

[FR Doc. 2016–05759 Filed 3–11–16; 8:45 am]

BILLING CODE 4000–01–P

DEPARTMENT OF EDUCATION

[Docket No.: ED–2016–ICCD–0003]

Agency Information Collection Activities; Submission to the Office of Management and Budget for Review and Approval; Comment Request; Loan Cancellation in the Federal Perkins Loan Program

AGENCY: Federal Student Aid (FSA), Department of Education (ED).

ACTION: Notice.

SUMMARY: In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. chapter 3501 *et seq.*), ED is proposing an extension of an existing information collection.

DATES: Interested persons are invited to submit comments on or before April 13, 2016.

ADDRESSES: To access and review all the documents related to the information collection listed in this notice, please use *http://www.regulations.gov* by searching the Docket ID number ED–2016–ICCD–0003. Comments submitted in response to this notice should be submitted electronically through the Federal eRulemaking Portal at *http://www.regulations.gov* by selecting the Docket ID number or via postal mail, commercial delivery, or hand delivery. *Please note that comments submitted by fax or email and those submitted after the comment period will not be accepted.* Written requests for information or comments submitted by postal mail or delivery should be

addressed to the Director of the Information Collection Clearance Division, U.S. Department of Education, 400 Maryland Avenue SW., LBJ, Room 2E–103, Washington, DC 20202–4537.

FOR FURTHER INFORMATION CONTACT: For specific questions related to collection activities, please contact Beth Grebeldinger, 202–377–4018.

SUPPLEMENTARY INFORMATION: The Department of Education (ED), in accordance with the Paperwork Reduction Act of 1995 (PRA) (44 U.S.C. 3506(c)(2)(A)), provides the general public and Federal agencies with an opportunity to comment on proposed, revised, and continuing collections of information. This helps the Department assess the impact of its information collection requirements and minimize the public's reporting burden. It also helps the public understand the Department's information collection requirements and provide the requested data in the desired format. ED is soliciting comments on the proposed information collection request (ICR) that is described below. The Department of Education is especially interested in public comment addressing the following issues: (1) Is this collection necessary to the proper functions of the Department; (2) will this information be processed and used in a timely manner; (3) is the estimate of burden accurate; (4) how might the Department enhance the quality, utility, and clarity of the information to be collected; and (5) how might the Department minimize the burden of this collection on the respondents, including through the use of information technology. Please note that written comments received in response to this notice will be considered public records.

Title of Collection: Loan Cancellation in the Federal Perkins Loan Program.

OMB Control Number: 1845–0100.

Type of Review: An extension of an existing information collection.

Respondents/Affected Public: State, Local, and Tribal Governments; Individuals and Households; Private Sector.

Total Estimated Number of Annual Responses: 116,872.

Total Estimated Number of Annual Burden Hours: 43,832.

Abstract: This is a request for an extension of the OMB approval for the record-keeping requirements contained in 34 CFR 674.53, 674.56, 674.57, 674.58 and 674.59. The information collections in these regulations are necessary to determine Federal Perkins Loan (Perkins Loan) Program borrower's eligibility to receive program benefits and to prevent fraud and abuse of program funds.

Dated: March 9, 2016.

Kate Mullan,

Acting Director, Information Collection Clearance Division, Office of the Chief Privacy Officer, Office of Management.

[FR Doc. 2016–05625 Filed 3–11–16; 8:45 am]

BILLING CODE 4000–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. ER16–1018–000]

Guzman Renewable Energy Partners LLC; Supplemental Notice That Initial Market-Based Rate Filing Includes Request for Blanket Section 204 Authorization

This is a supplemental notice in the above-referenced proceeding of Guzman Renewable Energy Partners LLC's application for market-based rate authority, with an accompanying rate tariff, noting that such application includes a request for blanket authorization, under 18 CFR part 34, of future issuances of securities and assumptions of liability.

Any person desiring to intervene or to protest should file with the Federal Energy Regulatory Commission, 888 First Street NE., Washington, DC 20426, in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.211 and 385.214). Anyone filing a motion to intervene or protest must serve a copy of that document on the Applicant.

Notice is hereby given that the deadline for filing protests with regard to the applicant's request for blanket authorization, under 18 CFR part 34, of future issuances of securities and assumptions of liability, is March 28, 2016.

The Commission encourages electronic submission of protests and interventions in lieu of paper, using the FERC Online links at *http://www.ferc.gov.* To facilitate electronic service, persons with Internet access who will eFile a document and/or be listed as a contact for an intervenor must create and validate an eRegistration account using the eRegistration link. Select the eFiling link to log on and submit the intervention or protests.

Persons unable to file electronically should submit an original and 5 copies of the intervention or protest to the Federal Energy Regulatory Commission, 888 First Street NE., Washington, DC 20426.

The filings in the above-referenced proceeding are accessible in the Commission's eLibrary system by clicking on the appropriate link in the above list. They are also available for electronic review in the Commission's Public Reference Room in Washington, DC. There is an eSubscription link on the Web site that enables subscribers to receive email notification when a document is added to a subscribed docket(s). For assistance with any FERC Online service, please email *FERCOnlineSupport@ferc.gov,* or call (866) 208–3676 (toll free). For TTY, call (202) 502–8659.

Dated: March 8, 2016.

Nathaniel J. Davis, Sr.,

Deputy Secretary.

[FR Doc. 2016–05651 Filed 3–11–16; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. CP16–78–000]

TC Offshore LLC; Notice of Application

Take notice that on February 24, 2016, TC Offshore LLC (TC Offshore), 700 Louisiana Street, Suite 700, Houston, Texas 77002–2700, filed in Docket No. CP16–78–000 an application pursuant to section 7(b) of the Natural Gas Act (NGA) requesting an order authorizing the abandonment by sale to Avocet LNG, LLC (Avocet) of certain facilities located in state and federal waters offshore Louisiana in the Gulf of Mexico, and onshore in the state of Louisiana, all as more fully set forth in the application which is on file with the Commission and open to public inspection. The filing may also be viewed on the web at *http://www.ferc.gov* using the ''eLibrary'' link. Enter the docket number excluding the last three digits in the docket number field to access the document. For assistance, please contact FERC Online Support at *FERCOnlineSupport@ferc.gov* or toll free at (866) 208–3676, or TTY, contact (202) 502–8659.

Any questions concerning this application may be directed to Linda Farquhar, Manager, Project Determinations and Regulatory Administration, TC Offshore LLC, 700 Louisiana Street, Suite 700, Houston, Texas 77002 at (832) 320–5685.

Specifically, TC Offshore proposes to abandon the jurisdictional transmission facilities of its Grande Chenier System and associated appurtenances, which includes four segments totaling 39.74 miles of pipeline from WC Block 167 to

the onshore Grand Chenier liquid handling facility.

Pursuant to section 157.9 of the Commission's rules, 18 CFR 157.9, within 90 days of this Notice the Commission staff will either complete its environmental assessment (EA) and place it into the Commission's public record (eLibrary) for this proceeding; or issue a Notice of Schedule for Environmental Review. If a Notice of Schedule for Environmental Review is issued, it will indicate, among other milestones, the anticipated date for the Commission staff's issuance of the final environmental impact statement (FEIS) or EA for this proposal. The filing of the EA in the Commission's public record for this proceeding or the issuance of a Notice of Schedule for Environmental Review will serve to notify federal and state agencies of the timing for the completion of all necessary reviews, and the subsequent need to complete all federal authorizations within 90 days of the date of issuance of the Commission staff's FEIS or EA.

There are two ways to become involved in the Commission's review of this project. First, any person wishing to obtain legal status by becoming a party to the proceedings for this project should, on or before the comment date stated below, file with the Federal Energy Regulatory Commission, 888 First Street NE., Washington, DC 20426, a motion to intervene in accordance with the requirements of the Commission's Rules of Practice and Procedure (18 CFR 385.214 or 385.211) and the Regulations under the NGA (18 CFR 157.10). A person obtaining party status will be placed on the service list maintained by the Secretary of the Commission and will receive copies of all documents filed by the applicant and by all other parties. A party must submit original and 7 copies of filings made with the Commission and must mail a copy to the applicant and to every other party in the proceeding. Only parties to the proceeding can ask for court review of Commission orders in the proceeding.

However, a person does not have to intervene in order to have comments considered. The second way to participate is by filing with the Secretary of the Commission, as soon as possible, an original and two copies of comments in support of or in opposition to this project. The Commission will consider these comments in determining the appropriate action to be taken, but the filing of a comment alone will not serve to make the filer a party to the proceeding. The Commission's rules require that persons filing comments in opposition to the project provide copies of their protests only to the party or parties directly involved in the protest.

Persons who wish to comment only on the environmental review of this project should submit an original and two copies of their comments to the Secretary of the Commission. Environmental commentors will be placed on the Commission's environmental mailing list, will receive copies of the environmental documents, and will be notified of meetings associated with the Commission's environmental review process. Environmental commentors will not be required to serve copies of filed documents on all other parties. However, the non-party commentors will not receive copies of all documents filed by other parties or issued by the Commission (except for the mailing of environmental documents issued by the Commission) and will not have the right to seek court review of the Commission's final order.

The Commission strongly encourages electronic filings of comments, protests and interventions in lieu of paper using the ''eFiling'' link at *http://www.ferc.gov.* Persons unable to file electronically should submit an original and 14 copies of the protest or intervention to the Federal Energy Regulatory Commission, 888 First Street NE., Washington, DC 20426.

This filing is accessible on-line at *http://www.ferc.gov*, using the ''eLibrary'' link and is available for review in the Commission's Public Reference Room in Washington, DC. There is an ''eSubscription'' link on the Web site that enables subscribers to receive email notification when a document is added to a subscribed docket(s). For assistance with any FERC Online service, please email *FERCOnlineSupport@ferc.gov*, or call (866) 208–3676 (toll free). For TTY, call (202) 502–8659.

Comment Date: 5:00 p.m. Eastern Time on March 29, 2016.

Dated: March 8, 2016.

Nathaniel J. Davis, Sr.,

Deputy Secretary.

[FR Doc. 2016–05648 Filed 3–11–16; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. EF16–3–000]

Western Area Power Administration; Notice of Filing

Take notice that on March 2, 2016, Western Area Power Administration submitted a tariff filing: 10 CFR 903/23: SNR WAPA173–20160302 to be effective 10/1/2016.

Any person desiring to intervene or to protest in this proceeding must file in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.211 and 385.214) on or before 5:00 p.m. Eastern time on the specified comment date. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a notice of intervention or motion to intervene, as appropriate. Such notices, motions, or protests must be filed on or before the comment date. Anyone filing a motion to intervene or protest must serve a copy of that document on the Petitioner.

The Commission encourages electronic submission of protests and interventions in lieu of paper, using the FERC Online links at *http://www.ferc.gov.* To facilitate electronic service, persons with Internet access who will eFile a document and/or be listed as a contact for an intervenor must create and validate an eRegistration account using the eRegistration link. Select the eFiling link to log on and submit the intervention or protests.

Persons unable to file electronically should submit an original and 5 copies of the intervention or protest to the Federal Energy Regulatory Commission, 888 First Street NE., Washington, DC 20426.

The filings in the above proceeding are accessible in the Commission's eLibrary system by clicking on the appropriate link in the above list. They are also available for review in the Commission's Public Reference Room in Washington, DC. There is an eSubscription link on the Web site that enables subscribers to receive email notification when a document is added to a subscribed docket(s). For assistance with any FERC Online service, please email *FERCOnlineSupport@ferc.gov.* or call (866) 208–3676 (toll free). For TTY, call (202) 502–8659.

Comment Date: 5:00 p.m. Eastern time on April 1, 2016.

Dated: March 8, 2016.

Nathaniel J. Davis, Sr.,

Deputy Secretary.

[FR Doc. 2016–05649 Filed 3–11–16; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. RD16–1–000]

Notice on Agency Information Collection (FERC–725L)

AGENCY: Federal Energy Regulatory Commission.

ACTION: Notice and request for comments.

SUMMARY: The Federal Energy Regulatory Commission (Commission) invites public comment in Docket No. RD16–1–000 on a non-material or non-substantive change to the collection of information (FERC–725L) that the Commission is submitting to the Office of Management and Budget (OMB) pursuant to the Paperwork Reduction Act of 1995. Comments are invited on: (a) whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology.

DATES: Comments regarding this proposed information collection must be received on or before April 13, 2016.

ADDRESSES: Comments filed with OMB, identified by the OMB Control No. 1902–0261 or collection number (FERC–725L), should be sent via email to the Office of Information and Regulatory Affairs at: *oira_submission@omb.gov*. Attention: Federal Energy Regulatory Commission Desk Officer. The Desk Officer may also be reached via telephone at 202–395–0710.

A copy of the comments, identified by docket number, should also be sent to the Commission in one of the following ways:

- Electronic Filing through *http://www.ferc.gov*. Documents created electronically using word processing software should be filed in native applications or print-to-PDF format and not in a scanned format.
- Mail/Hand Delivery: Those unable to file electronically may mail or hand-deliver an original of their comments to: Federal Energy Regulatory Commission, Secretary of the Commission, 888 First Street NE., Washington, DC 20426.

FOR FURTHER INFORMATION CONTACT: Ellen Brown may be reached by email at *DataClearance@FERC.gov,* telephone at (202) 502–8663, and fax at (202) 273–0873.

SUPPLEMENTARY INFORMATION: The Commission will submit the reporting and recordkeeping requirements of Reliability Standard MOD–031–2 to OMB for review of a non-material or non-substantive change. Reliability Standard MOD–031–2 replaces or supplements requirements from previous versions of the MOD–031 Reliability Standard, which are approved under FERC–725L (Mandatory Reliability Standards for the Bulk-Power System: MOD Reliability Standards).

Type of Request: Approval of a non-material or non-substantive change to the FERC–725L information collection requirements.

Abstract: The Commission requires the information collected by the FERC–725L to implement the statutory provisions of section 215 of the Federal Power Act (FPA).[1] On August 8, 2005, Congress enacted into law the Electricity Modernization Act of 2005, which is Title XII, Subtitle A, of the Energy Policy Act of 2005 (EPAct 2005).[2] EPAct 2005 added a new section 215 to the FPA, which required a Commission-certified Electric Reliability Organization (ERO) to develop mandatory and enforceable Reliability Standards, which are subject to Commission review and approval. Once approved, the Reliability Standards may be enforced by the ERO subject to Commission oversight, or the Commission can independently enforce Reliability Standards.[3]

On February 3, 2006, the Commission issued Order No. 672, implementing section 215 of the FPA.[4] Pursuant to Order No. 672, the Commission certified one organization, North American Electric Reliability Corporation (NERC), as the ERO.[5] The Reliability Standards developed by the ERO and approved by the Commission apply to users, owners and operators of the Bulk-Power System as set forth in each Reliability Standard.

The Reliability Standard MOD–031–2 achieves the same reliability purpose of the prior version MOD–031–1. This standard provides authority for Bulk-Power System planners and operators to collect demand, energy, and related data to support reliability studies and assessments, and enumerates the responsibilities and obligations of requestors and respondents of that data.

In its November 13, 2015 petition, NERC states that Reliability Standard MOD–031–2 is an improvement to the existing version of the standard because it clarifies the compliance obligations related to (1) providing data to Regional Entities and (2) responding to a request for data subject to confidentiality restrictions. NERC also states that the improvements to the Reliability Standard are consistent with the Commission directives in Order No. 804.[6] In Order No. 804, the Commission approved Reliability Standard MOD–031. However, the Commission also directed, pursuant to 215(d)(5) of the FPA, that NERC develop a modification to Reliability Standard MOD–031–1 to clarify that planning coordinators and balancing authorities must provide demand and energy data upon request of a Regional Entity, as necessary to support NERC's development of seasonal and long-term reliability assessments.

In a Delegated Letter Order in Docket No. RD16–1, the Commission approved the proposed Reliability Standard MOD–031–2 on February 18, 2016.[7]

FERC is not changing the way the FERC–725L collection is being done, and is not modifying the burden, cost, or respondents. The reporting and recordkeeping requirements will be submitted to the OMB as a non-material or non-substantive change to the currently approved FERC–725L collection.

Type of Respondents: Distribution Providers (DP), Load-Serving Entities (LSE), Transmission Planner (TP), and Balancing Authorities (BA).

Estimate of Annual Burden.[8] The burden and cost are not expected to

[1] 16 U.S.C. 824*o* (2012).

[2] Energy Policy Act of 2005, Pub. L. 109–58, Title XII, Subtitle A, 119 Stat. 594, 941 (codified at 16 U.S.C. 824*o*).

[3] 16 U.S.C. 824*o*(e)(3).

[4] *Rules Concerning Certification of the Electric Reliability Organization; and Procedures for the Establishment, Approval, and Enforcement of Electric Reliability Standards,* Order No. 672, FERC Stats. & Regs. ¶ 31,204, *order on reh'g,* Order No. 672–A, FERC Stats. & Regs. ¶ 31,212 (2006).

[5] *North American Electric Reliability Corp.,* 116 FERC ¶ 61,062, *order on reh'g and compliance,* 117 FERC ¶ 61,126 (2006), *order on compliance,* 118 FERC ¶ 61,190, *order on reh'g,* 119 FERC ¶ 61,046 (2007), *aff'd sub nom. Alcoa Inc.* v. *FERC,* 564 F.3d 1342 (D.C. Cir. 2009).

[6] NERC Petition at 2, n.8 *citing Demand and Energy Data Reliability Standard,* Order No. 804, 150 FERC ¶ 61,109 at PP 14–15 (2015).

[7] The Delegated Letter Order is available in FERC's eLibrary at *http://elibrary.ferc.gov/idmws/common/opennat.asp?fileID=14148897.*

[8] The Commission defines burden as the total time, effort, or financial resources expended by persons to generate, maintain, retain, or disclose or provide information to or for a federal agency. See 5 CFR part 1320 for more information.

change from the figures currently approved by the OMB.[9]

Dated: March 8, 2016.

Nathaniel J. Davis, Sr.,

Deputy Secretary.

[FR Doc. 2016–05654 Filed 3–11–16; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. CP16–80–000]

ANR Pipeline Company; Notice of Application

Take notice that on February 29, 2016, ANR Pipeline Company (ANR), filed an application pursuant to section 7(b) of the Natural Gas Act (NGA), and Part 157 of the Commission's Regulations, requesting the Commission's approval to abandon in place five compressor units installed in ANR's Southeast Mainline segment, located in Louisiana, Mississippi, Tennessee, and Indiana. Also, ANR proposes to abandon associated short haul capacity and appurtenances. The filing may also be viewed on the web at *http://www.ferc.gov* using the ''eLibrary'' link. Enter the docket number excluding the last three digits in the docket number field to access the document. For assistance, contact FERC at *FERCOnlineSupport@gerc.gov* or call toll-free, (866) 208–3676 or TYY, (202) 502–8659.

Any questions regarding this application should be directed to Linda Farquhar, Manager, Project Determinations and Regulatory Administration, ANR Pipeline Company, 700 Louisiana Street, Suite 700, Houston, Texas 77002–2700, phone (832) 320–5685, email: *linda_farquhar@transcanada.com.*

ANR states that after the evaluation of the compressor units needed for transporting gas under the various flow and contractual scenarios, ANR determined to abandon in place one compressor unit at each of Delhi, Brownsville, and Shelbyville compressor stations, and two units at Sardis compressor station. The total horsepower (hp) of the abandoned compressor units is 31,800 hp. ANR also request to abandon 36 MMcf/day of short-haul capacity on the segment northbound from Eunice to the Celestine compressor station, and appurtenances. ANR states that this abandonment of the short-haul capacity will not affect the available, unsubscribed capacity remaining along this segment.

Pursuant to Section 157.9 of the Commission's rules, 18 CFR 157.9, within 90 days of this Notice the Commission staff will either: Complete its environmental assessment (EA) and place it into the Commission's public record (eLibrary) for this proceeding, or issue a Notice of Schedule for Environmental Review. If a Notice of Schedule for Environmental Review is issued, it will indicate, among other milestones, the anticipated date for the Commission staff's issuance of the final environmental impact statement (FEIS) or EA for this proposal. The filing of the EA in the Commission's public record for this proceeding or the issuance of a Notice of Schedule will serve to notify federal and state agencies of the timing for the completion of all necessary reviews, and the subsequent need to complete all federal authorizations within 90 days of the date of issuance of the Commission staff's FEIS or EA.

There are two ways to become involved in the Commission's review of this project. First, any person wishing to obtain legal status by becoming a party to the proceedings for this project should, on or before the comment date stated below, file with the Federal Energy Regulatory Commission, 888 First Street NE., Washington, DC 20426, a motion to intervene in accordance with the requirements of the Commission's Rules of Practice and Procedure (18 CFR 385.214 or 385.211) and the Regulations under the NGA (18 CFR 157.10). A person obtaining party status will be placed on the service list maintained by the Secretary of the Commission and will receive copies of all documents filed by the applicant and by all other parties. A party must submit 5 copies of filings made with the Commission and must mail a copy to the applicant and to every other party in the proceeding. Only parties to the proceeding can ask for court review of Commission orders in the proceeding.

However, a person does not have to intervene in order to have comments considered. The second way to participate is by filing with the Secretary of the Commission, as soon as possible, an original and two copies of comments in support of or in opposition to this project. The Commission will consider these comments in determining the appropriate action to be taken, but the filing of a comment alone will not serve to make the filer a party to the proceeding. The Commission's rules require that persons filing comments in opposition to the project provide copies of their protests only to the party or parties directly involved in the protest.

Persons who wish to comment only on the environmental review of this project should submit an original and two copies of their comments to the Secretary of the Commission. Environmental commenters will be placed on the Commission's environmental mailing list, will receive copies of the environmental documents, and will be notified of meetings associated with the Commission's environmental review process. Environmental commenters will not be required to serve copies of filed documents on all other parties. However, the non-party commenters will not receive copies of all documents filed by other parties or issued by the Commission (except for the mailing of environmental documents issued by the Commission) and will not have the right to seek court review of the Commission's final order.

Motions to intervene, protests and comments may be filed electronically via the internet in lieu of paper; see, 18 CFR 385.2001(a)(1)(iii) and the instructions on the Commission's Web site under the ''e-Filing'' link. The Commission strongly encourages electronic filings.

Comment Date: 5:00 p.m. Eastern Time on March 29, 2016.

Dated: March 8, 2016.

Nathaniel J. Davis, Sr.,

Deputy Secretary.

[FR Doc. 2016–05658 Filed 3–11–16; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

Notice of Intent to Prepare Environmental Assessments and Revised Procedural Schedule

FFP Missouri 16, LLC	Project No. 13753–002
FFP Missouri 15, LLC	Project No. 13762–002

[9] The current burden inventory for FERC–725L, as modified by the Final Rule (Order No. 804) in Docket No. RM14–12 (80 FR 9596, 2/24/2015), was approved by the OMB on 4/24/2015.

Solia 8 Hydroelectric, LLC	Project No. 13771–002
FFP Missouri 13, LLC	Project No. 13763–002
Solia 5 Hydroelectric, LLC	Project No. 13766–002
Solia 4 Hydroelectric, LLC	Project No. 13767–002
FFP Missouri 12, LLC	Project No. 13755–002
FFP Missouri 5, LLC	Project No. 13757–002
FFP Missouri 6, LLC	Project No. 13761–002
Solia 6 Hydroelectric, LLC	Project No. 13768–002

On February 3, 2014, February 27, 2014, and March 14, 2014, FFP New Hydro, LLC and its subsidiary companies filed a total of ten applications for the construction and operation of hydropower projects to be located at the U.S. Army Corps of Engineers' (Corps') existing dams on the Allegheny River (one project), Monongahela River (six projects), and Ohio River (three projects), respectively. The names and locations of the applicants' projects are as follows:

Applicant	Project No.	Projects	Capacity (MW) *	County, State & river basin
FFP Missouri 16, LLC	P–13753	Opekiska Lock and Dam	6.0	Monongalia, WV; Monongahela.
FFP Missouri 15, LLC	P–13762	Morgantown Lock and Dam	5.0	Monongalia, WV; Monongahela.
Solia 8 Hydroelectric, LLC	P–13771	Point Marion Lock and Dam	5.0	Fayette, PA; Monongahela.
FFP Missouri 13, LLC	P–13763	Grays Landing Lock and Dam	12.0	Greene, PA; Monongahela.
Solia 5 Hydroelectric, LLC	P–13766	Maxwell Locks and Dam	13.0	Washington, PA; Monongahela.
Solia 4 Hydroelectric, LLC	P–13767	Monongahela Locks and Dam 4	12.0	Washington, PA; Monongahela.
FFP Missouri 12, LLC	P–13755	Allegheny Lock and Dam 2	17.0	Allegheny, PA; Allegheny.
FFP Missouri 5, LLC	P–13757	Emsworth Locks and Dam	24.0	Allegheny, PA; Ohio.
FFP Missouri 6, LLC	P–13761	Emsworth Back Channel Dam	12.0	Allegheny, PA; Ohio.
Solia 6 Hydroelectric, LLC	P–13768	Montgomery Locks and Dam	42.0	Beaver, PA; Ohio.

* The combined generator capacity in megawatts.

On December 17, 2015, the Commission issued a *Notice of Application Ready for Environmental Analysis, and Soliciting Comments, Recommendations, Preliminary Terms and Conditions, and Preliminary Fishway Prescriptions* (REA Notice) and a *Scoping Document 2* for each river basin, including the Ohio River projects (P–13757, P–13761, P–13768), the Allegheny River Project (P–13755), and the Monongahela River projects (P–13753, P–13762, P–13771, P–13763, P–13766, and P–13767). Each *Scoping Document 2* included a procedural schedule that included preparation of one multi-project Draft and Final Environmental Assessment (EA) for all ten projects.

Based on a review of the comments received in response to the REA notice, Commission staff have determined that the analysis of the proposed licensing action could be expedited for some of the projects with the preparation of three separate EAs; one for the three Ohio River projects, one for the Allegheny River Project, and one for the six Monongahela River projects. Potential cumulative effects for all projects will still be evaluated as described in *Scoping Document 2.* In addition, whether Final EAs are issued or not will depend on the extent and scope of the comments received on the EAs. Absent the issuance of final EAs, comments on the EAs will be addressed in any license order issued by the Commission.

The applications will be processed according to the following revised procedural schedule. Revisions to the schedule may be made as appropriate.

Milestone	Target date
Issue Ohio River projects EA	May/June 2016.
Comments on Ohio River projects EA due	June/July 2016.
Issue Allegheny River project EA	May/June 2016.
Comments on Allegheny River project EA due	June/July 2016.
Issue Monongahela River projects EA	September 2016.
Comments on Monongahela River projects EA due	October 2016.

Any questions regarding this notice may be directed to Nicholas Ettema at (202) 502–6565, or by email at *nicholas.ettema@ferc.gov.*

Dated: March 8, 2016.

Nathaniel J. Davis, Sr.,

Deputy Secretary.

[FR Doc. 2016–05653 Filed 3–11–16; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

Combined Notice of Filings #1

Take notice that the Commission received the following electric corporate filings:

Docket Numbers: EC16–60–000.

Applicants: Aspirity Energy Mid-States, LLC, Aspirity Energy Northeast, LLC.

Description: Supplement to January 13, 2016 Application of Aspirity Energy Northeast, LLC, et. al. for Authorization under Section 203 of the FPA and Request for Shortened Comment Period.

Filed Date: 3/4/16.

Accession Number: 20160304–5134.

Comments Due: 5 p.m. ET 3/14/16.

Take notice that the Commission received the following exempt wholesale generator filings:

Docket Numbers: EG16–68–000.

Applicants: Alta Windpower Development, LLC.

Description: Notice of Self-Certification of Exempt Wholesale Generator Status of Alta Windpower Development, LLC.

Filed Date: 3/8/16.

Accession Number: 20160308–5153.

Comments Due: 5 p.m. ET 3/29/16.

Take notice that the Commission received the following electric rate filings:

Docket Numbers: ER10–1942–013; ER10–2042–020; ER14–2931–003; ER10–1938–015; ER10–1934–014; ER10–1893–014; ER10–2985–018; ER10–3049–019; ER10–3051–019; ER10–1862–014; ER10–3260–005; ER13–1401–003.

Applicants: Calpine Energy Services, L.P., Calpine Construction Finance Company, L.P., Calpine Fore River Energy Center, LLC, Calpine Power America—CA, LLC, CES Marketing IX, LLC, CES Marketing X, LLC, Champion Energy Marketing LLC, Champion Energy Services, LLC, Granite Ridge Energy, LLC, Westbrook Energy Center, LLC, Champion Energy, LLC, Power Contract Financing, L.L.C.

Description: Notification of Change in Status of the Calpine New England MBR Sellers.

Filed Date: 3/7/16.

Accession Number: 20160307–5257.

Comments Due: 5 p.m. ET 3/28/16.

Docket Numbers: ER15–685–002.

Applicants: Midcontinent Independent System Operator, Inc.

Description: Compliance filing: 2016–03–07 ELMP Compliance Filing to be effective 3/1/2015.

Filed Date: 3/7/16.

Accession Number: 20160307–5259.

Comments Due: 5 p.m. ET 3/28/16.

Docket Numbers: ER15–878–001.

Applicants: Occidental Power Services, Inc.

Description: Compliance filing: Revision to Rate Schedule No. 1 to be effective 4/1/2015.

Filed Date: 3/8/16.

Accession Number: 20160308–5133.

Comments Due: 5 p.m. ET 3/29/16.

Docket Numbers: ER15–1451–002.

Applicants: California Independent System Operator Corporation.

Description: Compliance filing: 2016–03–07 Filing in Compliance with February 26, 2016 Letter Order to be effective 2/26/2016.

Filed Date: 3/7/16.

Accession Number: 20160307–5184.

Comments Due: 5 p.m. ET 3/28/16.

Docket Numbers: ER16–1098–000.

Applicants: Midcontinent Independent System Operator, Inc.

Description: § 205(d) Rate Filing: 2016–03–07 Schedule 26–B Shared Network Upgrades to be effective 5/6/2016.

Filed Date: 3/7/16.

Accession Number: 20160307–5203.

Comments Due: 5 p.m. ET 3/28/16.

Docket Numbers: ER16–1099–000.

Applicants: The United Illuminating Company.

Description: Notice of Cancellation of The United Illuminating Company of Service Agreement No. 13, Second Revised Tariff No. 4.

Filed Date: 3/7/16.

Accession Number: 20160307–5209.

Comments Due: 5 p.m. ET 3/28/16.

Docket Numbers: ER16–1101–000.

Applicants: NorthWestern Corporation.

Description: § 205(d) Rate Filing: SA 245 6th Rev—NITSA with Ash Grove Cement to be effective 7/1/2016.

Filed Date: 3/8/16.

Accession Number: 20160308–5085.

Comments Due: 5 p.m. ET 3/29/16.

Docket Numbers: ER16–1102–000.

Applicants: PJM Interconnection, L.L.C.

Description: Tariff Cancellation: Notice of Cancellations of Withdrawn Service Agreements to be effective 3/11/2011.

Filed Date: 3/8/16.

Accession Number: 20160308–5106.

Comments Due: 5 p.m. ET 3/29/16.

Docket Numbers: ER16–1104–000.

Applicants: PJM Interconnection, L.L.C.

Description: § 205(d) Rate Filing: Original Interim ISA No. 4414, Queue No. AA2–105 to be effective 2/10/2016.

Filed Date: 3/8/16.

Accession Number: 20160308–5152.

Comments Due: 5 p.m. ET 3/29/16.

Docket Numbers: ER16–1105–000.

Applicants: Hafslund Energy Trading LLC.

Description: Tariff Cancellation: Hafslund Filing to Cancel Market-Based rates to be effective 3/9/2016.

Filed Date: 3/8/16.

Accession Number: 20160308–5159.

Comments Due: 5 p.m. ET 3/29/16.

Docket Numbers: ER16–1107–000.

Applicants: Midcontinent Independent System Operator, Inc., ALLETE, Inc., Great River Energy.

Description: § 205(d) Rate Filing: 2016–03–08_ALLETE–GRE Zonal Agreement Filing to be effective 8/1/2013.

Filed Date: 3/8/16.

Accession Number: 20160308–5189.

Comments Due: 5 p.m. ET 3/29/16.

Docket Numbers: ER16–1108–000.

Applicants: Midcontinent Independent System Operator, Inc., ALLETE, Inc., Great River Energy.

Description: § 205(d) Rate Filing: 2016–03–08_SA 2905 ALLETE–GRE Zonal Agreement—WDS Filing to be effective 8/1/2013.

Filed Date: 3/8/16.

Accession Number: 20160308–5200.

Comments Due: 5 p.m. ET 3/29/16.

Take notice that the Commission received the following electric reliability filings:

Docket Numbers: RR16–3–000.

Applicants: North American Electric Reliability Corporation.

Description: Petition of North American Electric Reliability Corporation for approval of amendments to the Midwest Reliability Organization (MRO) Regional Reliability Standards Process Manual.

Filed Date: 3/7/16.

Accession Number: 20160307–5212.

Comments Due: 5 p.m. ET 3/28/16.

The filings are accessible in the Commission's eLibrary system by clicking on the links or querying the docket number.

Any person desiring to intervene or protest in any of the above proceedings must file in accordance with Rules 211 and 214 of the Commission's Regulations (18 CFR 385.211 and 385.214) on or before 5:00 p.m. Eastern time on the specified comment date. Protests may be considered, but intervention is necessary to become a party to the proceeding.

eFiling is encouraged. More detailed information relating to filing requirements, interventions, protests, service, and qualifying facilities filings can be found at: *http://www.ferc.gov/docs-filing/efiling/filing-req.pdf*. For other information, call (866) 208–3676 (toll free). For TTY, call (202) 502–8659.

Dated: March 8, 2016.

Nathaniel J. Davis, Sr.,

Deputy Secretary.

[FR Doc. 2016–05656 Filed 3–11–16; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

Combined Notice of Filings

Take notice that the Commission has received the following Natural Gas Pipeline Rate and Refund Report filings:

Filings Instituting Proceedings

Docket Numbers: RP16–716–000.

Applicants: East Tennessee Natural Gas, LLC.

Description: § 4(d) Rate Filing: Oglethorpe Release to Sequent to be effective 3/5/2016.

Filed Date: 3/7/16.
Accession Number: 20160307–5146.
Comments Due: 5 p.m. ET 3/21/16.

Any person desiring to intervene or protest in any of the above proceedings must file in accordance with Rules 211 and 214 of the Commission's Regulations (18 CFR 385.211 and § 385.214) on or before 5:00 p.m. Eastern time on the specified comment date. Protests may be considered, but intervention is necessary to become a party to the proceeding.

Filings in Existing Proceedings

Docket Numbers: RP16–545–001.
Applicants: Rendezvous Pipeline Company, LLC.
Description: Compliance filing Compliance Clarification Filing.
Filed Date: 3/7/16.
Accession Number: 20160307–5135.
Comments Due: 5 p.m. ET 3/21/16.

Any person desiring to protest in any of the above proceedings must file in accordance with Rule 211 of the Commission's Regulations (18 CFR 385.211) on or before 5:00 p.m. Eastern time on the specified comment date.

The filings are accessible in the Commission's eLibrary system by clicking on the links or querying the docket number.

eFiling is encouraged. More detailed information relating to filing requirements, interventions, protests, service, and qualifying facilities filings can be found at: *http://www.ferc.gov/docs-filing/efiling/filing-req.pdf.* For other information, call (866) 208–3676 (toll free). For TTY, call (202) 502–8659.

Dated: March 8, 2016.

Nathaniel J. Davis, Sr.,

Deputy Secretary.

[FR Doc. 2016–05657 Filed 3–11–16; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. EL16–45–000]

The Connecticut Light and Power Company; Notice of Petition for Declaratory Order

Take notice that on March 8, 2016, pursuant to Rule 207(a)(2) of the Federal Energy Regulatory Commission's (Commission) Rules of Practice and Procedure, 18 CFR 385.207(a)(2)(2015), The Connecticut Light and Power Company (CL&P) filed a petition for declaratory order requesting a determination to terminate a controversy and remove uncertainty as to which of two Commission-approved agreements between it and Dominion Nuclear Connecticut, Inc. (Dominion) controls Dominion claims arising out of an outage of CL&P's transmission lines and the loss of Interconnection Service and transmission delivery services to Milestone Station on May 25, 2014, as more fully explained in the petition.

Any person desiring to intervene or to protest in this proceeding must file in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.211 and 385.214) on or before 5:00 p.m. Eastern time on the specified comment date. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a notice of intervention or motion to intervene, as appropriate. Such notices, motions, or protests must be filed on or before the comment date. Anyone filing a motion to intervene or protest must serve a copy of that document on the Petitioner.

The Commission encourages electronic submission of protests and interventions in lieu of paper, using the FERC Online links at *http://www.ferc.gov.* To facilitate electronic service, persons with Internet access who will eFile a document and/or be listed as a contact for an intervenor must create and validate an eRegistration account using the eRegistration link. Select the eFiling link to log on and submit the intervention or protests.

Persons unable to file electronically should submit an original and 5 copies of the intervention or protest to the Federal Energy Regulatory Commission, 888 First Street NE., Washington, DC 20426.

The filings in the above proceeding are accessible in the Commission's eLibrary system by clicking on the appropriate link in the above list. They are also available for review in the Commission's Public Reference Room in Washington, DC. There is an eSubscription link on the Web site that enables subscribers to receive email notification when a document is added to a subscribed docket(s). For assistance with any FERC Online service, please email *FERCOnlineSupport@ferc.gov,* or call (866) 208–3676 (toll free). For TTY, call (202) 502–8659.

Comment Date: 5:00 p.m. Eastern time on April 7, 2016.

Dated: March 8, 2016.

Nathaniel J. Davis, Sr.,

Deputy Secretary.

[FR Doc. 2016–05650 Filed 3–11–16; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. RM98–1–000]

Records Governing Off-the-Record Communications

Public Notice

This constitutes notice, in accordance with 18 CFR 385.2201(b), of the receipt of prohibited and exempt off-the-record communications.

Order No. 607 (64 FR 51222, September 22, 1999) requires Commission decisional employees, who make or receive a prohibited or exempt off-the-record communication relevant to the merits of a contested proceeding, to deliver to the Secretary of the Commission, a copy of the communication, if written, or a summary of the substance of any oral communication.

Prohibited communications are included in a public, non-decisional file associated with, but not a part of, the decisional record of the proceeding. Unless the Commission determines that the prohibited communication and any responses thereto should become a part of the decisional record, the prohibited off-the-record communication will not be considered by the Commission in reaching its decision. Parties to a proceeding may seek the opportunity to respond to any facts or contentions made in a prohibited off-the-record communication, and may request that the Commission place the prohibited communication and responses thereto in the decisional record. The Commission will grant such a request only when it determines that fairness so requires. Any person identified below as having made a prohibited off-the-record communication shall serve the document on all parties listed on the official service list for the applicable proceeding in accordance with Rule 2010, 18 CFR 385.2010.

Exempt off-the-record communications are included in the decisional record of the proceeding, unless the communication was with a cooperating agency as described by 40 CFR 1501.6, made under 18 CFR 385.2201(e) (1) (v).

The following is a list of off-the-record communications recently

received by the Secretary of the Commission. The communications listed are grouped by docket numbers in ascending order. These filings are available for electronic review at the Commission in the Public Reference Room or may be viewed on the Commission's Web site at *http://www.ferc.gov* using the eLibrary link. Enter the docket number, excluding the last three digits, in the docket number field to access the document. For assistance, please contact FERC Online Support at *FERCOnlineSupport@ferc.gov* or toll free at (866) 208–3676, or for TTY, contact (202) 502–8659.

Docket No.	File date	Presenter or requester
Prohibited:		
1. CP15–500–000	2–22–2016	Grouped Letters.[1]
2. CP16–21–000	2–29–2016	Skye Stephenson, Ph.D.
3. CP16–21–000	3–1–2016	Friendly's Ice Cream, LLC.
4. CP14–529–000	3–2–2016	FERC Staff.[2]
5. CP15–115–000	3–2–2016	Idolly Dawson.
6. CP16–21–000	3–3–2016	Grouped Letters.[3]
7. CP15–500–000	3–3–2016	Patrick Gillespie.
8. CP13–193–000	3–3–2016	Davis & Whitlock, P.C.
9. CP16–38–000	3–3–2016	Virginia Run Community Association.
Exempt:		
1. CP15–77–000	2–22–2016	Metropolitan Government of Nashville and Davidson County.
2. CP13–492–000	2–22–2016	Confederated Tribes of Coos Lower Umpua and Siuslaw Indians Chairman Mark Ingersoll.
3. CP16–33–000	2–23–2016	U.S. House Representative Marsha Blackburn.
4. CP16–21–000	2–24–2016	State of Maine Governor Paul R. LePage.
5. P–14677–001	2–24–2016	FERC Staff.[4]
6. CP16–21–000	2–25–2016	U.S. House Representative James P. McGovern.
7. CP15–554–000	2–26–2016	FERC Staff.[5]
8. CP15–554–000, CP15–555–000	2–26–2016	FERC Staff.[6]
9. EL16–33–000, EL16–34–000	2–29–2016	FERC Staff.[7]
10. CP15–89–000	2–29–2016	U.S. House Representative Thomas MacArthur.
11. CP13–499–000	3–1–2016	U.S. House Representative Tom Reed.
12. CP15–138–000	3–1–2016	U.S. House Representative Lou Barletta.
13. CP15–148–000	3–2–2016	FERC Staff.[8]
14. CP16–21–000	3–2–2016	State of West Virginia Senator Gregory L. Boso, P.E.
15. P–10482–000	3–2–2016	U.S. House Representative John Katko.
16. P–9842–006	3–3–2016	FERC Staff.[9]
17. RP16–137–000	3–4–2016	State of Kansas Senator Ralph Ostmeyer.

[1] Batched Mailing: 2 letters have been sent to FERC Commissioners and staff under this docket number.
[2] Telephone Communication Record from March 2, 2016 call with Bob Allesio of Connecticut Natural Gas Corporation and Southern Connecticut Natural Gas Corporation.
[3] Batched Mailing: 3 letters have been sent to FERC Commissioners and staff under this docket number.
[4] Telephone Record from February 24, 2016 call with John Gangemi of ERM.
[5] Record of Project Meeting from February 4, 2016 teleconference meeting with participants from FERC, U.S. Forest Service, and Atlantic Coast Pipeline, LLC.
[6] Record of Project Teleconference from February 9, 2016 teleconference meeting with participants from FERC and Atlantic Coast Pipeline, LLC.
[7] Email dated February 29, 2016 to Barbara Titus.
[8] Conference Call Notes from February 25, 2016 call with participants from FERC, Environment Resources Management, Tennessee Gas Pipeline Company, LLC, and Tetra Tech.
[9] Telephone Record from calls on February 29, 2016 and March 1, 2016 with Andy Givens of Cardinal Energy Service, Inc.

Dated: March 8, 2016.

Nathaniel J. Davis, Sr.,

Deputy Secretary.

[FR Doc. 2016–05655 Filed 3–11–16; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. ER16–1033–000]

Windrose Power and Gas LLC; Supplemental Notice That Initial Market-Based Rate Filing Includes Request for Blanket Section 204 Authorization

This is a supplemental notice in the above-referenced proceeding of Windrose Power and Gas LLC's application for market-based rate authority, with an accompanying rate tariff, noting that such application includes a request for blanket authorization, under 18 CFR part 34, of future issuances of securities and assumptions of liability.

Any person desiring to intervene or to protest should file with the Federal Energy Regulatory Commission, 888 First Street NE., Washington, DC 20426, in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.211 and 385.214). Anyone filing a motion to intervene or protest must serve a copy of that document on the Applicant.

Notice is hereby given that the deadline for filing protests with regard to the applicant's request for blanket authorization, under 18 CFR part 34, of future issuances of securities and assumptions of liability, is March 28, 2016.

The Commission encourages electronic submission of protests and interventions in lieu of paper, using the FERC Online links at *http://www.ferc.gov.* To facilitate electronic service, persons with Internet access who will eFile a document and/or be listed as a contact for an intervenor must create and validate an eRegistration account using the eRegistration link. Select the eFiling link to log on and submit the intervention or protests.

Persons unable to file electronically should submit an original and 5 copies

of the intervention or protest to the Federal Energy Regulatory Commission, 888 First Street NE., Washington, DC 20426.

The filings in the above-referenced proceeding are accessible in the Commission's eLibrary system by clicking on the appropriate link in the above list. They are also available for electronic review in the Commission's Public Reference Room in Washington, DC. There is an eSubscription link on the Web site that enables subscribers to receive email notification when a document is added to a subscribed docket(s). For assistance with any FERC Online service, please email *FERCOnlineSupport@ferc.gov,* or call (866) 208–3676 (toll free). For TTY, call (202) 502–8659.

Dated: March 8, 2016.

Nathaniel J. Davis, Sr.,

Deputy Secretary.

[FR Doc. 2016–05652 Filed 3–11–16; 8:45 am]

BILLING CODE 6717–01–P

ENVIRONMENTAL PROTECTION AGENCY

[FRL–9943–70–OA]

Notification of a Public Teleconference of the Clean Air Scientific Advisory Committee Particulate Matter Panel

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice.

SUMMARY: The Environmental Protection Agency (EPA) Science Advisory Board (SAB) Staff Office announces a public teleconference of the Clean Air Scientific Advisory Committee (CASAC) Particulate Matter (PM) Panel to peer review the EPA's *Draft Integrated Review Plan (IRP) for the National Ambient Air Quality Standards (NAAQS) for Particulate Matter.*

DATES: The public teleconference will be held on Monday, May 23, 2016, from 2:00 p.m. to 6:00 p.m. (Eastern Time).

ADDRESSES: The public teleconference will be conducted by telephone only.

FOR FURTHER INFORMATION CONTACT: Any member of the public wishing to obtain information concerning the public meeting may contact Mr. Aaron Yeow, Designated Federal Officer (DFO), EPA Science Advisory Board Staff Office (1400R), U.S. Environmental Protection Agency, 1200 Pennsylvania Avenue NW., Washington, DC 20460; by telephone/voice mail at (202) 564–2050 or at *yeow.aaron@epa.gov.* General information about the CASAC, as well as any updates concerning the meeting announced in this notice, may be found on the EPA Web site at *http://www.epa.gov/casac.*

SUPPLEMENTARY INFORMATION: The CASAC was established pursuant to the Clean Air Act (CAA) Amendments of 1977, codified at 42 U.S.C. 7409D(d)(2), in part to review air quality criteria and NAAQS and recommend any new NAAQS and revisions of existing criteria and NAAQS as may be appropriate. The CASAC is a Federal Advisory Committee chartered under the Federal Advisory Committee Act (FACA), 5 U.S.C., App. 2. Pursuant to FACA and EPA policy, notice is hereby given that the CASAC PM Panel will hold a public meeting to peer review EPA's *Draft Integrated Review Plan for the National Ambient Air Quality Standards for Particulate Matter.* The CASAC PM Panel and the CASAC will comply with the provisions of FACA and all appropriate SAB Staff Office procedural policies.

Section 109(d)(1) of the CAA requires that the Agency periodically review and revise, as appropriate, the air quality criteria and the NAAQS for the six ''criteria'' air pollutants, including PM. EPA is currently reviewing the NAAQS for PM. Accordingly, the SAB Staff Office solicited nominations for the CASAC PM Panel on February 4, 2015 (80 FR 6086–6089). Membership of the Panel is listed at *https://yosemite.epa.gov/sab/sabpeople.nsf/WebExternalSubCommitteeRosters?OpenView&committee=CASAC&subcommittee=CASAC* Particulate Matter Review Panel (2015–2018).

EPA will develop several documents in support of its review of the NAAQS for PM, drafts of which will be subject to review or consultation by the CASAC panel. These documents include the *Draft Integrated Review Plan for the National Ambient Air Quality Standards for Particulate Matter;* an Integrated Science Assessment (ISA); Health and Welfare Risk and Exposure Assessment (REA) Planning Documents; Health and/or Welfare REAs, as warranted; and a Policy Assessment (PA). The purpose of the teleconference announced in this notice is for the CASAC PM Panel to peer review the *Draft Integrated Review Plan for the National Ambient Air Quality Standards for Particulate Matter.*

Availability of Meeting Materials: Agendas and materials in support of this meeting will be placed on the EPA Web site at *http://www.epa.gov/casac* in advance of the meeting. For technical questions and information concerning the Draft PM Integrated Review Plan, please contact Dr. Scott Jenkins of EPA's Office of Air and Radiation at (919) 541–1167 or *jenkins.scott@epa.gov.*

Procedures for Providing Public Input: Public comment for consideration by EPA's federal advisory committees and panels has a different purpose from public comment provided to EPA program offices. Therefore, the process for submitting comments to a federal advisory committee is different from the process used to submit comments to an EPA program office.

Federal advisory committees and panels, including scientific advisory committees, provide independent advice to EPA. Members of the public can submit comments for a federal advisory committee to consider as it develops advice for EPA. Input from the public to the CASAC will have the most impact if it provides specific scientific or technical information or analysis for CASAC panels to consider or if it relates to the clarity or accuracy of the technical information. Members of the public wishing to provide comment should contact the DFO directly.

Oral Statements: In general, individuals or groups requesting an oral presentation at a teleconference will be limited to three minutes. Each person making an oral statement should consider providing written comments as well as their oral statement so that the points presented orally can be expanded upon in writing. Interested parties should contact Mr. Aaron Yeow, DFO, in writing (preferably via email) at the contact information noted above by May 16, 2016, to be placed on the list of public speakers.

Written Statements: Written statements should be supplied to the DFO via email at the contact information noted above by May 16, 2016, so that the information may be made available to the Panel members for their consideration. It is the SAB Staff Office general policy to post written comments on the Web page for the advisory meeting or teleconference. Submitters are requested to provide an unsigned version of each document because the SAB Staff Office does not publish documents with signatures on its Web sites. Members of the public should be aware that their personal contact information, if included in any written comments, may be posted to the CASAC Web site. Copyrighted material will not be posted without explicit permission of the copyright holder.

Accessibility: For information on access or services for individuals with disabilities, please contact Mr. Aaron Yeow at (202) 564–2050 or *yeow.aaron@epa.gov.* To request accommodation of a disability, please contact Mr. Yeow

preferably at least ten days prior to each meeting to give EPA as much time as possible to process your request.

Dated: March 8, 2016.

Thomas H. Brennan,

Deputy Director, EPA Science Advisory Staff Office.

[FR Doc. 2016–05758 Filed 3–11–16; 8:45 am]

BILLING CODE 6560–50–P

ENVIRONMENTAL PROTECTION AGENCY

[EPA–HQ–RCRA–2015–0731; FRL–9943–64–OEI]

Information Collection Request Submitted to OMB for Review and Approval; Comment Request; Generator Standards Applicable to Laboratories Owned by Eligible Academic Entities (Renewal)

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice.

SUMMARY: The Environmental Protection Agency has submitted an information collection request (ICR), ''Generator Standards Applicable to Laboratories Owned by Eligible Academic Entities (Renewal)'' (EPA ICR No. 2317.03, OMB Control No. 2050–0204) to the Office of Management and Budget (OMB) for review and approval in accordance with the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*). This is a proposed extension of the ICR, which is currently approved through March 31, 2016. Public comments were previously requested via the **Federal Register** (80 FR 76467) on December 9, 2015 during a 60-day comment period. This notice allows for an additional 30 days for public comments. A fuller description of the ICR is given below, including its estimated burden and cost to the public. An Agency may not conduct or sponsor and a person is not required to respond to a collection of information unless it displays a currently valid OMB control number.

DATES: Additional comments may be submitted on or before April 13, 2016.

ADDRESSES: Submit your comments, referencing Docket ID Number EPA–HQ–RCRA–2015–0731, to (1) EPA online using *www.regulations.gov* (our preferred method), by email to *rcra-docket@epa.gov,* or by mail to: EPA Docket Center, Environmental Protection Agency, Mail Code 28221T, 1200 Pennsylvania Ave. NW., Washington, DC 20460, and (2) OMB via email to *oira_submission@omb.eop.gov.* Address comments to OMB Desk Officer for EPA.

EPA's policy is that all comments received will be included in the public docket without change including any personal information provided, unless the comment includes profanity, threats, information claimed to be Confidential Business Information (CBI) or other information whose disclosure is restricted by statute.

FOR FURTHER INFORMATION CONTACT: Josh Smeraldi, Office of Resource Conservation and Recovery (mail code 5304P), Environmental Protection Agency, 1200 Pennsylvania Ave. NW., Washington, DC 20460; telephone number: 703–308–0441; fax number: 703–308–0514; email address: *Smeraldi.josh@epa.gov.*

SUPPLEMENTARY INFORMATION: Supporting documents which explain in detail the information that the EPA will be collecting are available in the public docket for this ICR. The docket can be viewed online at *www.regulations.gov* or in person at the EPA Docket Center, WJC West, Room 3334, 1301 Constitution Ave. NW., Washington, DC. The telephone number for the Docket Center is 202–566–1744. For additional information about EPA's public docket, visit *http://www.epa.gov/dockets.*

Abstract: The EPA has finalized an alternative set of generator requirements applicable to laboratories owned by eligible academic entities, as defined in the final rule. The rule, which establishes a Subpart K within 40 CFR part 262, provides a flexible and protective set of regulations that address the specific nature of hazardous waste generation and accumulation in laboratories owned by colleges and universities, and teaching hospitals and non-profit research institutes that are either owned by or formally affiliated with a college or university. In addition, the rule allows colleges and universities and these other eligible academic entities formally affiliated with a college or university the discretion to determine the most appropriate and effective method of compliance with these requirements by allowing them the choice of managing their hazardous wastes in accordance with the alternative regulations as set forth in Subpart K or remaining subject to the existing generator regulations.

Form Numbers: None.

Respondents/affected entities: Private colleges and universities as well as State, Local, or Tribal Governments.

Respondent's obligation to respond: Required to obtain or retain a benefit (Sections 2002, 3001, 3002, 3004 of RCRA).

Estimated number of respondents: 132.

Frequency of response: On occasion.

Total estimated burden: 35,813 hours (per year). Burden is defined at 5 CFR 1320.03(b).

Total estimated cost: $1,806,663 (per year), includes $138,687 annualized capital or operation & maintenance costs.

Changes in the estimates: There is an increase of 8,094 hours in the total estimated respondent burden compared with the ICR currently approved by OMB. This increase is due to an increase in the number of respondents from 99 to 132.

Courtney Kerwin,

Acting Director, Collection Strategies Division.

[FR Doc. 2016–05645 Filed 3–11–16; 8:45 am]

BILLING CODE 6560–50–P

ENVIRONMENTAL PROTECTION AGENCY

[EPA–HQ–RCRA–2015–0732; FRL–9943–60–OEI]

Information Collection Request Submitted to OMB for Review and Approval; Comment Request; Identification of Non-Hazardous Secondary Materials That Are Solid Waste (Renewal)

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice.

SUMMARY: The Environmental Protection Agency has submitted an information collection request (ICR), ''Identification of Non-Hazardous Secondary Materials That Are Solid Waste (Renewal)'' (EPA ICR No. 2382.04, OMB Control No. 2050–0205) to the Office of Management and Budget (OMB) for review and approval in accordance with the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*). This is a proposed extension of the ICR, which is currently approved through March 31, 2016. Public comments were previously requested via the **Federal Register** (80 FR 76482) on December 9, 2015 during a 60-day comment period. This notice allows for an additional 30 days for public comments. A fuller description of the ICR is given below, including its estimated burden and cost to the public. An Agency may not conduct or sponsor and a person is not required to respond to a collection of information unless it displays a currently valid OMB control number.

DATES: Additional comments may be submitted on or before April 13, 2016.

ADDRESSES: Submit your comments, referencing Docket ID No. EPA–HQ–RCRA–2015–0732, to (1) EPA, either online using *www.regulations.gov* (our preferred method), by email to *rcra-docket@epa.gov,* or by mail to: EPA Docket Center, Environmental Protection Agency, Mail Code 28221T, 1200 Pennsylvania Ave. NW., Washington, DC 20460, and (2) OMB via email to *oira_submission@omb.eop.gov.* Address comments to OMB Desk Officer for EPA.

EPA's policy is that all comments received will be included in the public docket without change including any personal information provided, unless the comment includes profanity, threats, information claimed to be Confidential Business Information (CBI) or other information whose disclosure is restricted by statute.

FOR FURTHER INFORMATION CONTACT: Jesse Miller, Office of Resource Conservation and Recovery, Materials Recovery and Waste Management Division, MC 5302P, Environmental Protection Agency, 1200 Pennsylvania Ave. NW., Washington, DC 20460; telephone number: (703) 308–1180; fax number: (703) 308–0522; email address: *miller.jesse@epa.gov.*

SUPPLEMENTARY INFORMATION: Supporting documents which explain in detail the information that the EPA will be collecting are available in the public docket for this ICR. The docket can be viewed online at *www.regulations.gov* or in person at the EPA Docket Center, WJC West, Room 3334, 1301 Constitution Ave. NW., Washington, DC. The telephone number for the Docket Center is 202–566–1744. For additional information about EPA's public docket, visit *http://www.epa.gov/dockets.*

Abstract: On March 21, 2011, EPA finalized standards and procedures to be used to identify whether non-hazardous secondary materials are solid wastes when used as fuels or ingredients in combustion units. ''Secondary material'' is defined as any material that is not the primary product of a manufacturing or commercial process, and can include post-consumer material, off-specification commercial chemical products or manufacturing chemical intermediates, post-industrial material, and scrap (codified in § 241.2). ''Non-hazardous secondary material'' is a secondary material that, when discarded, would not be identified as a hazardous waste under 40 CFR part 261 (codified in § 241.2). This RCRA solid waste definition determines whether a combustion unit is required to meet the emissions standards for solid waste incineration units issued under section 129 of the Clean Air Act (CAA) or the emissions standards for commercial, industrial, and institutional boilers issued under section 112 of the CAA. In this rule, EPA also finalized a definition of traditional fuels.

Form Numbers: None.

Respondents/affected entities: Private solid waste facilities.

Respondent's obligation to respond: Required to obtain benefit (Sections 1004 and 2002 of RCRA).

Estimated number of respondents: 1,471 (total).

Frequency of response: One-time.

Total estimated burden: 984 hours (per year). Burden is defined at 5 CFR 1320.03(b).

Total estimated cost: $108,068 (per year), which includes $1,343 annualized capital or operation & maintenance costs.

Changes in the Estimates: There is a decrease of 25,467 hours in the total estimated respondent burden compared with the ICR currently approved by OMB. This decrease is due to a revised estimate of the number of petitions expected to be submitted by the respondents.

Courtney Kerwin,

Acting Director, Collection Strategies Division.

[FR Doc. 2016–05646 Filed 3–11–16; 8:45 am]

BILLING CODE 6560–50–P

ENVIRONMENTAL PROTECTION AGENCY

[EPA–R08–OAR–2012–0479; FRL–9943–51–OEI]

Information Collection Request Submitted to OMB for Review and Approval; Comment Request; Federal Implementation Plan for Oil and Natural Gas Well Production Facilities; Fort Berthold Indian Reservation (Mandan, Hidatsa, and Arikara Nation), North Dakota (Renewal)

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice.

SUMMARY: The Environmental Protection Agency has submitted an information collection request (ICR), ''Federal Implementation Plan for Oil and Natural Gas Well Production Facilities; Fort Berthold Indian Reservation (Mandan, Hidatsa, and Arikara Nation), North Dakota (Renewal)'' (EPA ICR No. 2478.02, OMB Control No. 2008–0001) to the Office of Management and Budget (OMB) for review and approval in accordance with the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*). This is a proposed extension of the ICR, which is currently approved through April 30, 2016. Public comments were previously requested via the **Federal Register** (80 FR 70200) on November 13, 2015 during a 60-day comment period. This notice allows for an additional 30 days for public comments. A fuller description of the ICR is given below, including its estimated burden and cost to the public. An Agency may not conduct or sponsor and a person is not required to respond to a collection of information unless it displays a currently valid OMB control number.

DATES: Additional comments may be submitted on or before April 13, 2016.

ADDRESSES: Submit your comments, referencing Docket ID Number EPA–R08–OAR–2012–0479, to (1) EPA online using *www.regulations.gov* (our preferred method), by email to *oei.docket@epa.gov,* or by mail to: EPA Docket Center, Environmental Protection Agency, Mail Code 28221T, 1200 Pennsylvania Ave., NW., Washington, DC 20460, and (2) OMB via email to *oira_submission@omb.eop.gov.* Address comments to OMB Desk Officer for EPA.

EPA's policy is that all comments received will be included in the public docket without change including any personal information provided, unless the comment includes profanity, threats, information claimed to be Confidential Business Information (CBI) or other information whose disclosure is restricted by statute.

FOR FURTHER INFORMATION CONTACT: Deirdre Rothery, U.S. Environmental Protection Agency, Region 8, Air Program, Mail Code 8P–AR, 1595 Wynkoop Street, Denver, CO 80202–1129; telephone number: (303) 312–6431; fax number: (303) 312–6064; email address: *rothery.deirdre@epa.gov.*

SUPPLEMENTARY INFORMATION: Supporting documents which explain in detail the information that the EPA will be collecting are available in the public docket for this ICR. The docket can be viewed online at *www.regulations.gov* or in person at the EPA Docket Center, WJC West, Room 3334, 1301 Constitution Ave., NW., Washington, DC. The telephone number for the Docket Center is 202–566–1744. For additional information about EPA's public docket, visit *http://www.epa.gov/dockets.*

Abstract: This ICR covers information collection requirements in the final Federal Implementation Plan (FIP) for Oil and Natural Gas Well Production Facilities; Fort Berthold Indian Reservation (Mandan, Hidatsa, and

Arikara Nation), North Dakota (40 CFR part 49, subpart K, §§ 49.4161 through 49.4168), herein referred to as the FBIR FIP. In general, owners or operators are required to: (1) Conduct certain monitoring; (2) keep specific records to be made available at the EPA's request; and (3) to prepare and submit an annual report (40 CFR part 49, subpart K, §§ 49.4166 through 49.4168). These records and reports are necessary for the EPA Administrator (or the tribal agency if delegated), for example, to: (1) Confirm compliance status of stationary sources; (2) identify any stationary sources not subject to the requirements and identify stationary sources subject to the regulations; and (3) ensure that the stationary source control requirements are being achieved. All information submitted to us pursuant to the recordkeeping and reporting requirements for which a claim of confidentiality is made is safeguarded according to the agency policies set forth in 40 CFR part 2, subpart B.

Form Numbers: None.

Respondents/affected entities: Owners or operators of oil and natural gas facilities.

Respondent's obligation to respond:

Estimated Number of Respondents: 2,778 (total).

Frequency of Response: On occasion, annually.

Total estimated burden: 44,461 hours (per year). Burden is defined at 5 CFR 1320.03(b).

Total estimated cost: $10,029,408 (per year), includes $7,845,072 annualized capital or operation & maintenance costs.

Changes in the Estimates: There is an increase of 14,806 hours in the total estimated respondent burden compared with the ICR currently approved by OMB. This increase is due to the anticipated industry growth projected to occur over the next three year period of this ICR.

Courtney Kerwin,

Acting Director, Collection Strategies Division.

[FR Doc. 2016–05647 Filed 3–11–16; 8:45 am]

BILLING CODE 6560–50–P

ENVIRONMENTAL PROTECTION AGENCY

[EPA–HQ–OECA–2012–0498; FRL–9943–65–OEI]

Information Collection Request Submitted to OMB for Review and Approval; Comment Request; NSPS for Coal Preparation and Processing Plants (Renewal)

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice.

SUMMARY: The Environmental Protection Agency has submitted an information collection request (ICR), ''NSPS for Coal Preparation and Processing Plants (40 CFR part 60, subpart Y) (Renewal)'' (EPA ICR No. 1062.14, OMB Control No. 2060–0122), to the Office of Management and Budget (OMB) for review and approval in accordance with the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*). This is a proposed extension of the ICR, which is currently approved through March 31, 2016. Public comments were previously requested via the **Federal Register** (80 FR 32116) on June 5, 2015 during a 60-day comment period. This notice allows for an additional 30 days for public comments. A fuller description of the ICR is given below, including its estimated burden and cost to the public. An Agency may not conduct or sponsor and a person is not required to respond to a collection of information unless it displays a currently valid OMB control number.

DATES: Additional comments may be submitted on or before April 13, 2016.

ADDRESSES: Submit your comments, referencing Docket ID Number EPA–HQ–OECA–2012–0498, to: (1) EPA online using *www.regulations.gov* (our preferred method), or by email to *docket.oeca@epa.gov,* or by mail to: EPA Docket Center, Environmental Protection Agency, Mail Code 28221T, 1200 Pennsylvania Ave. NW., Washington, DC 20460; and (2) OMB via email to *oira_submission@omb.eop.gov.* Address comments to OMB Desk Officer for EPA.

EPA's policy is that all comments received will be included in the public docket without change including any personal information provided, unless the comment includes profanity, threats, information claimed to be Confidential Business Information (CBI), or other information whose disclosure is restricted by statute.

FOR FURTHER INFORMATION CONTACT: Patrick Yellin, Monitoring, Assistance, and Media Programs Division, Office of Compliance, Mail Code 2227A, Environmental Protection Agency, 1200 Pennsylvania Ave. NW., Washington, DC 20460; telephone number: (202) 564–2970; fax number: (202) 564–0050; email address: *yellin.patrick@epa.gov.*

SUPPLEMENTARY INFORMATION: Supporting documents which explain in detail the information that the EPA will be collecting are available in the public docket for this ICR. The docket can be viewed online at *www.regulations.gov* or in person at the EPA Docket Center, WJC West, Room 3334, 1301 Constitution Ave. NW., Washington, DC. The telephone number for the Docket Center is 202–566–1744. For additional information about EPA's public docket, visit: *http://www.epa.gov/dockets.*

Abstract: Owners and operators of affected facilities are required to comply with reporting and record-keeping requirements for the general provisions of 40 CFR part 60, subpart A, as well as for the specific requirements at 40 CFR part 60, subpart Y. This includes submitting initial notification reports, performance tests and periodic reports and results, and maintaining records of the occurrence and duration of any startup, shutdown, or malfunction in the operation of an affected facility, or any period during which the monitoring system is inoperative. These reports are used by EPA to determine compliance with the standards.

Form Numbers: None.

Respondents/affected entities: Coal preparation and processing facilities.

Respondent's obligation to respond: Mandatory (40 CFR part 60, subpart Y).

Estimated number of respondents: 1,037 (total).

Frequency of response: Initially and semiannually.

Total estimated burden: 42,300 hours (per year). Burden is defined at 5 CFR 1320.3(b).

Total estimated cost: $4,320,000 (per year), including $65,600 in annualized capital/startup and/or operation & maintenance costs.

Changes in the Estimates: There is an adjustment increase in the respondent labor hours due to a change in assumption. In this ICR, we assume all existing sources will take some time each year to re-familiarize themselves with the regulatory requirements.

In addition, there is a decrease in cost and number of responses due to a reduction in the estimated number of sources subject to the regulation. The previous ICR estimated that five new sources per year will be constructed such that they will become subject to the regulation. In consultation with

OAQPS for the renewal of this ICR, we believe there will not be any net growth over the next three years. As such, no sources will incur burden associated with initial notifications and performance testing. This results in a decrease in capital cost and number of responses.

Courtney Kerwin,

Acting Director, Collection Strategies Division.

[FR Doc. 2016–05644 Filed 3–11–16; 8:45 am]

BILLING CODE 6560–50–P

ENVIRONMENTAL PROTECTION AGENCY

[EPA–HQ–OECA–2012–0497; FRL—9943–16–OEI]

Information Collection Request Submitted to OMB for Review and Approval; Comment Request; NSPS for Fossil Fuel Fired Steam Generating Units (Renewal)

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice.

SUMMARY: The Environmental Protection Agency has submitted an information collection request (ICR), ''NSPS for Fossil Fuel Fired Steam Generating Units (40 CFR part 60, subpart D) (Renewal)'' (EPA ICR No. 1052.11, OMB Control No. 2060–0026), to the Office of Management and Budget (OMB) for review and approval in accordance with the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*). This is a proposed extension of the ICR, which is currently approved through March 31, 2016. Public comments were previously requested via the **Federal Register** (80 FR 32116) on June 5, 2015 during a 60-day comment period. This notice allows for an additional 30 days for public comments. A fuller description of the ICR is given below, including its estimated burden and cost to the public. An Agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

DATES: Additional comments may be submitted on or before April 13, 2016.

ADDRESSES: Submit your comments, referencing Docket ID Number EPA–HQ–OECA–2012–0497 to: (1) EPA online using *www.regulations.gov* (our preferred method), by email to *docket.oeca@epa.gov,* or by mail to: EPA Docket Center, Environmental Protection Agency, Mail Code 28221T, 1200 Pennsylvania Ave. NW., Washington, DC 20460, and (2) OMB via email to *oira_submission@omb.eop.gov.* Address comments to OMB Desk Officer for EPA.

EPA's policy is that all comments received will be included in the public docket without change including any personal information provided, unless the comment includes profanity, threats, information claimed to be Confidential Business Information (CBI), or other information whose disclosure is restricted by statute.

FOR FURTHER INFORMATION CONTACT: Patrick Yellin, Monitoring, Assistance, and Media Programs Division, Office of Compliance, Mail Code 2227A, Environmental Protection Agency, 1200 Pennsylvania Ave. NW., Washington, DC 20460; telephone number: (202) 564–2970; fax number: (202) 564–0050; email address: *yellin.patrick@epa.gov.*

SUPPLEMENTARY INFORMATION: Supporting documents which explain in detail the information that the EPA will be collecting are available in the public docket for this ICR. The docket can be viewed online at *www.regulations.gov* or in person at the EPA Docket Center, WJC West, Room 3334, 1301 Constitution Ave. NW., Washington, DC. The telephone number for the Docket Center is 202–566–1744. For additional information about EPA's public docket, visit: *http://www.epa.gov/dockets.*

Abstract: Owners and operators of affected facilities are required to comply with reporting and record keeping requirements for the general provisions of 40 CFR part 60, subpart A, as well as the specific requirements at 40 CFR part 60, subpart D. This includes submitting initial notification reports, performance tests and periodic reports and results, and maintaining records of the occurrence and duration of any startup, shutdown, or malfunction in the operation of an affected facility, or any period during which the monitoring system is inoperative. These reports are used by EPA to determine compliance with the standards.

Form Numbers: None.

Respondents/affected entities: Fossil fuel fired steam generating units.

Respondent's obligation to respond: Mandatory (40 CFR part 60, subpart D).

Estimated number of respondents: 660 (total).

Frequency of response: Initially and semiannually.

Total estimated burden: 71,500 hours (per year). Burden is defined at 5 CFR 1320.3(b).

Total estimated cost: $17,100,000 (per year), which includes $9,900,000 in annualized capital/startup and/or operation & maintenance costs.

Changes in the Estimates: There is a small increase in the respondent labor hours in this ICR compared to the previous ICR. This is due to assuming all existing sources will have to re-familiarize with the regulatory requirements each year. This also results in an increase in labor costs for the respondents.

In, addition there is a small increase in the Agency labor costs due to an increase in labor rates. This ICR uses updated labor rates from the Bureau of Labor Statistics to calculate burden costs. There is also an increase is Agency labor hours this is not due to program changes; rather, the changes occurred because we are rounding total values in this ICR to three significant figures.

Courtney Kerwin,

Acting Director, Collection Strategies Division.

[FR Doc. 2016–05643 Filed 3–11–16; 8:45 am]

BILLING CODE 6560–50–P

EXPORT-IMPORT BANK

[Public Notice: 2016–6023]

Agency Information Collection Activities: Comment Request

AGENCY: Export-Import Bank of the United States.

ACTION: Submission for OMB review and Comments request.

Form Title: EIB 12–02 Credit Guarantee Facility Disbursement Approval Request.

SUMMARY: The Export-Import Bank of the United States (EXIM Bank), as part of its continuing effort to reduce paperwork and respondent burden, invites the general public and other Federal Agencies to comment on the proposed information collection, as required by the Paperwork Reduction Act of 1995.

EXIM Bank has an electronic disbursement approval processing system for guaranteed lenders with Credit Guarantee Facilities. After a Credit Guarantee Facility (CGF) has been authorized by EXIM Bank and legal documentation has been completed, the lender will obtain and review the required disbursement documents (*e.g.,* invoices, bills of lading, Exporter's Certificate, etc.) and will disburse the proceeds of the loan for eligible goods and services. In order to obtain approval of the disbursement, the lender will access and complete an electronic questionnaire through EXIM Bank's online application system (EXIM Online). Using the form, the lender will

input key data and request EXIM Bank's approval of the disbursement. EXIM Bank's action (approved or denied) is posted on the lender's history page.

The information collected in the questionnaire will assist EXIM Bank in determining that each disbursement under a Medium-Term Guarantee meets all the terms and conditions for approval.

The information collection tool can be reviewed at: *http://exim.gov/sites/default/files/pub/pending/eib12-02.pdf.*

DATES: Comments must be received on or before May 13, 2016 to be assured of consideration.

ADDRESSES: Comments may be submitted electronically on *WWW.REGULATIONS.GOV* or by mail to Michele Kuester, Export-Import Bank, 811 Vermont Ave NW., Washington, DC 20571.

SUPPLEMENTARY INFORMATION:

Title and Form Number: EIB 12–02 Credit Guarantee Facility Disbursement Approval Request.

OMB Number: 3048–0046.

Type of Review: Regular.

Need and Use: The information requested enables EXIM Bank to determine that a disbursement under a Credit Guarantee Facility meets all of the terms and conditions for approval.

Affected Public

This form affects lenders involved in the financing of U.S. goods and services exports.

Annual Number of Respondents: 50.

Estimated Time per Respondent: 60 minutes.

Annual Burden Hours: 50 hours.

Frequency of Reporting of Use: Annual.

Government Expenses

Reviewing Time per Year: 25 hours.

Average Wages per Hour: $42.50.

Average Cost per Year: (time*wages) $1,062.50.

Benefits and Overhead: 20%.

Total Government Cost: $1,275.

Bonita Jones-McNeil,

Program Analyst, Agency Clearance Officer, Office of the Chief Information Officer.

[FR Doc. 2016–05628 Filed 3–11–16; 8:45 am]

BILLING CODE 6690–01–P

EXPORT-IMPORT BANK

[Public Notice: 2016–6022]

Agency Information Collection Activities: Comment Request

AGENCY: Export-Import Bank of the United States.

ACTION: Submission for OMB review and comments request.

Form Title: EIB 12–01 Medium-Term Master Guarantee Agreement Disbursement Approval Request.

SUMMARY: The Export-Import Bank of the United States (EXIM Bank), as part of its continuing effort to reduce paperwork and respondent burden, invites the general public and other Federal Agencies to comment on the proposed information collection, as required by the Paperwork Reduction Act of 1995.

EXIM Bank has an electronic disbursement approval processing system for guarantee lenders with transactions documented under Medium-Term Master Guarantee Agreements. After an export transaction has been authorized by EXIM Bank and legal documentation has been completed, the lender will obtain and review the required disbursement documents (*e.g.,* invoices, bills of lading, Exporter's Certificate, etc.) and will disburse the proceeds of the loan for eligible goods and services. In order to obtain approval of the disbursement, the lender will access and complete an electronic questionnaire through EXIM Bank's online application system (EXIM Online). Using the form, the lender will input key data and request EXIM Bank's approval of the disbursement. EXIM Bank's action (approved or denied) is posted on the lender's history page.

The information collected in the questionnaire will assist EXIM Bank in determining that each disbursement under a Medium-Term Guarantee meets all the terms and conditions for approval.

The information collection tool can be reviewed at: *http://exim.gov/sites/default/files/pub/pending/eib12-01.pdf.*

DATES: Comments must be received on or before May 13, 2016 to be assured of consideration.

ADDRESSES: Comments may be submitted electronically on *WWW.REGULATIONS.GOV* or by mail to Michele Kuester, Export-Import Bank, 811 Vermont Ave. NW., Washington, DC 20571.

SUPPLEMENTARY INFORMATION:

Title and Form Number: EIB 12–01 Medium-Term Master Guarantee Agreement Disbursement Approval Request.

OMB Number: 3048–0049.

Type of Review: Regular.

Need and Use: The information requested enables EXIM Bank to determine that a disbursement under a Medium-Term Guarantee meets all of the terms and conditions for approval.

Affected Public

This form affects lenders involved in the financing of U.S. goods and services exports.

Annual Number of Respondents: 150.

Estimated Time per Respondent: 30 minutes.

Annual Burden Hours: 75 hours.

Frequency of Reporting of Use: Annual.

Government Expenses

Reviewing Time per Year: 38 hours.

Average Wages per Hour: $42.50.

Average Cost per Year: $1,615.00 (time*wages).

Benefits and Overhead: 20%.

Total Government Cost: $1,938.

Bonita Jones-McNeil,

Program Analyst, Agency Clearance Officer, Office of the Chief Information Officer.

[FR Doc. 2016–05631 Filed 3–11–16; 8:45 am]

BILLING CODE 6690–01–P

FEDERAL ELECTION COMMISSION

Sunshine Act Meetings

AGENCY: Federal Election Commission

DATE & TIME: Wednesday, March 16, 2016 at 10:00 a.m.

PLACE: 999 E Street NW., Washington, DC (ninth floor).

STATUS: This meeting will be open to the public.

ITEMS TO BE DISCUSSED:

Correction and Approval of Minutes for February 11, 2016.

Correction and Approval of Minutes for February 25, 2016.

Draft Final Rule and Explanation and Justification for Technical Amendments to 2015 CFR.

Proposed Modifications to Program for Requesting Consideration of Legal Questions by the Commission.

Management and Administrative Matters.

Individuals who plan to attend and require special assistance, such as sign language interpretation or other reasonable accommodations, should contact Shawn Woodhead Werth, Secretary and Clerk, at (202) 694–1040, at least 72 hours prior to the meeting date.

FOR FURTHER INFORMATION CONTACT: Judith Ingram, Press Officer, Telephone: (202) 694–1220.

Shawn Woodhead Werth,

Secretary and Clerk of the Commission.

[FR Doc. 2016–05743 Filed 3–10–16; 11:15 am]

BILLING CODE 6715–01–P

DEPARTMENT OF DEFENSE

GENERAL SERVICES ADMINISTRATION

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

[OMB Control No. 9000–0082; Docket 2015–0055; Sequence 30]

Submission for OMB Review; Economic Purchase Quantity—Supplies

AGENCY: Department of Defense (DOD), General Services Administration (GSA), and National Aeronautics and Space Administration (NASA).

ACTION: Notice of request for public comments regarding an extension to an existing OMB clearance.

SUMMARY: Under the provisions of the Paperwork Reduction Act, the Regulatory Secretariat Division will be submitting to the Office of Management and Budget (OMB) a request to review and approve an extension of a previously approved information collection requirement concerning Economic Purchase Quantity—Supplies. A notice was published in the **Federal Register** at 80 FR 81532 on December 30, 2015. No comments were received.

DATES: Submit comments on or before April 13, 2016.

ADDRESSES: Submit comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Office of Information and Regulatory Affairs of OMB, Attention: Desk Officer for GSA, Room 10236, NEOB, Washington, DC 20503. Additionally submit a copy to GSA by any of the following methods:

- *Regulations.gov: http://www.regulations.gov.* Submit comments via the Federal eRulemaking portal by searching the OMB control number. Select the link ''Submit a Comment'' that corresponds with ''Information Collection 9000–0082 Economic Purchase Quantity—Supplies''. Follow the instructions provided at the ''Submit a Comment'' screen. Please include your name, company name (if any), and ''Information Collection 9000–0082 Economic Purchase Quantity—Supplies'' on your attached document.
- *Mail:* General Services Administration, Regulatory Secretariat Division (MVCB), 1800 F Street NW., Washington, DC 20405. ATTN: Ms. Flowers/IC 9000–0082, Economic Purchase Quantity—Supplies.

Instructions: Please submit comments only and cite Information Collection 9000–0082, Economic Purchase Quantity—Supplies, in all correspondence related to this collection. Comments received generally will be posted without change to *http://www.regulations.gov,* including any personal and/or business confidential information provided. To confirm receipt of your comment(s), please check *www.regulations.gov,* approximately two to three days after submission to verify posting (except allow 30 days for posting of comments submitted by mail).

FOR FURTHER INFORMATION CONTACT: Mr. Michael O. Jackson, Procurement Analyst, Office of Governmentwide Acquisition Policy, 202–208–4949 or email *michaelo.jackson@gsa.gov.*

SUPPLEMENTARY INFORMATION:

A. Purpose

The provision at 52.207–4, Economic Purchase Quantity—Supplies, invites offerors to state an opinion on whether the quantity of supplies on which bids, proposals, or quotes are requested in solicitations is economically advantageous to the Government. Each offeror who believes that acquisitions in different quantities would be more advantageous is invited to (1) recommend an economic purchase quantity, showing a recommended unit and total price, and (2) identify the different quantity points where significant price breaks occur. This information is required by Public Law 98–577 and Public Law 98–525.

B. Annual Reporting Burden

Respondents: 3,000.
Responses per Respondent: 25.
Annual Responses: 75,000.
Hours per Response: 1.
Total Burden Hours: 75,000.

C. Public Comments

Public comments are particularly invited on: Whether this collection of information is necessary for the proper performance of functions of the Federal Acquisition Regulation (FAR), and whether it will have practical utility; whether our estimate of the public burden of this collection of information is accurate, and based on valid assumptions and methodology; ways to enhance the quality, utility, and clarity of the information to be collected; and ways in which we can minimize the burden of the collection of information on those who are to respond, through the use of appropriate technological collection techniques or other forms of information technology.

Obtaining Copies of Proposals: Requesters may obtain a copy of the information collection documents from the General Services Administration, Regulatory Secretariat Division (MVCB), 1800 F Street NW., Washington, DC 20405, telephone 202–501–4755.

Please cite OMB Control No. 9000–0082, Economic Purchase Quantity—Supplies, in all correspondence.

Dated: March 9, 2016.

Lorin S. Curit,

Director, Federal Acquisition Policy Division, Office of Governmentwide Acquisition Policy, Office of Acquisition Policy, Office of Governmentwide Policy.

[FR Doc. 2016–05629 Filed 3–11–16; 8:45 am]

BILLING CODE 6820–EP–P

DEPARTMENT OF DEFENSE

GENERAL SERVICES ADMINISTRATION

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

[Docket 2016–0053; Sequence 15; OMB Control No. 9000–0088]

Information Collection; Travel Costs

AGENCY: Department of Defense (DOD), General Services Administration (GSA), and National Aeronautics and Space Administration (NASA).

ACTION: Notice of request for comments regarding an extension of a previously existing OMB clearance.

SUMMARY: Under the provisions of the Paperwork Reduction Act, the Regulatory Secretariat Division will be submitting to the Office of Management and Budget (OMB) a request to review and approve an extension of a previously approved information collection requirement concerning Travel Costs.

DATES: Submit comments on or before May 13, 2016.

ADDRESSES: Submit comments identified by Information Collection 9000–0088, Travel Costs by any of the following methods:

- *Regulations.gov: http://www.regulations.gov.* Submit comments via the Federal eRulemaking portal by searching the OMB control number. Select the link ''Submit a Comment'' that corresponds with ''Information Collection 9000–0088, Travel Costs.'' Follow the instructions provided at the ''Submit a Comment'' screen. Please include your name, company name (if any), and ''Information Collection 9000–0088, Travel Costs'' on your attached document.
- *Mail:* General Services Administration, Regulatory Secretariat Division (MVCB), 1800 F Street NW., Washington, DC 20405. ATTN: Ms. Flowers/IC 9000–0088, Travel Costs.

Instructions: Please submit comments only and cite Information Collection 9000–0088, Travel Costs, in all correspondence related to this collection. Comments received generally will be posted without change to *http://www.regulations.gov,* including any personal and/or business confidential information provided. To confirm receipt of your comment(s), please check *www.regulations.gov,* approximately two to three days after submission to verify posting (except allow 30 days for posting of comments submitted by mail).

FOR FURTHER INFORMATION CONTACT: Ms. Kathlyn Hopkins, Procurement Analyst, Office of Acquisition Policy, GSA, 202–969–7226 or via email at *kathlyn.hopkins@gsa.gov.*

SUPPLEMENTARY INFORMATION:

A. Purpose

FAR 31.205–46, Travel Costs, requires that, except in extraordinary and temporary situations, costs incurred by a contractor for lodging, meals, and incidental expenses shall be considered to be reasonable and allowable only to the extent that they do not exceed on a daily basis the per diem rates in effect as of the time of travel.

These requirements are set forth in the Federal Travel Regulations for travel in the conterminous 48 United States, the Joint Travel Regulations, Volume 2, Appendix A, for travel in Alaska, Hawaii, the Commonwealth of Puerto Rico, and territories and possessions of the United States, and the Department of State Standardized Regulations, section 925, ''Maximum Travel Per Diem Allowances for Foreign Areas.'' The burden generated by this coverage is in the form of the contractor preparing a justification whenever a higher actual expense reimbursement method is used.

B. Annual Reporting Burden

Respondents: 5,800.

Responses per Respondent: 10.

Total Responses: 58,000.

Hours per response: 25.

Total Burden Hours: 14,500.

C. Public Comments

Public comments are particularly invited on: Whether this collection of information is necessary for the proper performance of functions of the FAR, and whether it will have practical utility; whether our estimate of the public burden of this collection of information is accurate, and based on valid assumptions and methodology; ways to enhance the quality, utility, and clarity of the information to be collected; and ways in which we can minimize the burden of the collection of information on those who are to respond, through the use of appropriate technological collection techniques or other forms of information technology.

Obtaining Copies of Proposals: Requesters may obtain a copy of the information collection documents from the General Services Administration, Regulatory Secretariat Division (MVCB), 1800 F Street NW., Washington, DC 20405, telephone 202–501–4755. Please cite OMB Control No. 9000–0088, Travel Costs, in all correspondence.

Dated: March 9, 2016.

Lorin S. Curit,

Director, Federal Acquisition Policy Division, Office of Governmentwide Acquisition Policy, Office of Acquisition Policy, Office of Governmentwide Policy.

[FR Doc. 2016–05630 Filed 3–11–16; 8:45 am]

BILLING CODE 6820–EP–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Administration for Children and Families

Submission for OMB Review; Comment Request

Title: Child Support Document Exchange System (CSDES).

OMB No.: 0970–0435.

Description: The Federal Office of Child Support Enforcement (OCSE) offers the Child Support Document Exchange System (CSDES) application within the OCSE Child Support Portal. The CSDES provides state agencies with a centralized, secure system for authorized users in state child support agencies to electronically exchange child support and spousal support case information with other state child support agencies. Using the CSDES benefits state child support agencies by reducing delays, costs, and barriers associated with interstate case processing, increasing state collections, improving document security, standardizing data sharing, increasing state participation, and improving case processing and overall child and spousal support outcomes.

The activities associated with the CSDES application are supported by (1) 42 U.S.C. 652(a)(7), which requires OCSE to provide technical assistance to the states to help them establish effective systems for collecting child and spousal support; (2) 42 U.S.C. 666(c)(1), which requires state child support agencies to have expedited procedures to obtain and promptly share information with other state child support agencies; and, (3) 45 CFR 303.7(a)(5), which requires states to transmit requests for child support case information and provide requested information electronically to the greatest extent possible.

Respondents: State Child Support Agencies.

ANNUAL BURDEN ESTIMATES

Instrument	Number of respondents	Number of responses per respondent	Average burden hours per response	Total burden hours
Online Data Entry Screens	54	508	* .0166667	457

*60 Seconds.

Estimated Total Annual Burden Hours: 457.

Additional Information

Copies of the proposed collection may be obtained by writing to the Administration for Children and Families, Office of Planning, Research and Evaluation, 330 C Street SW., Washington, DC 20201. Attention Reports Clearance Officer. All requests should be identified by the title of the information collection. Email address: *infocollection@acf.hhs.gov.*

OMB Comment

OMB is required to make a decision concerning the collection of information between 30 and 60 days after publication of this document in the **Federal Register**. Therefore, a comment is best assured of having its full effect if OMB receives it within 30 days of publication. Written comments and recommendations for the proposed information collection should be sent directly to the following: Office of Management and Budget, Paperwork Reduction Project, Email: *OIRA_SUBMISSION@OMB.EOP.GOV,* Attn: Desk Officer for the Administration for Children and Families.

Robert Sargis,

Reports Clearance Officer.

[FR Doc. 2016–05641 Filed 3–11–16; 8:45 am]

BILLING CODE 4184–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Administration for Children and Families

Submission for OMB Review; Comment Request

Title: Strengthening Relationship Education and Marriage Services (STREAMS) Evaluation.

OMB No.: New Collection.

Description: The Office of Family Assistance (OFA) within the Administration for Children and Familes (ACF) at the U.S. Department of Health and Human Services has issued grants to 46 organizations to provide healthy marriage and relationship education (HMRE) services. The Office of Planning, Research, and Evaluation (OPRE) within ACF proposes data collection activity in six HMRE grantees as part of the Strengthening Relationship Education and Marriage Services (STREAMS) evaluation. The purpose of STREAMS is to measure the effectiveness and quality of HMRE programs designed to strengthen intimate relationships. In particular, the evaluation will examine HMRE programs for youth in high school, at-risk youth, and adults. The study will fill knowledge gaps about the effectiveness of HMRE programming for youth and adults and strategies for improving program delivery and participant engagement in services. The STREAMS evaluation will include two components, an impact study and a process study.

1. Impact Study. The goal of the impact study is to provide rigorous estimates of the effectiveness of program services and interventions to improve program implementation. The impact study will use an experimental design. Eligible program applicants will be randomly assigned to either a program group that is offered program services or a control group that is not. Grantee staff will use an add-on to an existing program MIS (the nFORM system, OMB no. 0970–0460) to conduct random assignment in sites enrolling at-risk youth and adults. STREAMS will use classroom-level or school-level random assignment for programs serving youth in high school. STREAMS will collect baseline information from eligible program applicants prior to random assignment and administer a follow-up survey to all study participants 12 months after random assignment.

2. Process study. The goal of the process study is to support the interpretation of impact findings and document program operations to support future replication. STREAMS will conduct semi-structured interviews with program staff and selected community stakeholders, conduct focus groups with program participants, administer a paper-and-pencil survey to program staff, and collect data on adherence to program curricula through an add on to an existing program MIS (nFORM, OMB no. 0970–0460).

This 30-Day Notice includes the following data collection activities: (1) A topic guide for semi-structured interviews with program staff and community stakeholders, (2) focus group guides for adult program participants, (3) focus group guides for youth in schools, (4) a staff survey, (5) the MIS functions for collecting data on adherence to program curricula (6) introductory script that program staff will use to introduce the study to participants, (7) the MIS functions for conducting random assignment, (8) a baseline survey for youth, (9) a follow-up survey for youth, (10) a baseline survey for adults, and (11) a follow-up survey for adults.

Respondents: Program applicants, study participants, grantee staff, and local stakeholders (such as staff at referral agencies).

ANNUAL BURDEN ESTIMATES

Instrument	Total number of respondents	Annual number of respondents	Number of responses per respondent	Average burden hours per response	Annual burden hours
1. Topic guide for staff and stakeholder interviews	150	50	1	1	50
2. Focus group guide for adults	120	40	1	1.5	60
3. Focus group guide for youth in schools	60	20	1	1.5	30
4. Staff survey	120	40	1	.5	20
5. Study MIS session adherence form	48	48	104	.08	399
6a. Introductory script, grantee staff	8	[1]8	219	.08	140
6b. Introductory script, program applicants	5,250	1,750	1	.08	140
7. Study MIS to conduct random assignment	8	[1]8	208	.08	133
8. Baseline survey for youth	3,600	1,200	1	.5	600
9. Follow-up survey for youth	3,240	1,080	1	.5	540
10. Baseline survey for adults	4,000	1,333	1	.5	667
11. Follow-up survey for adults	3,200	1,067	1	.75	800

Estimated Total Annual Burden Hours: 3,579.

Additional Information: Copies of the proposed collection may be obtained by writing to the Administration for Children and Families, Office of Planning, Research and Evaluation, 330 C Street SW., Washington, DC 20201, Attn: OPRE Reports Clearance Officer. All requests should be identified by the title of the information collection. Email address: *OPREinfocollection@acf.hhs.gov.*

OMB Comment: OMB is required to make a decision concerning the collection of information between 30 and 60 days after publication of this document in the **Federal Register**. Therefore, a comment is best assured of having its full effect if OMB receives it

within 30 days of publication. Written comments and recommendations for the proposed information collection should be sent directly to the following: Office of Management and Budget, Paperwork Reduction Project, Email: *OIRA_SUBMISSION@OMB.EOP.GOV,* Attn: Desk Officer for the Administration for Children and Families.

Robert Sargis,

ACF Certifying Officer.

[FR Doc. 2016–05605 Filed 3–11–16; 8:45 am]

BILLING CODE 4184–73–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

[Docket No. FDA–2014–N–2235]

Draft Environmental Assessment and Preliminary Finding of No Significant Impact Concerning Investigational Use of Oxitec OX513A Mosquitoes; Availability

AGENCY: Food and Drug Administration, HHS.

ACTION: Notice.

SUMMARY: The Food and Drug Administration (FDA, the Agency) is announcing the availability for public comment of the draft environmental assessment (EA) submitted by Oxitec Ltd. and a preliminary finding of no significant impact (FONSI) in support of the conduct of an investigational release of genetically engineered (GE) mosquitoes under an investigational new animal drug exemption.

DATES: Submit either electronic or written comments on the draft EA by April 13, 2016.

ADDRESSES: You may submit comments as follows:

Electronic Submissions

Submit electronic comments in the following way:

- *Federal eRulemaking Portal: http://www.regulations.gov.* Follow the instructions for submitting comments. Comments submitted electronically, including attachments, to *http://www.regulations.gov* will be posted to the docket unchanged. Because your comment will be made public, you are solely responsible for ensuring that your comment does not include any confidential information that you or a third party may not wish to be posted, such as medical information, your or anyone else's Social Security number, or confidential business information, such as a manufacturing process. Please note that if you include your name, contact information, or other information that identifies you in the body of your comments, that information will be posted on *http://www.regulations.gov.*
- If you want to submit a comment with confidential information that you do not wish to be made available to the public, submit the comment as a written/paper submission and in the manner detailed (see ''Written/Paper Submissions'' and ''Instructions'').

Written/Paper Submissions

Submit written/paper submissions as follows:

- *Mail/Hand delivery/Courier (for written/paper submissions):* Division of Dockets Management (HFA–305), Food and Drug Administration, 5630 Fishers Lane, Rm. 1061, Rockville, MD 20852.
- For written/paper comments submitted to the Division of Dockets Management, FDA will post your comment, as well as any attachments, except for information submitted, marked and identified, as confidential, if submitted as detailed in ''Instructions.''

Instructions: All submissions received must include the Docket No. FDA–2014–N–2235 for Draft Environmental Assessment and Preliminary Finding of No Significant Impact Concerning Investigational Use of Oxitec OX513A Mosquitoes. Received comments will be placed in the docket and, except for those submitted as ''Confidential Submissions,'' publicly viewable at *http://www.regulations.gov* or at the Division of Dockets Management between 9 a.m. and 4 p.m., Monday through Friday.

- Confidential Submissions—To submit a comment with confidential information that you do not wish to be made publicly available, submit your comments only as a written/paper submission. You should submit two copies total. One copy will include the information you claim to be confidential with a heading or cover note that states ''THIS DOCUMENT CONTAINS CONFIDENTIAL INFORMATION.'' The Agency will review this copy, including the claimed confidential information, in its consideration of comments. The second copy, which will have the claimed confidential information redacted/blacked out, will be available for public viewing and posted on *http://www.regulations.gov.* Submit both copies to the Division of Dockets Management. If you do not wish your name and contact information to be made publicly available, you can provide this information on the cover sheet and not in the body of your comments and you must identify this information as ''confidential.'' Any information marked as ''confidential'' will not be disclosed except in accordance with 21 CFR 10.20 and other applicable disclosure law. For more information about FDA's posting of comments to public dockets, see 80 FR 56469, September 18, 2015, or access the information at: *http://www.fda.gov/regulatoryinformation/dockets/default.htm.*

Docket: For access to the docket to read background documents or the electronic and written/paper comments received, go to *http://www.regulations.gov* and insert the docket number, found in brackets in the heading of this document, into the ''Search'' box and follow the prompts and/or go to the Division of Dockets Management, 5630 Fishers Lane, Rm. 1061, Rockville, MD 20852.

Submit written requests for single copies of the guidance to the Policy and Regulations Staff (HFV–6), Center for Veterinary Medicine, Food and Drug Administration, 7519 Standish Pl., Rockville, MD 20855. Send one self-addressed adhesive label to assist that office in processing your requests. Persons with access to the Internet may obtain the draft EA at either *http://www.fda.gov/animalveterinary/developmentapprovalprocess/environmentalassessments/ucm300656.htm* or *http://www.regulations.gov.*

FOR FURTHER INFORMATION CONTACT: Brinda Dass, Center for Veterinary Medicine (HFV–2), Food and Drug Administration, 7500 Standish Pl., Rockville, MD 20855, 240–276–8247, email: *abig@fda.hhs.gov.*

SUPPLEMENTARY INFORMATION: FDA is announcing that a draft EA and preliminary FONSI, in support of a proposed investigational release (*i.e.,* field trial) of OX513A *Aedes aegypti* GE mosquitoes (OX513A mosquitoes), as part of an existing mosquito control program in Key Haven, FL, are being made available for public comment. The OX513A is a strain of *Ae. aegypti* mosquito whose recombinant DNA (rDNA) construct encodes a conditional lethality trait such that the offspring of the matings of male OX513A mosquitoes and wild type *Ae. aegypti* do not survive to adulthood. The intended result is a decrease in the overall population of *Ae. aegypti* in the environment. Only male OX513A mosquitoes are intended to be released.

To encourage public transparency, and in compliance with 21 CFR 25.51(b)(3), the Agency is placing Oxitec Ltd.'s draft EA and preliminary FONSI that are the subject of this notice on public display at the Division of Dockets

Management (see **DATES** and **ADDRESSES**) for public review and comment for 30 days. Oxitec Ltd. prepared the draft EA. The preliminary FONSI is based upon Oxitec Ltd.'s draft EA. FDA is considering the draft EA and tentatively agrees with its conclusion that conduct of this trial will result in no significant impacts on the environment. If nothing changes FDA's tentative determination, FDA will prepare and release its own revised, final EA and final FONSI. The Agency intends to take comments received under advisement in determining whether to prepare a revised, final EA and FONSI. If FDA does not agree with the preliminary conclusion that conduct of this trial will result in no significant impacts on the environment, it will prepare an environmental impact statement.

Dated: March 8, 2016.

Leslie Kux,

Associate Commissioner for Policy.

[FR Doc. 2016–05622 Filed 3–11–16; 8:45 am]

BILLING CODE 4164–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

[Docket No. FDA–2016–N–0820]

Drug Safety and Risk Management Advisory Committee and the Anesthetic and Analgesic Drug Products Advisory Committee; Notice of Meeting

AGENCY: Food and Drug Administration, HHS.

ACTION: Notice.

This notice announces a forthcoming meeting of a public advisory committee of the Food and Drug Administration (FDA). The meeting will be open to the public.

Name of Committees: Drug Safety and Risk Management Advisory Committee and the Anesthetic and Analgesic Drug Products Advisory Committee.

General Function of the Committees: To provide advice and recommendations to the Agency on FDA's regulatory issues.

Date and Time: The meeting will be held on May 3, 2016, from 8 a.m. to 5 p.m. and May 4, 2016, from 8 a.m. to 5 p.m.

ADDRESSES: FDA is opening a docket for public comment on this meeting. The docket number is FDA–2016–N–0820. The docket will open for public comment on March 14, 2016. The docket will close on June 4, 2016. Interested persons may submit either electronic or written comments regarding this meeting. Submit electronic comments to *http://www.regulations.gov.* Submit written comments to the Division of Dockets Management (HFA–305), Food and Drug Administration, 5630 Fishers Lane, rm. 1061, Rockville, MD 20852. All comments received will be posted without change, including any personal information provided. It is only necessary to send one set of comments. Identify comments with the docket number found in brackets in the heading of this document. Received comments may be seen in the Division of Dockets Management between 9 a.m. and 4 p.m., Monday through Friday. Comments received on or before April 19, 2016, will be provided to the committees before the meeting.

Location: FDA White Oak Campus, 10903 New Hampshire Ave., Bldg. 31 Conference Center, the Great Room (Rm. 1503), Silver Spring, MD 20993–0002. Answers to commonly asked questions including information regarding special accommodations due to a disability, visitor parking, and transportation may be accessed at: *http://www.fda.gov/AdvisoryCommittees/AboutAdvisoryCommittees/ucm408555.htm.*

Contact Person: Stephanie L. Begansky, Center for Drug Evaluation and Research, Food and Drug Administration, 10903 New Hampshire Ave., Bldg. 31, Rm. 2417, Silver Spring, MD 20993–0002, 301–796–9001, Fax: 301–847–8533, email: *AADPAC@fda.hhs.gov,* or FDA Advisory Committee Information Line, 1–800–741–8138 (301–443–0572 in the Washington, DC area). A notice in the **Federal Register** about last minute modifications that impact a previously announced advisory committee meeting cannot always be published quickly enough to provide timely notice. Therefore, you should always check the Agency's Web site at *http://www.fda.gov/AdvisoryCommittees/default.htm* and scroll down to the appropriate advisory committee meeting link, or call the advisory committee information line to learn about possible modifications before coming to the meeting.

Agenda: The Food and Drug Administration Amendments Act of 2007 (Pub. L. 110–85) requires FDA to bring, at least annually, one or more drugs with Risk Evaluation and Mitigation Strategies (REMS) with Elements to Assure Safe Use (ETASU) before its Drug Safety and Risk Management Advisory Committee (DSaRM). On May 3 and 4, 2016, the committees will discuss results from assessments of the extended-release and long-acting (ER/LA) Opioid Analgesics REMS. The Agency will seek the committees' comments as to whether this REMS with ETASU assures safe use, is not unduly burdensome to patient access to the drugs, and to the extent practicable, minimizes the burden to the healthcare delivery system.

The ER/LA Opioid Analgesics REMS requires that prescriber training will be made available to healthcare providers who prescribe ER/LA opioid analgesics. Training is considered ''REMS-compliant'' if: (1) It, for training provided by continuing education providers, is offered by an accredited provider to licensed prescribers, (2) it includes all elements of the FDA Blueprint for Prescriber Education for ER/LA Opioid Analgesics (Blueprint), (3) it includes a knowledge assessment of all the sections of the Blueprint, and (4) it is subject to independent audit to confirm that conditions of the REMS training have been met. The Agency will seek the committees' input on possible modifications to the ER/LA Opioid Analgesics REMS, including expansion of the scope and content of prescriber training and expansion of the REMS program to include immediate-release opioids.

Comments from the public can be submitted to the docket (see the **ADDRESSES** section) on a broad evaluation of the ER/LA Opioid Analgesics REMS program and whether the ER/LA opioid analgesics REMS should be modified as well as any proposed modifications. Comments may include but are not limited to: (1) Alternative methodologies for evaluating the overall impact of the program on knowledge and behavior by prescribers and patients, (2) the overall impact of the REMS on the adverse events it is intended to mitigate; (3) whether the FDA Blueprint or other tools (*e.g.,* Medication Guide or Patient Counseling Document) should be revised and/or expanded; (4) the use of the continuing education as a component of the REMS as a mechanism for providing prescriber training; (5) whether to expand the REMS program to include immediate-release opioids; and (6) how additional REMS tools or ETASU (*e.g.,* required prescriber or pharmacist training, required patient agreements), if recommended, may impact the healthcare delivery system and patient access to ER/LA opioid analgesics.

FDA intends to make background material available to the public no later than 2 business days before the meeting. If FDA is unable to post the background

material on its Web site prior to the meeting, the background material will be made publicly available at the location of the advisory committee meeting, and the background material will be posted on FDA's Web site after the meeting. Background material is available at *http://www.fda.gov/AdvisoryCommittees/Calendar/default.htm*. Scroll down to the appropriate advisory committee meeting link.

Procedure: Interested persons may present data, information, or views, orally or in writing, on issues pending before the committees. All electronic and written submissions submitted to the Docket (see the **ADDRESSES** section) on or before April 19, 2016, will be provided to the committees. Oral presentations from the public will be scheduled between approximately 10:30 a.m. and 12:30 p.m. on May 4, 2016. Those individuals interested in making formal oral presentations should notify the contact person and submit a brief statement of the general nature of the evidence or arguments they wish to present, the names and addresses of proposed participants, and an indication of the approximate time requested to make their presentation on or before April 11, 2016. Time allotted for each presentation may be limited. If the number of registrants requesting to speak is greater than can be reasonably accommodated during the scheduled open public hearing session, FDA may conduct a lottery to determine the speakers for the scheduled open public hearing session. The contact person will notify interested persons regarding their request to speak by April 12, 2016.

Persons attending FDA's advisory committee meetings are advised that the Agency is not responsible for providing access to electrical outlets.

FDA welcomes the attendance of the public at its advisory committee meetings and will make every effort to accommodate persons with disabilities. If you require accommodations due to a disability, please contact Stephanie L. Begansky at least 7 days in advance of the meeting.

FDA is committed to the orderly conduct of its advisory committee meetings. Please visit our Web site at *http://www.fda.gov/AdvisoryCommittees/AboutAdvisoryCommittees/ucm111462.htm* for procedures on public conduct during advisory committee meetings.

Notice of this meeting is given under the Federal Advisory Committee Act (5 U.S.C. app. 2).

Dated: March 8, 2016.

Jill Hartzler Warner,

Associate Commissioner for Special Medical Programs.

[FR Doc. 2016–05573 Filed 3–11–16; 8:45 am]

BILLING CODE 4164–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

[Docket No. FDA–2015–D–4750]

Implementation of the ''Deemed To Be a License'' Provision of the Biologics Price Competition and Innovation Act of 2009; Draft Guidance for Industry; Availability and Request for Comments

AGENCY: Food and Drug Administration, HHS.

ACTION: Notice of availability; request for comments.

SUMMARY: The Food and Drug Administration (FDA or Agency) is announcing the availability of a draft guidance for industry entitled ''Implementation of the 'Deemed to be a License' Provision of the Biologics Price Competition and Innovation Act of 2009.'' This draft guidance describes FDA's approach to implementation of the statutory provision under which an application for a biological product approved under the Federal Food, Drug, and Cosmetic Act (FD&C Act) on or before March 23, 2020, will be deemed to be a license for the biological product under the Public Health Service Act (PHS Act) on March 23, 2020. Specifically, this draft guidance describes FDA's interpretation of the ''deemed to be a license'' provision of the Biologics Price Competition and Innovation Act of 2009 (BPCI Act) for biological products that have been or will be approved under the FD&C Act on or before March 23, 2020. This draft guidance also provides recommendations to sponsors of proposed protein products intended for submission in an application that may not receive final approval under the FD&C Act on or before March 23, 2020, to facilitate alignment of product development plans with FDA's interpretation the transition provisions of the BPCI Act.

DATES: Although you can comment on any guidance at any time (see 21 CFR 10.115(g)(5)), to ensure that the Agency considers your comment on this draft guidance before it begins work on the final version of the guidance, submit either electronic or written comments on the draft guidance by May 13, 2016.

ADDRESSES: You may submit comments as follows:

Electronic Submissions

Submit electronic comments in the following way:

- *Federal eRulemaking Portal: http://www.regulations.gov.* Follow the instructions for submitting comments. Comments submitted electronically, including attachments, to *http://www.regulations.gov* will be posted to the docket unchanged. Because your comment will be made public, you are solely responsible for ensuring that your comment does not include any confidential information that you or a third party may not wish to be posted, such as medical information, your or anyone else's Social Security number, or confidential business information, such as a manufacturing process. Please note that if you include your name, contact information, or other information that identifies you in the body of your comments, that information will be posted on *http://www.regulations.gov.*
- If you want to submit a comment with confidential information that you do not wish to be made available to the public, submit the comment as a written/paper submission and in the manner detailed (see ''Written/Paper Submissions'' and ''Instructions'').

Written/Paper Submissions

Submit written/paper submissions as follows:

- *Mail/Hand delivery/Courier (for written/paper submissions):* Division of Dockets Management (HFA–305), Food and Drug Administration, 5630 Fishers Lane, Rm. 1061, Rockville, MD 20852.
- For written/paper comments submitted to the Division of Dockets Management, FDA will post your comment, as well as any attachments, except for information submitted, marked and identified, as confidential, if submitted as detailed in ''Instructions.''

Instructions: All submissions received must include the Docket No. FDA–2015–D–4750 for ''Implementation of the 'Deemed to be a License' Provision of the Biologics Price Competition and Innovation Act of 2009; Draft Guidance for Industry; Availability and Request for Comments.'' Received comments will be placed in the docket and, except for those submitted as ''Confidential Submissions,'' publicly viewable at *http://www.regulations.gov* or at the Division of Dockets Management between 9 a.m. and 4 p.m., Monday through Friday.

- *Confidential Submissions*—To submit a comment with confidential information that you do not wish to be

made publicly available, submit your comments only as a written/paper submission. You should submit two copies total. One copy will include the information you claim to be confidential with a heading or cover note that states ''THIS DOCUMENT CONTAINS CONFIDENTIAL INFORMATION.'' The Agency will review this copy, including the claimed confidential information, in its consideration of comments. The second copy, which will have the claimed confidential information redacted/blacked out, will be available for public viewing and posted on *http://www.regulations.gov.* Submit both copies to the Division of Dockets Management. If you do not wish your name and contact information to be made publicly available, you can provide this information on the cover sheet and not in the body of your comments and you must identify this information as ''confidential.'' Any information marked as ''confidential'' will not be disclosed except in accordance with 21 CFR 10.20 and other applicable disclosure law. For more information about FDA's posting of comments to public dockets, see 80 FR 56469, September 18, 2015, or access the information at: *http://www.fda.gov/regulatoryinformation/dockets/default.htm.*

Docket: For access to the docket to read background documents or the electronic and written/paper comments received, go to *http://www.regulations.gov* and insert the docket number, found in brackets in the heading of this document, into the ''Search'' box and follow the prompts and/or go to the Division of Dockets Management, 5630 Fishers Lane, Rm. 1061, Rockville, MD 20852.

Submit written requests for single copies of the draft guidance to the Division of Drug Information, Center for Drug Evaluation and Research, Food and Drug Administration, 10001 New Hampshire Ave., Hillandale Building, 4th Floor, Silver Spring, MD 20993–0002; or to the Office of Communication, Outreach and Development, Center for Biologics Evaluation and Research, Food and Drug Administration, 10903 New Hampshire Ave., Bldg. 71, Rm. 3128, Silver Spring, MD 20993–0002. Send one self-addressed adhesive label to assist that office in processing your requests. See the **SUPPLEMENTARY INFORMATION** section for electronic access to the draft guidance document.

FOR FURTHER INFORMATION CONTACT: Janice Weiner, Center for Drug Evaluation and Research, Food and Drug Administration, 10903 New Hampshire Ave., Bldg. 51, Rm. 6268, Silver Spring, MD 20993–0002, 301–796–3601; or Stephen Ripley, Center for Biologics Evaluation and Research, Food and Drug Administration, 10903 New Hampshire Ave., Bldg. 71, Rm. 7301, Silver Spring, MD 20993–0002, 240–402–7911.

SUPPLEMENTARY INFORMATION:

I. Background

FDA is announcing the availability of a draft guidance for industry entitled ''Implementation of the 'Deemed to be a License' Provision of the Biologics Price Competition and Innovation Act of 2009.'' This draft guidance describes FDA's approach to implementation of the provision of the BPCI Act under which an application for a biological product approved under section 505 of the FD&C Act (21 U.S.C. 355) on or before March 23, 2020, will be deemed to be a license for the biological product under section 351 of the PHS Act (42 U.S.C. 262) on March 23, 2020. Specifically, this draft guidance describes FDA's interpretation of the ''deemed to be a license'' provision in section 7002(e) of the BPCI Act for biological products that have been or will be approved under section 505 of the FD&C Act on or before March 23, 2020. This draft guidance also provides recommendations to sponsors of proposed protein products intended for submission in an application that may not receive final approval under section 505 of the FD&C Act on or before March 23, 2020, to facilitate alignment of product development plans with FDA's interpretation of section 7002(e) of the BPCI Act.

Although the majority of therapeutic biological products have been licensed under section 351 of the PHS Act, some protein products historically have been approved under section 505 of the FD&C Act. On March 23, 2010, the BPCI Act was enacted as part of the Patient Protection and Affordable Care Act (Pub. L. 111–148). The BPCI Act changed the statutory authority under which certain protein products will be regulated by amending the definition of a ''biological product'' in section 351(i) of the PHS Act to include a ''protein (except any chemically synthesized polypeptide).'' FDA has interpreted the statutory terms ''protein'' and ''chemically synthesized polypeptide'' to implement the amended definition of ''biological product'' (see FDA's guidance for industry entitled ''Biosimilars: Questions and Answers Regarding Implementation of the Biologics Price Competition and Innovation Act of 2009,'' available on FDA's Web site at *http://www.fda.gov/Drugs/GuidanceComplianceRegulatoryInformation/Guidances/default.htm*).

The BPCI Act requires that a marketing application for a ''biological product'' be submitted under section 351 of the PHS Act; this requirement is subject to certain exceptions during a 10-year transition period ending on March 23, 2020 (see section 7002(e)(1)–(3) and (e)(5) of the BPCI Act). On March 23, 2020, an approved application for a biological product under section 505 of the FD&C Act shall be deemed to be a license for the biological product under section 351 of the PHS Act (see section 7002(e)(4) of the BPCI Act). Among other things, because the BPCI Act provides only that an application that is approved on March 23, 2020, shall be deemed to be a license, FDA interprets section 7002(e) of the BPCI Act to mean that the Agency will not approve any application under section 505 of the FD&C Act for a biological product subject to the transition provisions that is pending or tentatively approved ''on'' March 23, 2020, even though section 7002(e)(2) of the BPCI Act expressly permits submission of an application under section 505 of the FD&C Act ''not later than'' March 23, 2020, if certain criteria are met. Such an application may, for example, be withdrawn and resubmitted under section 351(a) or 351(k) of the PHS Act, as appropriate. FDA recognizes that this interpretation could have a significant impact on development programs for any proposed protein products intended for submission under section 505 of the FD&C Act that are not able to receive final approval by March 23, 2020, and provides recommendations to sponsors in the draft guidance.

We invite comment on the Agency's approach to implementation of the ''deemed to be a license'' provision of the BPCI Act, as described in the draft guidance.

This draft guidance is being issued consistent with FDA's good guidance practices regulation (21 CFR 10.115). The draft guidance, when finalized, will represent the current thinking of FDA on implementation of the ''deemed to be a license'' provision of the BPCI Act. It does not establish any rights for any person and is not binding on FDA or the public. You can use an alternative approach if it satisfies the requirements of the applicable statutes and regulations.

II. Paperwork Reduction Act of 1995

This draft guidance refers to previously approved collections of information that are subject to review by

the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501–3520). The collection of information in 21 CFR part 312 has been approved under 0910–0014; the collection of information in 21 CFR part 314 has been approved under 0910–0001; the collection of information in 21 CFR part 601 has been approved under 0910–0338; and the collection of information for applications submitted under section 351(k) of the PHS Act has been approved under 0910–0719. In accordance with the PRA, before publication of the final guidance document, FDA intends to solicit public comment and obtain OMB approval for any information collections recommended in this guidance that are new or that would represent material modifications to previously approved collections of information found in FDA regulations or guidances.

III. Electronic Access

Persons with access to the Internet may obtain the document at *http://www.fda.gov/Drugs/GuidanceComplianceRegulatoryInformation/Guidances/default.htm, http://www.fda.gov/BiologicsBloodVaccines/GuidanceComplianceRegulatoryInformation/default.htm* or *http://www.regulations.gov.*

Dated: March 8, 2016.

Leslie Kux,

Associate Commissioner for Policy.

[FR Doc. 2016–05626 Filed 3–11–16; 8:45 am]

BILLING CODE 4164–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

[Docket No. FDA–2016–N–0001]

Advancing the Development of Pediatric Therapeutics: Successes and Challenges of Performing Long-Term Pediatric Safety Studies; Public Workshop

AGENCY: Food and Drug Administration, HHS.

ACTION: Notice of public workshop.

SUMMARY: The Food and Drug Administration's (FDA) Office of Pediatric Therapeutics (OPT) and Center for Drug Evaluation and Research are announcing a 2-day public workshop entitled ''Advancing the Development of Pediatric Therapeutics (ADEPT): Successes and Challenges of Performing Long-Term Pediatric Safety Studies.'' The purpose of this 2-day public workshop is for FDA to have an open discussion with experts in the field examining the need and path forward for long-term pediatric safety studies. Day 1 of the public workshop will focus on an exposition of the successes and challenges of long-term safety studies in children. Day 2 of the public workshop will focus on suggestions for the future on study design and implementation of long-term safety studies in children. Viewpoints of patient representatives of children with chronic conditions and industry will be included.

DATES: The public workshop will be held on April 13 and 14, 2016, from 8 a.m. to 5 p.m. See the **SUPPLEMENTARY INFORMATION** section for registration date and information.

ADDRESSES: The public workshop will be held at The DoubleTree by Hilton Hotel—Bethesda, 8120 Wisconsin Ave., Bethesda, MD 20814.

FOR FURTHER INFORMATION CONTACT: Renan A. Bonnel, Office of Pediatric Therapeutics, Food and Drug Administration, 10903 New Hampshire Ave., Silver Spring, MD 20993–0002, 301–796–8654, FAX: 301–847–8640, email: *renan.bonnel@fda.hhs.gov.*

SUPPLEMENTARY INFORMATION:

I. Background

Medical product safety studies in children are usually performed for 6 months or less. In children, measurement of long-term outcomes is particularly challenging since, compared to adults, children are undergoing dramatic growth and developmental changes. This 2-day public workshop will focus on the challenges of long-term follow-up in children receiving medical products. The first day of the public workshop will focus on the problems or barriers, including; challenges with study design, data capture, infrastructure, and endpoints. Viewpoints of parents and industry will be represented. The second day of the public workshop will include panel discussions to propose solutions to the problems posed on day one and to discuss the epidemiological challenges posed by the collection of data on different types of adverse events. On both days of the public workshop there will be a certain amount of time on the agenda for attendee questions or comments.

II. Participation in the Public Workshop

Registration: There is no fee to attend the public workshop, but attendees should register in advance. Space is limited, and registration will be on a first-come, first-served basis. Persons interested in attending this workshop must register online at: *http://pediatricsafety.eventbrite.com* before April 7, 2016. For those without Internet access, please contact Renan A. Bonnel (see **FOR FURTHER INFORMATION CONTACT**) to register. In the event that a minimum number of participants have not registered, the workshop will be postponed. Registered participants will be notified of any change. Onsite registration will be available if seating permits it. Registration information, the agenda, and additional background materials can be found at *http://www.fda.gov/NewsEvents/MeetingsConferencesWorkshops/ucm477639.htm.*

If you need special accommodations due to a disability, please contact Renan A. Bonnel (see **FOR FURTHER INFORMATION CONTACT**) at least 7 days in advance. Persons attending the meeting are advised that FDA is not responsible for providing access to electrical outlets.

Web cast: The live Web cast on April 13, 2016, will be available at: *https://event.webcasts.com/starthere.jsp?ei=1093258.* After the morning session, users will be automatically redirected to the afternoon link. Should you lose connection over lunch, please use the following link for the afternoon session (note that it is different from the morning's session): *https://event.webcasts.com/starthere.jsp?ei=1093259.* On April 14, 2016, the live Web cast will be available at: *https://event.webcasts.com/starthere.jsp?ei=1093263.* After the morning session, users will be automatically redirected to the afternoon link. Should you lose connection over lunch, please use the following link for the afternoon session (note that it is different from the morning's session): *https://event.webcasts.com/starthere.jsp?ei=1093265.* The Web cast will only be for listening and there will not be an opportunity for Web cast participants to speak.

The videocast will be posted after the workshop at *http://www.fda.gov/NewsEvents/MeetingsConferencesWorkshops/ucm477639.htm.*

Transcripts: Transcripts of the workshop will be available for review at the Division of Dockets Management (HFA–305), Food and Drug Administration, 5630 Fishers Lane, Rm. 1061, Rockville, MD 20852, and at *http://www.regulations.gov* approximately 30 days after the workshop. A transcript will also be available in either hard copy or on CD–ROM, after submission of a Freedom of Information request. Send written requests to the Division of Freedom of Information. The Freedom of Information address is available on the Agency's Web site at

http://www.fda.gov. Send faxed requests to 301–827–9267.

Dated: March 8, 2016.

Leslie Kux,

Associate Commissioner for Policy.

[FR Doc. 2016–05621 Filed 3–11–16; 8:45 am]

BILLING CODE 4164–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

[Docket No. FDA–2016–N–0001]

The Fifth Annual Food and Drug Administration-International Society for Pharmaceutical Engineering Quality Conference

AGENCY: Food and Drug Administration, HHS.

ACTION: Notice of meeting.

SUMMARY: The Food and Drug Administration's (FDA) Center for Drug Evaluation and Research, in co-sponsorship with the International Society for Pharmaceutical Engineering (ISPE), is announcing a meeting entitled ''Fifth Annual FDA–ISPE Quality Conference.'' The purpose of the meeting is to discuss manufacturing, compliance, and management practices that create, implement, and sustain a culture of high quality and result in reliable pharmaceutical and biologic products that support patient health.

DATES: The meeting will be held on June 6, 7, and 8, 2016, from 8:30 a.m. to 4 p.m.

ADDRESSES: The meeting will be held at the Bethesda North Marriott Hotel & Conference Center, 5701 Marinelli Rd., Bethesda, MD 20852.

FOR FURTHER INFORMATION CONTACT: Susan Krys, ISPE, 7200 Wisconsin Ave., Suite 305, Bethesda, MD 20814, 301–364–9202, FAX: 240–204–6024, email: *skrys@ispe.org,* or Sau (Larry) Lee, 301–796–2905, email: *Sau.Lee@fda.hhs.gov.*

SUPPLEMENTARY INFORMATION: ISPE is an association of engineers, scientists, manufacturing, quality, and industrial professionals involved in the development, manufacture, quality control, and regulation of pharmaceuticals and related products. This co-sponsored meeting facilitates discussion and problem solving around technical, quality, compliance, and other manufacturing issues.

Registration: There is a registration fee to attend this meeting. The registration fee is charged to help defray the costs of programming and facilities. Seats are limited, and registration will be on a first-come, first-served basis.

To register, please complete registration online at *http://www.ispe.org/events.* FDA has verified the Web address, but FDA is not responsible for subsequent changes to the Web site after this document publishes in the **Federal Register**. The costs of registration for the different categories of attendees are as follows:

Category	Cost
Industry Representatives:	
ISPE Members	$1,895 (early-bird); $2,095 (onsite).
Non-members	$2,275 (early-bird); $2,475 (onsite).
Academic	$1,425 (early-bird); $1,575 (onsite).
Government	$700 (early-bird); $700 (onsite).

Accommodations: Attendees are responsible for their own hotel accommodations. Attendees making reservations at the Bethesda North Marriott Hotel & Conference Center in Bethesda, MD are eligible for a reduced rate of $209 USD, not including applicable taxes. To receive the reduced rate, contact the Bethesda North Marriott Hotel (1–301–822–9200 or 1–800–859–8003) and identify yourself as an attendee of the meeting. If you need special accommodations due to a disability, please contact Susan Krys at least 7 days in advance.

Transcripts: We expect that transcripts will be available approximately 30 days after the meeting. A transcript will be available in either hard copy or on CD–ROM, after submission of a Freedom of Information request. The Freedom of Information office address is available on the Agency's Web site at *http://www.fda.gov.* Send faxed requests to 301–827–9267.

Dated: March 8, 2016.

Leslie Kux,

Associate Commissioner for Policy.

[FR Doc. 2016–05627 Filed 3–11–16; 8:45 am]

BILLING CODE 4164–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

[Docket No. FDA–2016–N–0001]

Peripheral and Central Nervous System Drugs Advisory Committee; Notice of Meeting

AGENCY: Food and Drug Administration, HHS.

ACTION: Notice.

This notice announces a forthcoming meeting of a public advisory committee of the Food and Drug Administration (FDA). The meeting will be open to the public.

Name of Committee: Peripheral and Central Nervous System Drugs Advisory Committee.

General Function of the Committee: To provide advice and recommendations to the Agency on FDA's regulatory issues.

Date and Time: The meeting will be held on April 25, 2016, from 8 a.m. to 5:30 p.m. This meeting is a reschedule of a postponed meeting announced in the **Federal Register** of December 18, 2015 (80 FR 79047), originally scheduled for January 22, 2016.

Location: College Park Marriott Hotel and Conference Center, Chesapeake Ballroom, 3501 University Blvd. East, Hyattsville, MD 20783. The conference center's telephone number is 301–985–7300.

Contact Person: Moon Hee V. Choi, Center for Drug Evaluation and Research, Food and Drug Administration, 10903 New Hampshire Ave., Bldg. 31, Rm. 2417, Silver Spring, MD 20993–0002, 301–796–9001, FAX: 301–847–8533, email: *PCNS@fda.hhs.gov,* or FDA Advisory Committee Information Line, 1–800–741–8138 (301–443–0572 in the Washington, DC area). A notice in the **Federal Register** about last minute modifications that impact a previously announced advisory committee meeting cannot always be published quickly enough to provide timely notice. Therefore, you should always check the Agency's Web site at *http://www.fda.gov/AdvisoryCommittees/default.htm* and scroll down to the appropriate advisory committee meeting link, or call the advisory committee information line to learn about possible modifications before coming to the meeting.

Agenda: The committee will discuss new drug application (NDA) 206488,

eteplirsen injection for intravenous infusion, sponsored by Sarepta Therapeutics, Inc., for the treatment of Duchenne muscular dystrophy (DMD) in patients who have a confirmed mutation of the DMD gene that is amenable to exon 51 skipping.

FDA intends to make background material available to the public no later than 2 business days before the meeting. If FDA is unable to post the background material on its Web site prior to the meeting, the background material will be made publicly available at the location of the advisory committee meeting, and the background material will be posted on FDA's Web site after the meeting. Background material is available at *http://www.fda.gov/AdvisoryCommittees/Calendar/default.htm.* Scroll down to the appropriate advisory committee meeting link.

Procedure: Interested persons may present data, information, or views, orally or in writing, on issues pending before the committee. Written submissions may be made to the contact person on or before April 11, 2016. Oral presentations from the public will be scheduled between approximately 12:40 p.m. and 2:40 p.m. Those individuals interested in making formal oral presentations should notify the contact person and submit a brief statement of the general nature of the evidence or arguments they wish to present, the names and addresses of proposed participants, and an indication of the approximate time requested to make their presentation on or before April 1, 2016. Time allotted for each presentation may be limited. If the number of registrants requesting to speak is greater than can be reasonably accommodated during the scheduled open public hearing session, FDA may conduct a lottery to determine the speakers for the scheduled open public hearing session. The contact person will notify interested persons regarding their request to speak by April 4, 2016.

Persons attending FDA's advisory committee meetings are advised that the Agency is not responsible for providing access to electrical outlets.

FDA welcomes the attendance of the public at its advisory committee meetings and will make every effort to accommodate persons with disabilities. If you require accommodations due to a disability, please contact Moon Hee V. Choi at least 7 days in advance of the meeting.

FDA is committed to the orderly conduct of its advisory committee meetings. Please visit our Web site at *http://www.fda.gov/AdvisoryCommittees/AboutAdvisoryCommittees/ucm111462.htm* for procedures on public conduct during advisory committee meetings.

Notice of this meeting is given under the Federal Advisory Committee Act (5 U.S.C. app. 2).

Dated: March 9, 2016.

Jill Hartzler Warner,

Associate Commissioner for Special Medical Programs.

[FR Doc. 2016–05683 Filed 3–10–16; 8:45 am]

BILLING CODE 4164–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Health Resources and Services Administration

Agency Information Collection Activities: Submission to OMB for Review and Approval; Public Comment Request

AGENCY: Health Resources and Services Administration, HHS.

ACTION: Notice.

SUMMARY: In compliance with Section 3507(a)(1)(D) of the Paperwork Reduction Act of 1995, the Health Resources and Services Administration (HRSA) has submitted an Information Collection Request (ICR) to the Office of Management and Budget (OMB) for review and approval. Comments submitted during the first public review of this ICR will be provided to OMB. OMB will accept further comments from the public during the review and approval period.

DATES: Comments on this ICR should be received no later than April 13, 2016.

ADDRESSES: Submit your comments, including the Information Collection Request Title, to the desk officer for HRSA, either by email to *OIRA_submission@omb.eop.gov* or by fax to 202–395–5806.

FOR FURTHER INFORMATION CONTACT: To request a copy of the clearance requests submitted to OMB for review, email the HRSA Information Collection Clearance Officer at *paperwork@hrsa.gov* or call (301) 443–1984.

SUPPLEMENTARY INFORMATION:

Information Collection Request Title: Bureau of Health Workforce Performance Data Collection

OMB No. 0915–0061—Revision

Abstract: Over 40 Bureau of Health Workforce (BHW) programs award grants to health professions schools and training programs across the United States to develop, expand, and enhance training, and to strengthen the distribution of the health workforce. These programs are authorized by the Public Health Service Act (42 U.S.C. 201 *et seq.*), specifically Titles III, VII, and VIII. Performance information regarding these programs is collected in the HRSA Performance Report for Grants and Cooperative Agreements (PRGCA). Data collection activities consisting of an annual progress and annual performance report satisfy statutory and programmatic requirements for performance measurement and evaluation (including specific Title III, VII and VIII requirements), as well as Government Performance and Results Act (GPRA) requirements. The performance measures were last revised in 2013 to ensure they addressed programmatic changes, met evolving program management needs, and responded to emerging workforce concerns—especially as a result of the changes in the Affordable Care Act (Pub. L. 111–148). As these revisions were successful, BHW will continue to use the same progress and performance forms. BHW is reducing the reporting burden by eliminating the semi-annual performance report and moving to annual progress and performance reporting.

Need and Proposed Use of the Information: The purpose of the data collection is to analyze and report grantee training activities and education, identify intended practice locations, and report outcomes of funded initiatives. Data collected from these grant programs also provide a description of the program activities of approximately 1,700 reporting grantees to better inform policymakers on the barriers, opportunities, and outcomes involved in health care workforce development. The measures focus on five key outcomes: (1) Increasing the workforce supply of diverse well-educated practitioners, (2) increasing the number of practitioners that practice in underserved and rural areas, (3) enhancing the quality of education, (4) increasing the recruitment, training, and placement of under-represented groups in the health workforce, and (5) supporting educational infrastructure to increase the capacity to train more health professionals.

Likely Respondents: Respondents are awardees of BHW health professions grant programs.

Burden Statement: Burden in this context means the time expended by persons to generate, maintain, retain, disclose or provide the information requested. This includes the time needed to review instructions; to develop, acquire, install and utilize

technology and systems for the purpose of collecting, validating and verifying information, processing and maintaining information, and disclosing and providing information; to train personnel and to be able to respond to a collection of information; to search data sources; to complete and review the collection of information; and to transmit or otherwise disclose the information. The total annual burden hours estimated for this ICR are summarized in the table below.

TOTAL ESTIMATED ANNUALIZED BURDEN—HOURS

Form name	Number of respondents	Number of responses per respondent	Total responses	Average burden per response (in hours)	Total burden hours
Direct Financial Support Program	618	1	618	3.117	1,926
Infrastructure Program	149	1	149	4.57	681
Multipurpose or Hybrid Program	790	1	790	4.285	3,385
Total	1,557		1,557		5,992

Jackie Painter,

Director, Division of the Executive Secretariat.

[FR Doc. 2016–05602 Filed 3–11–16; 8:45 am]

BILLING CODE 4165–15–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Health Resources and Services Administration

Agency Information Collection Activities: Proposed Collection: Public Comment Request

AGENCY: Health Resources and Services Administration, HHS.

ACTION: Notice.

SUMMARY: In compliance with the requirement for opportunity for public comment on proposed data collection projects (Section 3506(c)(2)(A) of the Paperwork Reduction Act of 1995), the Health Resources and Services Administration (HRSA) announces plans to submit an Information Collection Request (ICR), described below, to the Office of Management and Budget (OMB). Prior to submitting the ICR to OMB, HRSA seeks comments from the public regarding the burden estimate, below, or any other aspect of the ICR.

DATES: Comments on this Information Collection Request must be received within 60 days of this notice.

ADDRESSES: Submit your comments to *paperwork@hrsa.gov* or mail the HRSA Information Collection Clearance Officer, Room 14N39, Parklawn Building, 5600 Fishers Lane, Rockville, MD 20857.

FOR FURTHER INFORMATION CONTACT: To request more information on the proposed project or to obtain a copy of the data collection plans and draft instruments, email *paperwork@hrsa.gov* or call the HRSA Information Collection Clearance Officer at (301) 443–1984.

SUPPLEMENTARY INFORMATION: When submitting comments or requesting information, please include the information request collection title for reference.

Information Collection Request Title: Organ Procurement and Transplantation Network and Scientific Registry of Transplant Recipients Data System OMB No. 0915–0157—Revision.

Abstract: Section 372 of the Public Health Service (PHS) Act, as amended, requires that the Secretary, by contract, provide for the establishment and operation of an Organ Procurement and Transplantation Network (OPTN). This is a request for revisions to current OPTN data collection forms associated with an individual's clinical characteristics at the time of registration, transplant, and follow-up after the transplant. These specific data elements of the OPTN data system are collected from transplant hospitals. The information is used to indicate the disease severity of transplant candidates, to monitor compliance of member organizations with OPTN rules and requirements, to report periodically on the clinical and scientific status of organ donation and transplantation and other purposes consistent with the law. Data are used to: (1) Facilitate organ placement and match donor organs with recipients; (2) monitor compliance of member organizations with federal laws and regulations and with OPTN requirements; (3) review and report periodically to the public on the status of organ donation and transplantation in the United States; (4) provide data to researchers and government agencies to study the scientific and clinical status of organ transplantation; and (5) perform transplantation-related public health surveillance including possible transmission of donor disease. The practical utility of the data collection is further enhanced by requirements that the OPTN data must be made available, consistent with applicable laws, for use by OPTN members, the Scientific Registry of Transplant Recipients, the Department of Health and Human Services, and members of the public for evaluation, research, patient information, and other important purposes.

Likely Respondents: Transplant programs, medical and scientific organizations, and public organizations.

Burden Statement: Burden in this context means the time expended by persons to generate, maintain, retain, disclose, or provide the information requested. This includes the time needed to: (1) Review instructions; develop, acquire, install and utilize technology and systems for the purpose of collecting, validating and verifying information, processing and maintaining information, and disclosing and providing information; (2) train personnel to respond to a request for collection of information; (3) search data sources; (4) complete and review the collection of information; and (5) to transmit or otherwise disclose the information. The total annual burden hours estimated for this Information Collection Request are summarized in the table below.

TOTAL ESTIMATED ANNUALIZED BURDEN HOURS

Section/activity	Number of respondents	Average number of responses per respondent	Total number of responses	Average burden per response (in hours)	Total burden hours
Deceased Donor Registration	58	158.2	9175.6	1.1	10093.2
Living Donor Registration	307	20.6	6324.2	1.8	11383.6
Living Donor Follow-up	307	60.7	18634.9	1.3	24225.4
Donor Histocompatibility	154	96.7	14891.8	0.2	2978.4
Recipient Histocompatibility	154	173.5	26719	0.4	10687.6
Heart Candidate Registration	132	30.5	4026	0.9	3623.4
Heart Recipient Registration	132	19.9	2626.8	1.2	3152.2
Heart Follow Up (6 Month)	132	17	2244	0.4	897.6
Heart Follow Up (1–5 Year)	132	73.9	9754.8	0.9	8779.3
Heart Follow Up (Post 5 Year)	132	115.2	15206.4	0.5	7603.2
Heart Post-Transplant Malignancy Form	132	11	1452	0.9	1306.8
Lung Candidate Registration	70	39.6	2772	0.9	2494.8
Lung Recipient Registration	70	28.3	1981	1.2	2377.2
Lung Follow Up (6 Month)	70	26.2	1834	0.5	917.0
Lung Follow Up (1–5 Year)	70	99.4	6958	1.1	7653.8
Lung Follow Up (Post 5 Year)	70	65.6	4592	0.6	2755.2
Lung Post-Transplant Malignancy Form	70	1.5	105	0.4	42.0
Heart/Lung Candidate Registration	69	0.7	48.3	1.1	53.1
Heart/Lung Recipient Registration	69	0.4	27.6	1.3	35.9
Heart/Lung Follow Up (6 Month)	69	0.3	20.7	0.8	16.6
Heart/Lung Follow Up (1–5 Year)	69	1.5	103.5	1.1	113.9
Heart/Lung Follow Up (Post 5 Year)	69	3.1	213.9	0.6	128.3
Heart/Lung Post-Transplant Malignancy Form	69	0.2	13.8	0.4	5.5
Liver Candidate Registration	141	89.2	12577.2	0.8	10061.8
Liver Recipient Registration	141	48.8	6880.8	1.2	8257.0
Liver Follow-up (6 Month—5 Year)	141	231.1	32585.1	1	32585.1
Liver Follow-up (Post 5 Year)	141	256.5	36166.5	0.5	18083.3
Liver Recipient Explant Pathology Form	141	12.3	1734.3	0.6	1040.6
Liver Post-Transplant Malignancy	141	13.2	1861.2	0.8	1489.0
Intestine Candidate Registration	40	4.4	176	1.3	228.8
Intestine Recipient Registration	40	3.4	136	1.8	244.8
Intestine Follow Up (6 Month—5 Year)	40	13.3	532	1.5	798.0
Intestine Follow Up (Post 5 Year)	40	13.5	540	0.4	216.0
Intestine Post-Transplant Malignancy Form	40	0.6	24	1	24.0
Kidney Candidate Registration	238	162.6	38698.8	0.8	30959.0
Kidney Recipient Registration	238	71.8	17088.4	1.2	20506.1
Kidney Follow-Up (6 Month—5 Year)	238	379.5	90321	0.9	81288.9
Kidney Follow-up (Post 5 Year)	238	346.7	82514.6	0.5	41257.3
Kidney Post-Transplant Malignancy Form	238	18.1	4307.8	0.8	3446.2
Pancreas Candidate Registration	141	3.4	479.4	0.6	287.6
Pancreas Recipient Registration	141	1.8	253.8	1.2	304.6
Pancreas Follow-up (6 Month—5 Year)	141	8.2	1156.2	0.5	578.1
Pancreas Follow-up (Post 5 Year)	141	13.5	1903.5	0.5	951.8
Pancreas Post-Transplant Malignancy Form	141	0.8	112.8	0.6	67.7
Kidney/Pancreas Candidate Registration	141	9.6	1353.6	0.6	812.2
Kidney/Pancreas Recipient Registration	141	5.2	733.2	1.2	879.8
Kidney/Pancreas Follow-up (6 Month—5 Year)	141	26.9	3792.9	0.5	1896.5
Kidney/Pancreas Follow-up (Post 5 Year)	141	48.2	6796.2	0.6	4077.7
Kidney/Pancreas Post-Transplant Malignancy Form	141	1.6	225.6	0.4	90.2
VCA Candidate Registration	23	1.7	39.1	0.4	15.6
VCA Recipient Registration	23	1.7	39.1	1.3	50.8
VCA Recipient Follow Up	23	1.7	39.1	1	39.1
Total	*457		**471411.4**		**359889.5**

*Total number of OPTN transplant hospitals as of October 23, 2015. Number of respondents for transplant candidate or recipient forms is based on number of organ specific programs associated with each form.

**Bold entries represent those forms being modified during this submission.

HRSA specifically requests comments on (1) the necessity and utility of the proposed information collection for the proper performance of the agency's functions; (2) the accuracy of the estimated burden; (3) ways to enhance the quality, utility, and clarity of the information to be collected; and (4) the use of automated collection techniques or other forms of information technology to minimize the information collection burden.

Jackie Painter,

Director, Division of the Executive Secretariat.

[FR Doc. 2016–05684 Filed 3–11–16; 8:45 am]

BILLING CODE 4165–15–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Office of the Secretary

[Document Identifier: HHS–OS–0990–new–60D]

Agency Information Collection Activities; Proposed Collection; Public Comment Request

AGENCY: Office of the Secretary, HHS.

ACTION: Notice.

SUMMARY: In compliance with section 3506(c)(2)(A) of the Paperwork Reduction Act of 1995, the Office of the Secretary (OS), Department of Health and Human Services, announces plans to submit a new Information Collection Request (ICR), described below, to the Office of Management and Budget (OMB). Prior to submitting the ICR to OMB, OS seeks comments from the public regarding the burden estimate, below, or any other aspect of the ICR.

DATES: Comments on the ICR must be received on or before May 13, 2016.

ADDRESSES: Submit your comments to *Information.CollectionClearance@hhs.gov* or by calling (202) 690–6162.

FOR FURTHER INFORMATION CONTACT: Information Collection Clearance staff, *Information.CollectionClearance@hhs.gov* or (202) 690–6162.

SUPPLEMENTARY INFORMATION: When submitting comments or requesting information, please include the document identifier HHS–OS–0990–new–60D for reference.

Information Collection Request Title: Sustainability study of federally-funded programs designed to prevent or delay teen pregnancy (TPP Sustainability Study).

Abstract: The Office of Adolescent Health (OAH), U.S. Department of Health and Human Services (HHS) is requesting approval by OMB on a new collection. The TPP Sustainability Study is a key piece of OAH's broad and ongoing effort to comprehensively evaluate all of its teen pregnancy prevention funding efforts which consist of: (1) The Teen Pregnancy Prevention Program (TPP); the (2) Pregnancy Assistance Fund (PAF); and the Communitywide program funded through OAH and the Centers for Disease Control (CDC).

The proposed information request includes instruments that will collect data on: (1) Whether and how federally-funded programs have been sustained; (2) factors affecting program sustainability; (3) methods and strategies employed by grantees to sustain programs; (4) support and technical assistance that grantees received related to sustaining the programs; and (5) key lessons learned based on the outcomes of these efforts. The data will be analyzed and incorporated into study deliverables that clearly describe grantees' sustainability efforts for all audiences and highlight key challenges, successes, and lessons learned for future funding and program implementation.

The data will be used for the study team to identify key factors in program sustainability, the strategies that either worked or did not work in sustaining programs over time, and the types of support and assistance grantees required in order to sustain programs. Collecting this data is crucial to closing an existing gap in OAH knowledge about how to support the sustainability efforts of current and future grantees, including the 2015–2020 TPP grantee cohort and the 2013–2016 PAF cohort.

Likely Respondents: Program administrators at 117 grantee organizations.

TOTAL ESTIMATED ANNUALIZED BURDEN—HOURS

Form name	Number of respondents	Number of responses per respondent	Average burden per response (in hours)	Total burden hours
Grantee Survey	39	1	0.41	16.0
In-Depth Interview Master Topic Guide	17	2	1.5	51.0
Total	56			66.0

OS specifically requests comments on (1) the necessity and utility of the proposed information collection for the proper performance of the agency's functions, (2) the accuracy of the estimated burden, (3) ways to enhance the quality, utility, and clarity of the information to be collected, and (4) the use of automated collection techniques or other forms of information technology to minimize the information collection burden.

Terry S. Clark,

Asst Collection Clearance Officer.

[FR Doc. 2016–05603 Filed 3–11–16; 8:45 am]

BILLING CODE 4168–11–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Indian Health Service

Office of Urban Indian Health Programs; 4-in-1 Grant Programs; Announcement Type: New and Competing Continuation Funding Announcement Number: HHS–2016–IHS–UIHP2–0001; Catalogue of Federal Domestic Assistance Number: 93.193

Key Dates

Application Deadline Date: May 15, 2016.

Review Period: May 23, 2016–May 27, 2016.

Earliest Anticipated Start Date: June 1, 2016.

I. Funding Opportunity Description

Statutory Authority

The Indian Health Service (IHS) is accepting competitive grant applications for the FY 2016 4-in-1 Title V Programs. This program is authorized under the Snyder Act, 25 U.S.C. 13, Public Law 67–85, and Title V of the Indian Health Care Improvement Act (IHCIA), Public Law 94–437, as amended, specifically the provisions codified at 25 U.S.C. 1652, 1653, and 1660a. This program is described in the Catalog of Federal

Domestic Assistance (CFDA) under 93.193.

Background

Prior to the 1950's, most American Indians and Alaska Natives (AI/ANs) resided on reservations, in nearby rural towns, or in Tribal jurisdictional areas such as Oklahoma. In the era of the 1950's and 1960's, the Federal Government passed legislation to terminate its legal obligations to the Indian Tribes, resulting in policies and programs to assimilate Indian people into the mainstream of American society. This philosophy produced the Bureau of Indian Affairs (BIA) Relocation/Employment Assistance Programs (BIA Relocation) which enticed Indian families living on impoverished Indian Reservations to ''relocate'' to various cities across the country, *i.e.,* San Francisco, Los Angeles, Chicago, Salt Lake City, Phoenix, etc. BIA Relocation offered job training and placement, and was viewed by Indians as a way to escape poverty on the reservation. Health care was usually provided for six months through the private sector, unless the family was relocated to a city near a reservation with an IHS facility service area, such as Rapid City, Phoenix, and Albuquerque. Eligibility for IHS was not forfeited due to Federal Government relocation.

The American Indian and Policy Review Commission found that in the 1950's and 1960's, the BIA relocated over 160,000 AI/ANs to selected urban centers across the country. Today, over 61 percent of all AI/ANs identified in the 2010 census reside off-reservation.

In the late 1960's, urban Indian community leaders began advocating at the local, State and Federal levels for culturally appropriate health programs addressing the unique social, cultural and health needs of AI/ANs residing in urban settings. These community-based grassroots efforts resulted in programs targeting health and outreach services to the urban Indian community. Programs that were developed at that time were in many cases staffed by volunteers, offering outreach and referral-type services, and maintaining programs in storefront settings with limited budgets and primary care services.

In response to efforts of the urban Indian community leaders in the 1960's, Congress appropriated funds in 1966, through the IHS, for a pilot urban clinic in Rapid City. In 1973, Congress appropriated funds to study the unmet urban Indian health needs in Minneapolis. The findings of this study documented cultural, economic, and access barriers to health care for urban Indian clinics in several BIA relocation cities, *i.e.,* Seattle, San Francisco, Tulsa, and Dallas.

The awareness of poor health status of all Indian people continued to grow, and in 1976, Congress passed the Indian Health Care Improvement Act (IHCIA), Public Law 94–437, establishing the urban Indian health program under Title V. Congress reauthorized the IHCIA in 2010 under Public Law 111–148 (2010). This law is considered health care reform legislation to improve the health and well-being of all AI/ANs, including urban Indians. Title V specific funding is authorized for the development of programs for AI/ANs residing in urban areas. Since passage of this legislation, amendments to Title V provided resources to and expanded urban Indian health programs in the areas of direct medical services, alcohol services, mental health services, human immunodeficiency virus (HIV) services, and health promotion—disease prevention services.

Purpose

This grant announcement seeks to ensure the highest possible health status for AI/ANs. Funding will be used to promote urban Indian organizations' successful implementation of the priorities of the IHS Strategic Plan 2006–2011. Additionally, funding will be utilized to meet objectives for Government Performance Results Act/Government Performance and Results Modernization Act (GPRA/GPRAMA) reporting, collaborative activities with the Veterans Health Administration, and four health programs that make health services more accessible to AI/ANs living in urban areas. The four health services programs are: (1) Health Promotion/Disease Prevention (HP/DP) services, (2) Immunizations, and Behavioral Health Services consisting of (3) Alcohol/Substance Abuse services, and (4) Mental Health Prevention and Treatment services. These programs are integral components of the IHS improvement in patient care initiative and the strategic objectives focused on improving safety, quality, affordability, and accessibility of health care.

II. Award Information

Type of Awards

Grants.

Estimated Funds Available

The total amount of funding identified for the current fiscal year (FY) 2016 is approximately $8,300,000. Individual award amounts are anticipated to be between $149,950 and $634,222. The amount of funding available for competing and continuation awards issued under this announcement are subject to the availability of appropriations and budgetary priorities of the Agency. The IHS is under no obligation to make awards that are selected for funding under this announcement.

Anticipated Number of Awards

Approximately 34 grants will be issued under this program announcement.

Project Period

The project period is for three years and will run consecutively from April 1, 2016–March 31, 2019.

III. Eligibility Information

1. Eligibility

To be eligible to apply for this New/Competing Continuation grant under this announcement, applicants must have a Title V IHCIA contract with the IHS in place as defined by 25 U.S.C. 1653(c)–(e), 1660a. Urban Indian organizations are defined by 25 U.S.C. 1603(29) as a non-profit corporate body situated in an urban center, governed by an urban Indian controlled board of directors, and providing for the maximum participation of all interested Indian groups and individuals, which body is capable of legally cooperating with other public and private entities for the purpose of performing the activities described in 25 U.S.C. 1653(a).

Current UIHP 4-in-1 grantees are eligible to apply for competing continuation funding under this announcement and must demonstrate that they have complied with previous terms and conditions of the UIHP 4-in-1 grant in order to receive funding under this announcement. All prior 4-in-1 awardees from the grant segment ending in FY 2015, are required to complete and submit their FY 2016 applications based on the funding amounts received in FY 2015.

Note: Please refer to Section IV.2 (Application and Submission Information/Subsection 2, Content and Form of Application Submission) for additional proof of applicant status documents required such as Tribal resolutions, proof of non-profit status, etc.

2. Cost Sharing or Matching

IHS does not require matching funds or cost sharing for grants or cooperative agreements.

3. Other Requirements

If the application budget exceeds the highest dollar amount outlined under

the ''Estimated Funds Available'' section within this funding announcement, the application will be considered ineligible and will not be reviewed for further consideration. If deemed ineligible, IHS will not return the application. The applicant will be notified by email by the Division of Grants Management (DGM) of this decision.

Proof of Non-Profit Status

Organizations claiming non-profit status must submit proof. A copy of the 501(c)(3) Certificate must be received with the application submission by the Application Deadline Date listed under the Key Dates section on page one of this announcement.

An applicant submitting any of the above additional documentation after the initial application submission due date is required to ensure the information was received by the IHS by obtaining documentation confirming delivery (*i.e.* FedEx tracking, postal return receipt, etc.).

IV. Application and Submission Information

1. Obtaining Application Materials

The application package and detailed instructions for this announcement can be found at Grants.gov (*www.grants.gov*) or *http://www.ihs.gov/dgm/funding/.*

Questions regarding the electronic application process may be directed to Mr. Paul Gettys at (301) 443–2114 or (301) 443–5204.

2. Content and Form of Application Submission

The application must include the project narrative as an attachment to the application package. Mandatory documents for all applications include:

- Table of contents.
- Abstract (one page) summarizing the key project information.
- Application forms:
  - SF–424, Application for Federal Assistance.
  - SF–424A, Budget Information—Non-Construction Programs.
  - SF–424B, Assurances—Non-Construction Programs.
- Budget Justification and Narrative (must be single-spaced and not exceed five pages).
- Project Narrative (must be single-spaced and not exceed twenty-five pages).
  - Background information on the organization.
  - Proposed scope of work, objectives, and activities that provide a description of what will be accomplished, including a one-page Timeframe Chart.
- 501(c)(3) Certificate.
- Biographical sketches for all Key Personnel.
- Contractor/Consultant resumes or qualifications and scope of work.
- Disclosure of Lobbying Activities (SF–LLL).
- Certification Regarding Lobbying (GG-Lobbying Form).
- Copy of current Negotiated Indirect Cost rate (IDC) agreement (required) in order to receive IDC.
- Organizational Chart (optional).
- Documentation of current Office of Management and Budget (OMB) A–133 or other required Financial Audit (if applicable).

Acceptable forms of documentation include:

- Email confirmation from Federal Audit Clearinghouse (FAC) that audits were submitted; or
- Face sheets from audit reports. These can be found on the FAC Web site: *http://harvester.census.gov/sac/dissem/accessoptions.html?submit=Go+To+Database*.

Public Policy Requirements

All Federal wide public policies apply to IHS grants with exception of the Discrimination policy.

Requirements for Project and Budget Narratives

A. Project Narrative: The project narrative should be a separate Word document that is no longer than 25 pages and must: Be single-spaced, be type-written, have consecutively numbered pages, use black type not smaller than 12 characters per one inch, and be printed on one side only of standard size 8½ × 11 paper.

Be sure to succinctly address and answer all questions listed under the narrative and place them under the evaluation criteria (refer to Section V.1, Evaluation criteria in this announcement) and place all responses and required information in the correct section (noted below), or they shall not be considered or scored. These narratives will assist the Objective Review Committee (ORC) in becoming familiar with the applicant's activities and accomplishments prior to this grant award. If the narrative exceeds the page limit, only the first 25 pages will be reviewed. The 25-page limit for the narrative does not include the table of contents, abstract, standard forms, budget justification narrative, and/or other appendix items.

There are three parts to the narrative: Part A—Program Information; Part B—Program Planning and Evaluation; and Part C—Program Report. See below for additional details about what must be included in the narrative.

Part A: Program Information (3 Page Limitation)

Section 1: Needs

Describe how the urban Indian organization has expertise and administrative infrastructure to support activities of the 4-in-1 grant requirements.

Part B: Program Planning and Evaluation (18 Page Limitation)

Section 1: Program Plans

Describe fully and clearly how the urban Indian organization plans to address the four health service programs, including HP/DP, immunization, alcohol/substance abuse, and mental health.

Section 2: Program Evaluation

Describe the urban Indian organization evaluation plan including how the applicant will link program performance/services to budget expenditures.

Part C: Program Report (4 Page Limitation)

Section 1: Describe Major Accomplishments for the Last Twelve Months

Section 2: Describe Major Activities Planned for the First 12 Months

B. Budget Narrative: This narrative must include a line item budget with a narrative justification for all expenditures identifying reasonable and allowable costs necessary to accomplish the goals and objectives as outlined in the project narrative. Budget should match the scope of work described in the project narrative. The budget narrative should not exceed five pages.

3. Submission Dates and Times

Applications must be submitted electronically through Grants.gov by 11:59 p.m. Eastern Daylight Time (EDT) on the Application Deadline Date listed in the Key Dates section on page one of this announcement. Any application received after the application deadline will not be accepted for processing, nor will it be given further consideration for funding. Grants.gov will notify the applicant via email if the application is rejected.

If technical challenges arise and assistance is required with the electronic application process, contact Grants.gov Customer Support via email to *support@grants.gov* or at (800) 518–4726. Customer Support is available to address questions 24 hours a day, 7 days a week (except on Federal holidays). If problems persist, contact Mr. Paul Gettys (*Paul.Gettys@ihs.gov*), DGM

Grant Systems Coordinator, by telephone at (301) 443–2114 or (301) 443–5204. Please be sure to contact Mr. Gettys at least ten days prior to the application deadline. Please do not contact the DGM until you have received a Grants.gov tracking number. In the event you are not able to obtain a tracking number, call the DGM as soon as possible.

If the applicant needs to submit a paper application instead of submitting electronically through Grants.gov, a waiver must be requested. Prior approval must be requested and obtained from Mr. Robert Tarwater, Director, DGM (see Section IV.6 below for additional information). The waiver must: (1) Be documented in writing (emails are acceptable), *before* submitting a paper application, and (2) include clear justification for the need to deviate from the required electronic grants submission process. A written waiver request must be sent to *GrantsPolicy@ihs.gov* with a copy to *Robert.Tarwater@ihs.gov*. Once the waiver request has been approved, the applicant will receive a confirmation of approved email containing submission instructions and the mailing address to submit the application. A copy of the written approval *must* be submitted along with the hardcopy of the application that is mailed to DGM. Paper applications that are submitted without a copy of the signed waiver from the Senior Policy Analyst of the DGM will not be reviewed or considered for funding. The applicant will be notified via email of this decision by the Grants Management Officer of the DGM. Paper applications must be received by the DGM no later than 5:00 p.m., EDT, on the Application Deadline Date listed in the Key Dates section on page one of this announcement. Late applications will not be accepted for processing or considered for funding.

4. Intergovernmental Review

Executive Order 12372 requiring intergovernmental review is not applicable to this program.

5. Funding Restrictions

- Pre-award costs are not allowed.
- The available funds are inclusive of direct and appropriate indirect costs.
- Only one grant/cooperative agreement will be awarded per applicant.
- IHS will not acknowledge receipt of applications.

6. Electronic Submission Requirements

All applications must be submitted electronically. Please use the *http://www.Grants.gov* Web site to submit an application electronically and select the ''Find Grant Opportunities'' link on the homepage. Download a copy of the application package, complete it offline, and then upload and submit the completed application via the *http://www.Grants.gov* Web site. Electronic copies of the application may not be submitted as attachments to email messages addressed to IHS employees or offices.

If the applicant receives a waiver to submit paper application documents, they must follow the rules and timelines that are noted below. The applicant must seek assistance at least ten days prior to the Application Deadline Date listed in the Key Dates section on page one of this announcement.

Applicants that do not adhere to the timelines for System for Award Management (SAM) and/or *http://www.Grants.gov* registration or that fail to request timely assistance with technical issues will not be considered for a waiver to submit a paper application.

Please be aware of the following:

- Please search for the application package in *http://www.Grants.gov* by entering the CFDA number of the Funding Opportunity Number. Both numbers are located in the header of this announcement.
- If you experience technical challenges while submitting your application electronically, please contact Grants.gov Support directly at: *support@grants.gov* or (800) 518–4726. Customer Support is available to address questions 24 hours a day, 7 days a week (except on Federal holidays).
- Upon contacting Grants.gov, obtain a tracking number as proof of contact. The tracking number is helpful is there are technical issues that cannot be resolved and a waiver from the agency must be obtained.
- If it is determined that a waiver is needed, the applicant must submit a request in writing (emails are acceptable) to *GrantsPolicy@ihs.gov* with a copy to *Robert.Tarwater@ihs.gov*. Please include a clear justification for the need to deviate from the standard electronic submission process.
- If the waiver is approved, the application should be sent directly to the DGM by the Application Deadline Date listed in the Key Dates section on page one of this announcement.
- Applicants are strongly encouraged not to wait until the deadline date to begin the application process through Grants.gov as the registration process for SAM and Grants.gov could take up to fifteen working days.
- Please use the optional attachment feature in Grants.gov to attach additional documentation that may be requested by the DGM.
- All applicants must comply with any page limitation requirements described in this funding announcement.
- After electronically submitting the application, the applicant will receive an automatic acknowledgement from Grants.gov that contains a Grants.gov tracking number. The DGM will download the application from Grants.gov and provide necessary copies to the appropriate agency officials. Neither the DGM nor the Office of Urban Indian Health Programs will notify the applicant that the application has been received.
- Email applications will not be accepted under this announcement.

Dun and Bradstreet (D&B) Data Universal Numbering System (DUNS)

All IHS applicants and grantee organizations are required to obtain a DUNS number and maintain an active registration in the SAM database. The DUNS number is a unique 9-digit identification number provided by D&B which uniquely identifies each entity. The DUNS number is site specific; therefore, each distinct performance site may be assigned a DUNS number. Obtaining a DUNS number is easy, and there is no charge. To obtain a DUNS number, please access it through *http://fedgov.dnb.com/webform,* or to expedite the process, call (866) 705–5711.

All Department of Health and Human Services recipients are required by the Federal Funding Accountability and Transparency Act of 2006, as amended (''Transparency Act''), to report information on sub-awards. Accordingly, all IHS grantees must notify potential first-tier sub-recipients that no entity may receive a first-tier sub-award unless the entity has provided its DUNS number to the prime grantee organization. This requirement ensures the use of a universal identifier to enhance the quality of information available to the public pursuant to the Transparency Act.

System for Award Management (SAM)

Organizations that were not registered with Central Contractor Registration and have not registered with SAM will need to obtain a DUNS number first and then access the SAM online registration through the SAM home page at *https://www.sam.gov* (U.S. organizations will also need to provide an Employer Identification Number from the Internal Revenue Service that may take an additional 2–5 weeks to become active). Completing and

submitting the registration takes approximately one hour to complete and SAM registration will take 3–5 business days to process. Registration with the SAM is free of charge. Applicants may register online at *https://www.sam.gov.*

Additional information on implementing the Transparency Act, including the specific requirements for DUNS and SAM, can be found on the IHS Grants Management, Grants Policy Web site: *http://www.ihs.gov/dgm/policytopics/.*

V. Application Review Information

The instructions for preparing the application narrative also constitute the evaluation criteria for reviewing and scoring the application. Weights assigned to each section are noted in parentheses. The 25 page narrative should include only the first year activities; information for multi-year projects should be included as an appendix. See ''Multi-year Project Requirements'' at the end of this section for more information. The narrative should be written in a manner that is clear to outside reviewers unfamiliar with prior related activities of the applicant. It should be well organized, succinct, and contain all information necessary for reviewers to understand the project fully. Points will be assigned to each evaluation criteria adding up to a total of 100 points. A minimum score of 60 points is required for funding. Points are assigned as follows:

1. Criteria

The narrative should address program progress for the first 12 months.

A. Introduction and Need for Assistance (30 Points)

1. Facility Capability

Urban Indian programs provide health care services within the context of IHS Strategic Plan and four IHS priorities.

Describe the UIHP: (1) Accomplishments over the past twelve months, and (2) define activities planned for the 2016 budget period in each of the following areas:

a. IHS Priorities for American Indian/Alaska Native Health Care. Current governmental trends and environmental issues impact AI/ANs residing in urban locations and require clear and consistent support by the Title V funded UIHP. The IHS Web site is *http://www.ihs.gov.*

(1) Renew and strengthen our partnerships with Tribes and urban Indian health programs: The UIHPs have a hybrid relationship with the IHS. With the passage of Pubic Law 111–148, the Indian Health Care Improvement Act was made permanent.

• Identify what the UIHP is doing to strengthen its partnerships with Tribes and other urban Indian health programs.

a. Major accomplishments over the last twelve months.

b. Activities planned for the first 12 months, including information on how results are shared with the community.

(2) Improve the IHS: In order to support health care improvement, it must be demonstrated there is a willingness to change and improve, *i.e.,* in human resources and business practices.

• Describe activities the UIHP is taking to ensure health care improvement is being applied.

a. Major accomplishments over the last twelve months.

b. Activities planned for the first 12 months.

(3) Improve the quality of and access to care: Customer service is the key to quality care. Treating patients well is the first step to improving quality and access. This area also incorporates best practices in customer service.

• Identify activities that demonstrate the UIHP improving quality of and access to care.

a. Major accomplishments over the last twelve months.

b. Activities planned for the first 12 months.

(4) Ensure that our work is transparent, accountable, fair, and inclusive: Quality health care needs to be transparent, with all parties held accountable for that care. Accountability for services is emphasized.

• Describe activities that demonstrate how this is implemented in the UIHP program.

a. Major accomplishments over the last twelve months.

b. Activities planned for the first 12 months.

b. GPRA Reporting

All UIHPs report on IHS GPRA/GPRAMA clinical performance measures. This is required of both urban facilities using the Resource and Patient Management System (RPMS) and facilities not using RPMS. RPMS users must use the Clinical Reporting System (CRS) for reporting. Non-RPMS users must perform a 100% audit of all records and report results on an Excel template provided by the National GPRA Support Team (NGST) as per the quarterly reporting instructions distributed by the NGST. Questions related to GPRA reporting may be directed to the IHS Area Office GPRA Coordinator or the National GPRA Support Team at *caogpra@ihs.gov.*

The current GPRA Reporting Period is July 1, 2015 through June 30, 2016. GPRA reports are due for the 2nd, 3rd, and 4th quarters, which end on December 31, March 31, and June 30, respectively. Each report is cumulative, and must include data starting from July 1st of the current GPRA year.

GPRA measures to report for FY2016 include 20 clinical measures and one non-clinical measure.

FY 2016 Clinical GPRA/GPRAMA Measures

1. Diabetes DX Ever (no target, used for context only).
2. Documented A1c (no target, used for context only).
3. Diabetes: Good Glycemic Control (GPRAMA measure).
4. Diabetes: Controlled Blood Pressure.
5. Diabetes: Statin Therapy to Reduce CVD Risk in Patients with Diabetes.
6. Diabetes: Nephropathy Assessment.
7. Influenza Vaccination Rates Among Children 6 months to 17 years.
8. Influenza Vaccination Rates Among Adults 18+.
9. Pneumococcal Immunization 65+.
10. Childhood Immunizations (GPRAMA).
11. Pap Screening Rates.
12. Mammography Screening Rates.
13. Colorectal Cancer Screening Rates.
14. Tobacco Cessation.
15. Alcohol Screening (FAS Prevention).
16. Domestic Violence/Intimate Partner Violence Screening.
17. Depression Screening (GPRAMA).
18. HIV Screening.
19. Breastfeeding Rates.
20. Childhood Weight Control (long-term measures, result will be reported in FY2016).

FY 2016 NON CLINICAL GPRA/GPRAMA MEASURE

1. Suicide Surveillance (RPMS Programs only).

FY 2016 measure targets are attached. Note that since 2013, urban measure targets are the same as the targets for Tribal and Federal health programs.

1. The following GPRAMA measures should be prioritized for target achievement: Good Glycemic Control, Childhood Immunizations and Depression Screening. Briefly describe the steps/activities you will take to ensure your program meets the FY 2016 target rates for these measures.

2. Describe at least two actions you will complete to meet the FY 2016 GPRA/GPRAMA performance targets. A Performance Improvement Toolbox with information on clinical GPRA measures, screening tools, and guidelines is

available on the CRS Web site at: *http://www.ihs.gov/crs/toolbox/http://www.ihs.gov/crs/index.cfm?module=crs_performance_improvement_toolbox.*

3. GPRA Behavioral Health performance measures include Alcohol Screening (to prevent Fetal Alcohol Syndrome), Domestic (Intimate Partner) Violence Screening and Depression Screening (for adults over age 18). Describe actions you will take to improve 2015–2016 desired behavioral health performance outcomes/results.

4. Document your ability to collect and report on the required performance measures to meet GPRA requirements. Include information about your health information technology system.

c. Schedule of Charges and Maximization of Third Party Payments

1. Describe the UIHP established schedule of charges and consistency with local prevailing rates.

• If the UIHP is not currently billing for billable services, describe the process the UIHP will take to begin third party billing to maximize collections.

2. Describe how reimbursement is maximized from Medicare, Medicaid, State Children's Health Insurance Program, private insurance, etc.

3. Describe how the UIHP achieves cost effectiveness in its billing operations with a brief description of the following:

a. Establishes appropriate eligibility determination.

b. Reviews/updates and implements up-to-date billing and collection practices.

c. Updates insurance at every visit.

d. Maintains procedures to evaluate necessity of services.

e. Identifies and describes financial information systems used to track, analyze and report on the program's financial status by revenue generation, by source, aged accounts receivable, provider productivity, and encounters by payor category.

f. Indicates the date the UIHP last reviewed and updated its Billing Policies and Procedures.

B. Program Narratives and Work Plans (40 Points)

A program narrative and a program specific work plan are required for each health services program: (1) HD/DP, (2) Immunizations, (3) Alcohol/Substance Abuse, and (4) Mental Health. Title V of the IHCIA, Public Law 94–437, as amended, identifies eligibility for health services as follows.

Each grantee shall provide health care services to eligible urban Indians living within the urban service area. An ''Urban Indian'' eligible for services, as codified at 25 U.S.C. 1603(13), (27), and (28), includes any individual who:

1. Resides in an urban center, which is any community that has a sufficient urban Indian population with unmet health needs to warrant assistance under the IHCIA, as determined by the Secretary, HHS; and who

2. Meets one or more of the following criteria:

a. Irrespective of whether he or she lives on or near a reservation, is a member of a Tribe, band, or other organized group of Indians, including:

i. Those Tribes, bands, or groups terminated since 1940, and

ii. those recognized now or in the future by the State in which they reside, or

b. Is a descendant, in the first or second degree, of any such member described in a.; or

c. Is an Eskimo or Aleut or other Alaska Native; or

d. Is a California Indian; [1] or

e. Is considered by the Secretary of the Department of the Interior to be an Indian for any purpose; or

f. Is determined to be an Indian under regulations pertaining to the Urban Indian Health Program that are promulgated by the Secretary, HHS.

Each grantee is responsible for taking reasonable steps to confirm that the individual is eligible for IHS services as an urban Indian.

1. HP/DP

Contact your IHS Area Office HP/DP Coordinator to discuss and identify effective and innovative strategies to promote health and enhance prevention efforts to address chronic diseases and conditions. Identify one or more of the strategies you will conduct during the first 12 months.

a. Applicants are encouraged to use evidence-based and promising strategies which can be found at the IHS best practice database *httpp://www.ihs.gov/hpdp/,* the National Registry for Effective Programs at *http://www.nrepp.samhsa.gov/,* and the Guide to Community Preventive Services at *http://www.thecommunityguide.org/about/conclusionreport.html.*

b. Program Narrative. Provide a brief description of the collaboration activities that: (1) Were accomplished over the last 10 months, and (2) are planned and will be conducted between your UIHP and the IHS Area Office HP/DP Coordinator during the budget period April 1, 2016 through March 31, 2017.

c. An example of an HP/DP work plan is provided on the following pages. Develop and attach a copy of the UIHP HP/DP Work Plan for the first 12 months.

2. IMMUNIZATION SERVICES

a. Program Management Required Activities

i. Provide assurance that your facility is participating in the Vaccines for Children program.

ii. Provide assurance that your facility has look up capability with State/regional immunization registry (where applicable). Contact Cecile Town at *cecile.town@ihs.gov,* IHS Immunization Data Exchange Coordinator, for more information.

b. Service Delivery Required Activities—For Sites Using RPMS

i. Provide trainings to providers and data entry clerks on the RPMS Immunization package.

ii. Establish process for immunization data entry into RPMS (*e.g.,* point of service or through regular data entry).

iii. Utilize RPMS Immunization package to identify 3–27 month old children who are not up to date and generate reminder/recall letters.

c. Immunization Coverage Assessment Required Activities

i. Submit quarterly immunization reports to Area Immunization Coordinator for the 3–27 month old, Two year old and Adolescent, Influenza and Adult reports. Sites not using the RPMS Immunization package should submit a Two Year old immunization coverage report—an Excel spreadsheet with the required data elements that can be found under the ''Report Forms for non-RPMS sites'' section at: *http://www.ihs.gov/epi/index.cfm?module=epi_vaccine_reports.*

d. Program Evaluation Required Activities

i. Report coverage with the 4313314* vaccine series for children 19–35 months old.

ii. Report coverage for patients (6 months and older) who received at least one dose of seasonal flu vaccine during flu season.

iii. Report coverage for children 6 months–17 years and adults 18 years and older who received at least one dose

[1] Consistent with 25 U.S.C. 1603(3), (13), (28), and 1679, eligibility of California Indians may be demonstrated by documentation that the individual:

(1) Is a descendant of an Indian who was residing in the State of California on June 1, 1852;

(2) Holds trust interests in public domain, national forest, or Indian reservation allotments; or

(3) Is listed on the plans for distribution of assets of California Rancherias and reservations under the Act of August 18, 1958 (72 Stat. 619), or is the descendant of such an individual.

of seasonal flu vaccine during flu season.

iv. Report coverage with at least one dose of pneumococcal vaccine for adults 65 years and older.

v. Establish baseline coverage on adult vaccines, specifically: 1 dose of Tdap for adults 19 years and older; 1 dose of HPV for females 19–26 years old; 3 doses HPV for females 19–26 years; 1 dose of HPV for males 19–21 years old; 3 doses HPV for males 19–21 years; and 1 dose of Zoster for patients 60+ years.

* The 4:3:1:3:3:1:4 vaccine series is defined as: 4 doses diphtheria and tetanus toxoids and pertussis vaccine, diphtheria and tetanus toxoids, or diphtheria and tetanus toxoids and any pertussis vaccine, 3 doses of oral or inactivated polio vaccine, 1 dose of measles, mumps, and rubella vaccine, 3 or 4 doses of *Haemophilus influenzae* type b vaccine depending on brand, 3 doses of hepatitis B vaccine, 1 dose of varicella vaccine, and 4 doses of pneumococcal conjugate vaccine (PCV).

3. ALCOHOL/SUBSTANCE ABUSE

a. Program Progress Report or Results/Outcomes for the past 10 months.

i. Briefly address the extent to which the program was able to achieve its objectives over the last 10 months.

ii. Identify Specific Program Services Outcomes/Results:

1. State the number of patient encounters (or specific service) per provider staff for this program service,

2. List populations and age groups that were targeted (homeless, women, children, adolescent, elderly, men, special needs, etc.), and

3. Identify specific outcomes/results that were measured in addition to the number of patient encounters/staff.

b. Narrative Description of Program Services for the first 12 months.

i. Program Objectives

1. Clearly state the outcomes of the health service.

2. Define needs related outcomes of the program health care service.

3. Define who is going to do what, when, how much, and how you will measure it.

4. Define the population to be served and provide specific numbers regarding the number of eligible clients for whom services will be provided.

5. State the time by which the objectives will be met.

6. Describe objectives in numerical terms—specify the number of clients that will receive services.

7. Describe how achievement of the goals will produce meaningful and relevant results (*e.g.,* increase access, availability, prevention, outreach, pre-services, treatment, and/or intervention).

8. Provide a one-year work plan that will include the primary objectives, services or program, target population, process measures, outcome measures, and data source for measures (see work plan sample in Appendix 2).

a. Identify Services Provided: Primary Residential; Detox; Halfway House; Counseling; Outreach and Referral; and Other (Specify)

b. Number of beds: Residential ___, Detox___; or Half way House ___.

c. Average monthly utilization for the past year.

d. Identify Program Type: Integrated Behavioral Health; Alcohol and Substance Abuse only; Stand Alone; or part of a health center or medical establishment.

9. Address methamphetamine-related contacts.

a. Identify the documented number of patient contacts during the past twelve months, and estimate the number patient contacts during the first 12 months..

b. Describe your formal methamphetamine prevention and education program efforts to reduce the prevalence of methamphetamine abuse related problems through increased outreach, education, prevention and treatment of methamphetamine-related issues.

c. Describe collaborative programming with other agencies to coordinate medical, social, educational, and legal efforts.

ii. Program Activities

1. Clearly describe the program activities or steps that will be taken to achieve the desired outcomes/results. Describe who will provide (program, staff) what services (modality, type, intensity, duration), to whom (individual characteristics), and in what context (system, community).

2. State reasons for selection of activities.

3. Describe sequence of activities.

4. Describe program staffing in relation to number of clients to be served.

5. Identify number of Full Time Equivalents (FTEs) proposed and adequacy of this number:

a. Percentage of FTEs funded by IHS grant funding; and

b. Describe clients and client selection.

6. Address the comprehensive nature of services offered in this program service area.

7. Describe and support any unusual features of the program services, or extraordinary social and community involvement.

8. Present a reasonable scope of activities that can be accomplished within the time allotted for program and program resources.

iii. Accreditation and Practice Model

1. Name of program accreditation.

2. Type of evidence-based practice.

3. Type of practice-based model.

iv. Attach the Alcohol/Substance Abuse Work Plan.

4. BEHAVIORAL HEALTH SERVICES

a. Program Progress Report or Results/Outcomes for the past twelve months.

i. Briefly address the extent to which the program was able to achieve its objectives over the past twelve months.

ii. Identify Specific Program Services Outcomes/Results:

1. State the number of patient encounters (or specific service) per provider staff for this program service,

2. List populations and age groups that were targeted (homeless, women, children, adolescent, elderly, men, special needs, etc.), and

3. Identify specific outcomes/results that were measured in addition to the number of patient encounters/staff.

b. Narrative Description of Program Services for April 1, 2016—March 31, 2017.

i. Program Objectives

1. Clearly state the outcomes of the health service.

2. Define needs related outcomes of the program health care service.

3. Define who is going to do what, when, how much, and how you will measure it.

4. Define the population to be served and provide specific numbers regarding the number of eligible clients for whom services will be provided.

5. State the time by which the objectives will be met.

6. Describe objectives in numerical terms—specify the number of clients that will receive services.

7. Describe how achievement of the goals will produce meaningful and relevant results (*e.g.,* increase access, availability, prevention, outreach, pre-services, treatment, and/or intervention).

8. Provide a one-year work plan that will include the primary objectives, services or program, target population, process measures, outcome measures, and data source for measures (see work plan sample in Appendix 2).

a. Identify Services Provided: Community Outreach, Prevention Initiatives Trainings, Court Ordered Evaluations (Adult and Juvenile),

Schools, Treatments, Domestic Violence Programs, Specific Groups, Crisis Lines, Child Protection Assistance, and Other (Specify).

b. Identify average monthly utilization for the past year.

c. Identify Program Type: Integrated Behavioral Health, independent agency, or part of a health center or medical establishment.

9. Address Behavioral Health related contacts.

a. Identify the documented number of patient contacts during the past twelve months and estimate the number patient contacts during the first 12 months.

b. Describe your formal behavioral health prevention and education program efforts to increase access to services, outreach, education, prevention and treatment of behavioral health related issues.

c. Describe collaborative programming with other agencies to coordinate medical, social, educational, and legal efforts.

ii. Program Activities

1. Clearly describe the program activities or steps that will be taken to achieve the desired outcomes/results. Describe who will provide (program, staff) what services (modality, type, intensity, duration), to whom (individual characteristics), and in what context (system, community).

2. State reasons for selection of activities.

3. Describe sequence of activities.

4. Describe program staffing in relation to number of clients to be served.

5. Identify number of FTEs proposed and adequacy of this number:

a. Percentage of FTEs funded by IHS grant funding; and

b. Describe clients and client selection.

6. Address the comprehensive nature of services offered in this program service area.

7. Describe and support any unusual features of the program services, or extraordinary social and community involvement.

8. Present a reasonable scope of activities that can be accomplished within the time allotted for program and program resources.

iii. Accreditation and Practice Model

1. Name of program accreditation.

2. Type of evidence-based practice.

3. Type of practice-based model.

iv. Attach the Behavioral Health Work Plan

C. Project Evaluation (15 Points)

1. Describe your evaluation plan. Provide a plan to determine the degree to which objectives are met and methods are followed.

2. Describe how you will link program performance/services to budget expenditures. Include a discussion of GPRA/GPRAMA Report Measures here.

3. Include the following program specific information:

a. Describe the expected feasibility and reasonable outcomes (*e.g.,* decreased drug use in those patients receiving services) and the means by which you determined these targets or results.

b. Identify dates of reviews by the internal staff to assess efficacy:

I. Assessment of staff adequacy.

II. Assessment of current position descriptions.

III. Assessment of impact on local community.

IV. Involvement of local community.

V. Adequacy of community/governance board.

VI. Ability to leverage IHS funding to obtain additional funding.

VII. Additional IHS grants obtained.

VIII. New initiatives planned for funding year.

IX. Customer satisfaction evaluations.

4. Describe your Quality Improvement Committee (QIC).

The UIHP QIC, a planned, organization-wide, interdisciplinary team, systematically improves program performance as a result of its findings regarding clinical, administrative and cost-of-care performance issues, and actual patient care outcomes including the FY 2015 GPRA report (results of care including safety of patients).

a. Identify the QIC membership, roles, functions, and frequency of meetings. Frequency of meeting shall be at least quarterly.

b. Describe how the results of the QIC reviews provide regular feedback to the program and community/governance board to improve services.

1. Accomplishments during the past twelve months.

2. Activities planned for the first 12 months.

c. Describe how your facility is integrating the care model into your health delivery structure:

1. Identify specific measures you are tracking as part of the Improving Patient Care (IPC) work.

2. Identify community members that are part of your IPC team.

3. Describe progress meeting your program's goals for the use of the IPC model within your healthcare delivery model.

D. Organizational Capabilities, Key Personnel and Qualifications (10 Points)

This section outlines the broader capacity of the organization to complete the project outlined in the continuation application and program specific work plans. This section includes the identification of personnel responsible for completing tasks and the chain of responsibility for successful completion of the project outlined in the work plans.

1. Describe the organizational structure with a current approved one page organizational chart that shows the board of directors, key personnel, and staffing. Key positions include the Chief Executive Officer or Executive Director, Chief Financial Officer, Medical Director, and Information Officer.

2. Describe the board of directors that is fully and legally responsible for operation and performance of the 501(c)(3) non-profit urban Indian organization:

a. List all current board members by name, sex, and Tribe or race/ethnicity,

b. Indicate their board office held,

c. Indicate their occupation or area of expertise,

d. Indicate if the board member uses the UIHP services,

e. Indicate if the board member lives in the health service area.

f. Indicate the number of years of continuous service.

g. Indicate number of hours of board of directors training provided, training dates and attach a copy of the board of directors training curriculum.

3. List key personnel who will work on the project.

a. Identify existing key personnel and new program staff to be hired.

b. For all new key personnel only include position descriptions and resumes in the appendix. Position descriptions should clearly describe each position and duties indicating desired qualifications, experience, and requirements related to the proposed project and how they will be supervised. Resumes must indicate that the proposed staff member is qualified to carry out the proposed project activities and who will determine if the work of a contractor is acceptable.

c. Identify who will be writing the progress reports.

d. Indicate the percentage of time to be allocated to this project and identify the resources used to fund the remainder of the individual's salary if personnel are to be only partially funded by this grant.

E. Categorical Budget and Budget Justification (5 Points)

This section should provide a clear estimate of the project program costs and justification for expenses for the first 12 months.. The budget and budget justification should be consistent with the tasks identified in the work plan.

1. Categorical Budget (Form SF 424A, Budget Information Non-Construction Programs) complete each of the budget periods requested.

a. Provide a narrative justification for all costs, explaining why each line item is necessary or relevant to the proposed project. Include sufficient details to facilitate the determination of cost allowability.

b. If indirect costs are claimed, indicate and apply the current negotiated rate to the budget. Include a copy of the current rate agreement in the appendix.

Multi-Year Project Requirements

Projects requiring a second and/or third year must include a brief project narrative and budget (one additional page per year) addressing the developmental plans for each additional year of the project.

Additional Documents Can Be Uploaded as Appendix Items in Grant.gov

- Work Plan, logic model and/or time line for proposed objectives.
- Position descriptions for key staff.
- Resumes of key staff that reflect current duties.
- Consultant or contractor proposed scope of work and letter of commitment (if applicable).
- Current Indirect Cost Agreement.
- Organizational chart.
- Map of area identifying project location(s).
- Additional documents to support narrative (*i.e.* data tables, key news articles, etc.).

2. Review and Selection

Each application will be prescreened by the DGM staff for eligibility and completeness as outlined in the funding announcement. Applications that meet the eligibility criteria shall be reviewed for merit by the ORC based on evaluation criteria in this funding announcement. The ORC could be composed of both Tribal and Federal reviewers appointed by the IHS Program to review and make recommendations on these applications. The technical review process ensures selection of quality projects in a national competition for limited funding. Incomplete applications and applications that are non-responsive to the eligibility criteria will not be referred to the ORC. The applicant will be notified via email of this decision by the Grants Management Officer of the DGM. Applicants will be notified by DGM, via email, to outline minor missing components (*i.e.,* budget narratives, audit documentation, key contact form) needed for an otherwise complete application. All missing documents must be sent to DGM on or before the due date listed in the email of notification of missing documents required.

To obtain a minimum score for funding by the ORC, applicants must address all program requirements and provide all required documentation.

VI. Award Administration Information

1. Award Notices

The Notice of Award (NoA) is a legally binding document signed by the Grants Management Officer and serves as the official notification of the grant award. The NoA will be initiated by the DGM in our grant system, GrantSolutions (*https://www.grantsolutions.gov*). Each entity that is approved for funding under this announcement will need to request or have a user account in GrantSolutions in order to retrieve their NoA. The NoA is the authorizing document for which funds are dispersed to the approved entities and reflects the amount of Federal funds awarded, the purpose of the grant, the terms and conditions of the award, the effective date of the award, and the budget/project period.

Disapproved Applicants

Applicants who received a score less than the recommended funding level for approval, 60 points, and were deemed to be disapproved by the ORC, will receive an Executive Summary Statement from the IHS program office within 30 days of the conclusion of the ORC outlining the strengths and weaknesses of their application submitted. The IHS program office will also provide additional contact information as needed to address questions and concerns as well as provide technical assistance if desired.

Approved But Unfunded Applicants

Approved but unfunded applicants that met the minimum scoring range and were deemed by the ORC to be ''Approved,'' but were not funded due to lack of funding, will have their applications held by DGM for a period of one year. If additional funding becomes available during the course of FY 2016, the approved, but unfunded, application may be re-considered by the awarding program office for possible funding. The applicant will also receive an Executive Summary Statement from the IHS program office within 30 days of the conclusion of the ORC.

Note: Any correspondence other than the official NoA signed by an IHS grants management official announcing to the project director that an award has been made to their organization is not an authorization to implement their program on behalf of IHS.

2. Administrative Requirements

Grants are administered in accordance with the following regulations, policies, and OMB cost principles:

A. The criteria as outlined in this program announcement.

B. Administrative Regulations for Grants:

- Uniform Administrative Requirements for HHS Awards, located at 45 CFR part 75.

C. Grants Policy:

- HHS Grants Policy Statement, Revised 01/07.

D. Cost Principles:

- Uniform Administrative Requirements for HHS Awards, ''Cost Principles,'' located at 45 CFR part 75, subpart E.

E. Audit Requirements:

- Uniform Administrative Requirements for HHS Awards, ''Audit Requirements,'' located at 45 CFR part 75, subpart F.

3. Indirect Costs

This section applies to all grant recipients that request reimbursement of indirect costs (IDC) in their grant application. In accordance with HHS Grants Policy Statement, Part II–27, IHS requires applicants to obtain a current IDC rate agreement prior to award. The rate agreement must be prepared in accordance with the applicable cost principles and guidance as provided by the cognizant agency or office. A current rate covers the applicable grant activities under the current award's budget period. If the current rate is not on file with the DGM at the time of award, the IDC portion of the budget will be restricted. The restrictions remain in place until the current rate is provided to the DGM.

Generally, IDC rates for IHS grantees are negotiated with the Division of Cost Allocation (DCA) *https://rates.psc.gov/* and the Department of Interior (Interior Business Center) *https://www.doi.gov/ibc/services/finance/indirect-Cost-Services/indian-tribes.* For questions regarding the indirect cost policy, please call the Grants Management Specialist listed under ''Agency Contacts'' or the main DGM office at (301) 443–5204.

4. Reporting Requirements

The grantee must submit required reports consistent with the applicable deadlines. Failure to submit required reports within the time allowed may result in suspension or termination of an active grant, withholding of

additional awards for the project, or other enforcement actions such as withholding of payments or converting to the reimbursement method of payment. Continued failure to submit required reports may result in one or both of the following: (1) The imposition of special award provisions; and (2) the non-funding or non-award of other eligible projects or activities. This requirement applies whether the delinquency is attributable to the failure of the grantee organization or the individual responsible for preparation of the reports. Per DGM policy, all reports are required to be submitted electronically by attaching them as a ''Grant Note'' in GrantSolutions. Personnel responsible for submitting reports will be required to obtain a login and password for GrantSolutions. Please see the Agency Contacts list in section VII for the systems contact information.

The reporting requirements for this program are noted below.

A. Progress Reports

Program progress reports are required semi-annually within 30 days after the budget period ends. These reports must include a brief comparison of actual accomplishments to the goals established for the period, a summary of progress to date or, if applicable, provide sound justification for the lack of progress, and other pertinent information as required. A final report must be submitted within 90 days of expiration of the budget/project period.

B. Financial Reports

Federal Financial Report FFR (SF–425), Cash Transaction Reports are due 30 days after the close of every calendar quarter to the Payment Management Services, HHS at: *http://www.dpm.psc.gov.* It is recommended that the applicant also send a copy of the FFR (SF–425) report to the grants management specialist. Failure to submit timely reports may cause a disruption in timely payments to the organization.

Grantees are responsible and accountable for accurate information being reported on all required reports: The Progress Reports and Federal Financial Report.

C. Federal Sub-Award Reporting System (FSRS)

This award may be subject to the Transparency Act sub-award and executive compensation reporting requirements of 2 CFR part 170.

The Transparency Act requires the OMB to establish a single searchable database, accessible to the public, with information on financial assistance awards made by Federal agencies. The Transparency Act also includes a requirement for recipients of Federal grants to report information about first-tier sub-awards and executive compensation under Federal assistance awards.

IHS has implemented a Term of Award into all IHS Standard Terms and Conditions, NoAs and funding announcements regarding the FSRS reporting requirement. This IHS Term of Award is applicable to all IHS grant and cooperative agreements issued on or after October 1, 2010, with a $25,000 sub-award obligation dollar threshold met for any specific reporting period. Additionally, all new (discretionary) IHS awards (where the project period is made up of more than one budget period) and where: (1) The project period start date was October 1, 2010 or after and (2) the primary awardee will have a $25,000 sub-award obligation dollar threshold during any specific reporting period will be required to address the FSRS reporting. For the full IHS award term implementing this requirement and additional award applicability information, visit the DGM Grants Policy Web site at: *http://www.ihs.gov/dgm/policytopics/.*

D. GPRA Report

GPRA reports are required for the 2nd, 3rd, and 4th quarters, ending on December 31, March 31, and June 30 of each year. These reports are submitted to the site's IHS Area GPRA Coordinator by the date listed on the GPRA/GPRAMA Quarterly Reporting Instructions that are distributed each quarter by the NGST, usually 3–4 weeks after the end of the quarter. RPMS users must use CRS to run a quarterly GPRA report. Non-RPMS users must follow the quarterly instructions issued by the NGST to perform a 100% audit of records, and use the Excel template provided with the quarterly instructions to report GPRA data.

E. Quarterly Immunization Report

Immunization reports are required quarterly. These reports are submitted to the IHS Area Immunization Coordinator.

F. Unmet Needs Report

An unmet needs report is required quarterly. These reports will include information gathered to: (1) Identify gaps between unmet health needs of urban Indians and the resources available to meet such needs; and (2) make recommendations to the Secretary and Federal, State, local, and other resource agencies on methods of improving health service programs to meet the needs of urban Indians.

G. Compliance With Executive Order 13166 Implementation of Services Accessibility Provisions for All Grant Application Packages and Funding Opportunity Announcements

Recipients of federal financial assistance (FFA) from HHS must administer their programs in compliance with federal civil rights law. This means that recipients of HHS funds must ensure equal access to their programs without regard to a person's race, color, national origin, disability, age and, in some circumstances, sex and religion. This includes ensuring your programs are accessible to persons with limited English proficiency. HHS provides guidance to recipients of FFA on meeting their legal obligation to take reasonable steps to provide meaningful access to their programs by persons with limited English proficiency. Please see *http://www.hhs.gov/civil-rights/for-individuals/special-topics/limited-english-proficiency/guidance-federal-financial-assistance-recipients-title-VI/.*

The HHS Office for Civil Rights also provides guidance on complying with civil rights laws enforced by HHS. Please see *http://www.hhs.gov/civil-rights/for-individuals/section-1557/index.html;* and *http://www.hhs.gov/civil-rights/index.html.* Recipients of FFA also have specific legal obligations for serving qualified individuals with disabilities. Please see *http://www.hhs.gov/civil-rights/for-individuals/disability/index.html.* Please contact the HHS Office for Civil Rights for more information about obligations and prohibitions under federal civil rights laws at *http://www.hhs.gov/civil-rights/for-individuals/disability/index.html* or call 1–800–368–1019 or TDD 1–800–537–7697. Also note it is an HHS Departmental goal to ensure access to quality, culturally competent care, including long-term services and supports, for vulnerable populations. For further guidance on providing culturally and linguistically appropriate services, recipients should review the National Standards for Culturally and Linguistically Appropriate Services in Health and Health Care at *http://minorityhealth.hhs.gov/omh/browse.aspx?lvl=2&lvlid=53.*

Pursuant to 45 CFR 80.3(d), an individual shall not be deemed subjected to discrimination by reason of his/her exclusion from benefits limited by federal law to individuals eligible for benefits and services from the Indian Health Service.

Recipients will be required to sign the HHS–690 Assurance of Compliance form which can be obtained from the following Web site: *http://www.hhs.gov/sites/default/files/forms/hhs-690.pdf,* and send it directly to the: U.S. Department of Health and Human Services, Office of Civil Rights, 200 Independence Ave. SW., Washington, DC 20201.

H. Federal Awardee Performance and Integrity Information System (FAPIIS)

The IHS is required to review and consider any information about the applicant that is in the Federal Awardee Performance and Integrity Information System (FAPIIS) before making any award in excess of the simplified acquisition threshold (currently $150,000) over the period of performance. An applicant may review and comment on any information about itself that a federal awarding agency previously entered. IHS will consider any comments by the applicant, in addition to other information in FAPIIS in making a judgment about the applicant's integrity, business ethics, and record of performance under federal awards when completing the review of risk posed by applicants as described in 45 CFR 75.205.

As required by 45 CFR part 75 Appendix XII of the Uniform Guidance, non-federal entities (NFEs) are required to disclose in FAPIIS any information about criminal, civil, and administrative proceedings, and/or affirm that there is no new information to provide. This applies to NFEs that receive federal awards (currently active grants, cooperative agreements, and procurement contracts) greater than $10,000,000 for any period of time during the period of performance of an award/project.

Mandatory Disclosure Requirements

As required by 2 CFR part 200 of the Uniform Guidance, and the HHS implementing regulations at 45 CFR part 75, effective January 1, 2016, the Indian Health Service must require a non-federal entity or an applicant for a federal award to disclose, in a timely manner, in writing to the IHS or pass-through entity all violations of federal criminal law involving fraud, bribery,or gratuity violations potentially affecting the federal award.

Submission is required for all applicants and recipients, in writing, to the IHS and to the HHS Office of Inspector General all information related to violations of federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the federal award. 45 CFR 75.113

Disclosures must be sent in writing to: U.S. Department of Health and Human Services, Indian Health Service, Division of Grants Management, ATTN: Robert Tarwater, Director, 5600 Fishers Lane, Mailstop 09E70, Rockville, Maryland 20857. (Include ''Mandatory Grant Disclosures'' in subject line) Ofc: (301) 443–5204 Fax: (301) 594–0899 Email: *Robert.Tarwater@ihs.gov*.

AND

U.S. Department of Health and Human Services, Office of Inspector General, ATTN: Mandatory Grant Disclosures, Intake Coordinator, 330 Independence Avenue SW., Cohen Building, Room 5527, Washington, DC 20201. URL: *http://oig.hhs.gov/fraud/reportfraud/index.asp*. (Include ''Mandatory Grant Disclosures'' in subject line) Fax: (202) 205–0604 (Include ''Mandatory Grant Disclosures'' in subject line) or Email: *MandatoryGranteeDisclosures@oig.hhs.gov*.

Failure to make required disclosures can result in any of the remedies described in 45 CFR 75.371 Remedies for noncompliance, including suspension or debarment (See 2 CFR parts 180 and 376 and 31 U.S.C. 3321).

VII. Agency Contacts

1. Questions on the programmatic issues may be directed to: Rick Mueller, Public Health Advisor, Office of Urban Indian Health Programs, 5600 Fishers Lane, Mail Stop: 08E65B, Rockville, MD 20857, Phone: (301) 443–4680, Fax: (301) 443–4794, Email: *Rick.Mueller@ihs.gov.*

2. Questions on grants management and fiscal matters may be directed to: Pallop Chareonvootitam, Grants Management Specialist, 5600 Fishers Lane, Mail Stop: 09E70, Rockville, MD 20857, Phone: (301) 443–5204, Fax: 301–594–0899, Email: *Pallop.Chareonvootitam@ihs.gov.*

3. Questions on systems matters may be directed to: Paul Gettys, Grant Systems Coordinator, 5600 Fishers Lane, Mail Stop: 09E70, Rockville, MD 20857, Phone: (301) 443–2114; or the DGM main line (301) 443–5204, Fax: (301) 594–0899, E-Mail: *Paul.Gettys@ihs.gov*.

VIII. Other Information

The Public Health Service strongly encourages all cooperative agreement and contract recipients to provide a smoke-free workplace and promote the non-use of all tobacco products. In addition, Public Law 103–227, the Pro-Children Act of 1994, prohibits smoking in certain facilities (or in some cases, any portion of the facility) in which regular or routine education, library, day care, health care, or early childhood development services are provided to children. This is consistent with the HHS mission to protect and advance the physical and mental health of the American people.

Dated: March 4, 2016.

Elizabeth Fowler,

Deputy Director for Management Operations, Indian Health Service.

Sample 2016 HP/DP Work Plan

Goal: To address physical inactivity and consumption of unhealthy food among youth who are in the 4th to 6th grade in the Watson, Kennedy, Blackwood, and Rocky Hill Elementary schools.

Objectives	Activities/time line	Person responsible	Evaluation
1. Develop school policies to address physical inactivity and consumption of unhealthy foods in the first year of the funding year.	1. Schedule a meeting with the school health board in the first quarter of the project. 2. Establish a parent advisory committee to assist with the development of the policy in 2nd quarter.	Program Coordinator School Administrator.	Progress report on status of policy and documentation of number of participants in parent advisory committee, and number of meetings held.
2. Implement a classroom nutrition curriculum to increase awareness about the importance of healthier foods in the four intervention schools by year two of the funding year.	1. Design pre/post test survey and pilot test with group of students by 2nd quarter. 2. Schedule a meeting with the School Principal to discuss dates of program implementation by 3rd quarter. 3. Implement the ''Healthy Eating'' curriculum, a 6 week program in the 2nd quarter. 4. Collect pre/post survey at beginning and end of the program to assess changes.	Program Coordinator IHS Nutritionist.	Pre/post knowledge, attitude, and behavior survey. Document the number of students who are receiving nutrition education.

Objectives	Activities/time line	Person responsible	Evaluation
3. Implement physical activity in at least four schools for grades 4th to 6th in first year of the funding.	1. Contract with SPARK PE to train classroom teachers to implement SPARK PE in the school by 3rd Quarter. 2. Train volunteers to administer FITNESSGRAM to collect baseline data and post data to assess changes.	Program Coordinator School Counselor and PE teacher.	1. Training evaluation and number of participants. 2. Pre/post FITNESSGRAM Data.

Sample 2016 HP/DP Work Plan

Goal: To reduce tobacco use among residents of community X and Y.

Objectives	Activities/time line	Person responsible	Evaluation
1. Establish a tobacco-free policy in the schools and Tribal buildings in community X and Y by year 1.	1. Schedule a meeting with the Tribal Council and school board to increase awareness of the health effects of tobacco by June 2016.	Tobacco Coordinator.	Documentation of the number of participants.
	2. Schedule and conduct tobacco awareness education in the community, schools, and worksites by July 2016 through September 2017.	Tobacco Coordinator, Health Educator.	Documentation of the number of participants.
	3. Draft a policy and present to the Tribal Council for approval by January 2017		Documentation of whether the policy was established.
2. Coordinate and establish tobacco cessation programs with the local hospitals and clinics in X and Y communities.	1. Partner with American Cancer Association and the Tribal Health Education Coordinators to establish 8-week tobacco cessation programs by July 2016.	Tobacco Coordinator, Health Educator Pharmacist.	Progress toward timeline.
	2. Meet with the hospital/clinic administrators and pharmacist to discuss and develop a behavior-based tobacco cessation program.	Tobacco Coordinator, Health Educator.	Progress report indicating timeline is being met.
	3. Train staff in tobacco cessation counseling.	Tobacco Coordinator.	# of staff trained in tobacco cessation.
	Design and disseminate brochures and flyers of tobacco cessation program that are available in the community and clinic.	Tobacco Coordinator.	# of brochures distributed.
	4. Meet with nursing and medical provider staff to increase patient referral to tobacco cessation program.	Health Educator, Tobacco Coordinator.	# of staff trained and document, changes in practice.
	6. Implement the 8-week tobacco cessation program at the community X and Y clinic.	Tobacco Coordinator.	RPMS data—baseline # of referrals, # of participants who completed program, # who quit tobacco.

Sample Urban Grant FY 2016 Work Plan

IMMUNIZATION

Primary prevention objective	Service or program	Target population	Process measure	Outcome measures
Protect children and communities from vaccine preventable diseases.	Immunization Program.	Children <3 years	On a quarterly basis: # of children 3–27 months old ..... # of children 3–27 months old who are up to date with age appropriate vaccinations. % of 3–27 month old children up to date with age appropriate vaccinations. # of children 19–35 months old # of children 19–35 months old who received the 4313314 vaccine series. % of children 19–35 months old who received the 4313314 vaccine series.	As of June 30th, 2016: # of 19–35 month olds up to date with the 4313314 vaccine series. % of 19–35 month olds up to date with the 4313314 vaccine series.

IMMUNIZATION—Continued

Primary prevention objective	Service or program	Target population	Process measure	Outcome measures
Protect adolescents and communities from vaccine preventable diseases.	Immunization Program.	Adolescents 13–17 years.	On a quarterly basis: # of adolescents 13–17 years old ..... # of adolescents 13–17 years old who are up to date with Tdap, Meningococcal, and 3 doses of HPV (males and females). % of adolescents 13–17 years old who are up to date with Tdap, Meningococcal, and 3 doses of HPV (males and females)	As of June 30th, 2016: # of adolescents 13–17 years old who are up to date with Tdap, Meningococcal and 3 doses of HPV. % of adolescents 13–17 years old who are up to date with Tdap, Meningococcal and 3 doses of HPV.
Protect adults and communities from influenza.	Immunization Program.	6 months and older.	On a quarterly basis during flu season (e.g., Sept–June) # of patients 6 months or older # of patients 6 months–17 years # of patients 18 years and older # of patients in each age group who received a seasonal flu shot during the flu season % of patients in each age group who received a seasonal flu shot during flu season	As of June 30th, 2016: # of patients in each age group who received a seasonal flu shot during the flu season. % of patients. in each age group who received a seasonal flu shot during flu season.
Protect adults and communities from influenza & Pneumovax.	Immunization Program.	Adults ≥ 65 years	On a quarterly basis: # of adults ≥ 65 years ..... # of adults ≥ 65 years who received a pneumovax shot % of adults ≥ 65+ years who received a pneumovax shot	As of June 30th, 2016: # of adults ≥ 65 years. % of adults ≥ 65+ years who received a pneumovax shot ever.

IHS URBAN GRANT FY 2016 WORK PLAN

[Alcohol/Substance Abuse Program Sample Work Plan]

Objectives	Service or program	Target population	Process measure	Outcome measures	Data source for measures
What are you trying to accomplish?	What type of program do you propose?	Who do you hope to serve in your program?	What information will you collect about the program activities?	What information will you collect to find out the results of your program?	Where will you find the information you collect?
To prevent substance abuse among urban American Indian youth.	Community-based substance abuse prevention curriculum.	American Indian youth ages 5–18 years old.	# of youth completing the curriculum, # of sessions conducted, # of staff trained.	Incidence/prevalence of substance abuse/dependence.	Medical records, RPMS behavioral health package, National Youth Survey.
To prevent substance abuse and related problems.	After-school, summer, and weekend activities (*e.g.* outdoor experiential activities, camps, classroom based problem solving activities).	American Indian youth ages 5–14 years old.	# of youth completing community-based sessions, # of parents completing community-based sessions, # of community-based sessions.	Incidence of substance abuse, incidence of negative and positive attitudes and behaviors, incidence of peer drug use.	Charts, RPMS behavioral health package, National Youth Survey.
Reduce drug use and increase treatment retention.	Matrix model for outpatient treatment.	American Indian adult methamphetamine clients.	# of clients completing program, # of relapse prevention sessions, # of family and group therapies, # of drug education sessions, # of self-help groups, # of urine tests.	Incidence of drug use, increase or decrease in treatment retention, positive or negative urine samples.	Medical records, RPMS behavioral health package, Addiction Severity Index, results of urine tests.

IHS URBAN GRANT FY 2016 WORK PLAN

[Mental Health Program Sample Work Plan]

Objectives	Service or program	Target population	Process measure	Outcome measures	Data source for measures
What are you trying to accomplish?	What type of program do you propose?	Who do you hope to serve in your program?	What information will you collect about the program activities?	What information will you collect to find out the results of your program?	Where will you find the information you collect?
To promote mental health.	American Indian Life Skills Development curriculum.	American Indian youth ages 13–17 years old.	# of youth completing the curriculum, # of sessions conducted, # of teachers trained, number of community resource leaders trained.	Feelings of hopelessness, problem solving skills.	Medical records, RPMS behavioral health package, Beck Hopelessness Scale, problem solving skills.
Improve the mental health of American Indian children and their families.	Home-based, community-based, and office-based mental health counseling.	American Indian children and their families needing services from our community-based program.	# of individual, couples, group, and family counseling sessions, # of home, community, and office-based visits.	Reduced child involvement in juvenile justice and child welfare, improved coping skills, improved school attendance and grades.	Medical records, RPMS behavioral health package coping skill measure, report cards, attendance records.
Reduce symptoms related to trauma.	Mental health counseling with cognitive behavioral therapy intervention and historical trauma intervention.	American Indian adults.	# of individual, couples, group, and family counseling sessions, # of historical trauma groups, # of adults counseled.	Incidence of Post-Traumatic Stress Disorder (PTSD) symptoms, incidence of depression, increased coping skills, increased peer and family support.	Self-report PTSD, Beck Depression Inventory, coping skills measure, peer and family support measure, medical records, RPMS behavioral health package.

RPMS Suicide Reporting Form

Instructions for Completing

This form is intended as a data collection tool only. It does not replace documentation of clinical care in the medical record and it is not a referral form. HRN, Date of Act and Provider Name are required fields. If the information requested is not known or not listed as an option, choose ''Unknown'' or ''Other'' (with specification) as appropriate. The form can be partially completed, saved and completed at a later time if needed.

LOCAL CASE NUMBER:

Indicate internal tracking number if used, not required.

DATE FORM COMPLETED:

Indicate the date the Suicide Reporting Form was completed.

PROVIDER NAME:

Record the name of Provider completing the form.

DATE OF ACT:

Record Date of Act as mm/dd/yy. If exact day is unknown, use the month, 1st day of the month (or another default day), year. If exact date of act is unknown, all providers should use the same default day of the month.

HEALTH RECORD NUMBER:

Record the patient's health record number.

DOB/AGE:

Record Date of Birth as mm/dd/yy and patient's age.

SEX:

Indicate Male or Female.

COMMUNITY WHERE ACT OCCURRED:

Record the community code or the name, county and state of the community where the act occurred.

EMPLOYMENT STATUS:

Indicate patient's employment status, choose one.

RELATIONSHIP STATUS:

Indicate patient's relationship status, choose one.

EDUCATION:

Select the highest level of education attained and if less than a High School graduate, record the highest grade completed. Choose one.

SUICIDAL BEHAVIOR:

Identify the self-destructive act, choose one. Generally, the threshold for reporting should be ideation with intent and plan, or other acts with higher severity, either attempted or completed.

LOCATION OF ACT:

Indicate location of act, choose one.

PREVIOUS ATTEMPTS:

Indicate number of previous suicide attempts, choose one.

METHOD:

Indicate method used. Multiple entries are allowed, check all that apply. Describe methods not listed.

SUBSTANCE USE INVOLVED:

If known, indicate which substances the patient was under the influence of at the time of the act. Multiple entries allowed, check all that apply. List drugs not shown.

CONTRIBUTING FACTORS:

Multiple entries allowed, check all that apply. List contributing factors not shown.

DISPOSITION:

Indicate the type of follow-up planned, if known.

NARRATIVE:

Record any other relevant clinical information not included above.
Last Updated 10/25/12

BILLING CODE 4165–16–P

RPMS Suicide Reporting Form

Local Case Number:		**Health Record Number:**	
Date Form Completed:		**DOB/Age:**	
Provider Name:		**Sex (M/F):**	
Date of Act:		**Community Where Act Occurred:**	

	Employment Status		**Relationship Status**		**Education**
	Part-time		Single		High School Graduate/GED
	Full-time		Married		Less than High School, highest grade complete
	Self-employed		Divorced/Separated		Some College/Technical
	Unemployed		Widowed		College Graduate
	Student		Cohabitating/Common-Law		Post Graduate
	Student and employed		Same Sex Partnership		Unknown
	Retired		Unknown		
	Unknown				

	Suicidal Behavior		**Location of Act**		**Previous Attempts**
	Ideation with Plan and Intent		Home or Vicinity		0
	Attempt		School		1
	Completed Suicide		Work		2
	Att'd Suicide w/ Att'd Homicide		Jail/Prison/Detention		3 or more
	Att'd Suicide w/ Compl Homicide		Treatment Facility		Unknown
	Compl Suicide w/ Att'd Homicide		Medical Facility		
	Compl Suicide w/ Compl Homicide		Unknown		
			Other *(specify):*		

Method (✔ all that apply)				
	Gunshot		***Overdose list:***	Non-prescribed opiates (e.g. Heroin)
	Hanging		Aspirin/Aspirin-like medication	Sedatives/Benzodiazepines/Barbiturates
	Motor Vehicle		Acetaminophen (e.g. Tylenol)	Alcohol
	Jumping		Tricyclic Antidepressant (TCA)	Other Prescription Medication *(specify):*
	Stabbing/Laceration		Other Antidepressant *(specify):*	Other Over-the-counter Medication *(specify):*
	Carbon Monoxide		Amphetamine/Stimulant	Other *(specify):*
	Overdosed Using (select from list)		Prescribed Opiates (eg. Narcotics)	
	Unknown			
	Other *(specify)*:			

Substances Involved (✔ all that apply)				
	None		Alcohol	Inhalants
	Alcohol & Other Drugs (select from list)		Amphetamine/Stimulant	Non-Prescribed Opiates (e.g. Heroin)

	Unknown		Cannabis (Marijuana)		Prescribed Opiates (e.g. Narcotics)
			Cocaine		Sedatives/Benzodiazepines/Barbiturates
			Hallucinogens		Other *(specify):*
Contributing Factors (✔ all that apply)					
	Suicide of Friend or Relative		History of Substance Abuse/Dependency		Divorce/Separation/Break-up
	Death of Friend or Relative		Financial Stress		Legal
	Victim of Abuse (Current)		History of Mental Illness		Unknown
	Victim of Abuse (Past)		History of Physical Illness		Other *(specify):*
	Occupational/Educational Problem				
	Disposition	**Narrative**			
	Mental Health Follow-up				
	Alcohol/Substance Abuse Follow-up				
	Inpatient MH Treatment Voluntary				
	Inpatient MH Treatment Involuntary				
	Medical Treatment (ED or In-patient)				
	Outreach to Family/School/Community				
	Unknown				
	Other (specify):				

[FR Doc. 2016–05761 Filed 3–11–16; 8:45 am]

BILLING CODE 4165–16–C

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

Center for Scientific Review; Notice of Closed Meeting

Pursuant to section 10(d) of the Federal Advisory Committee Act, as amended (5 U.S.C. App.), notice is hereby given of the following meeting.

The meeting will be closed to the public in accordance with the provisions set forth in sections 552b(c)(4) and 552b(c)(6), Title 5 U.S.C., as amended. The grant applications and the discussions could disclose confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the grant applications, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Name of Committee: Center for Scientific Review Special Emphasis Panel; PAR: Innovative Therapies and Tools for Screenable Disorders in Newborns.

Date: February 26, 2016.

Time: 1:00 p.m. to 4:00 p.m.

Agenda: To review and evaluate grant applications.

Place: National Institutes of Health, 6701 Rockledge Drive, Bethesda, MD 20892 (Virtual Meeting).

Contact Person: Baishali Maskeri, Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Bethesda, MD 20892, 301–827–2864, *maskerib@mail.nih.gov*.

This notice is being published less than 15 days prior to the meeting due to the timing limitations imposed by the review and funding cycle.

(Catalogue of Federal Domestic Assistance Program Nos. 93.306, Comparative Medicine; 93.333, Clinical Research, 93.306, 93.333, 93.337, 93.393–93.396, 93.837–93.844, 93.846–93.878, 93.892, 93.893, National Institutes of Health, HHS)

Dated: March 8, 2016.

Melanie J. Gray,

Program Analyst, Office of Federal Advisory Committee Policy.

[FR Doc. 2016–05592 Filed 3–11–16; 8:45 am]

BILLING CODE 4140–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

Center for Scientific Review; Notice of Closed Meetings

Pursuant to section 10(d) of the Federal Advisory Committee Act, as amended (5 U.S.C. App.), notice is hereby given of the following meetings.

The meetings will be closed to the public in accordance with the provisions set forth in sections 552b(c)(4) and 552b(c)(6), title 5 U.S.C., as amended. The grant applications and the discussions could disclose confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the grant applications, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Name of Committee: Center for Scientific Review Special Emphasis Panel; Member Conflict: Cellular Aspects of Neuropsychiatric and Developmental Disorders.

Date: March 28, 2016.

Time: 2:00 p.m. to 4:00 p.m.

Agenda: To review and evaluate grant applications.

Place: National Institutes of Health, 6701 Rockledge Drive, Bethesda, MD 20892, (Telephone Conference Call).

Contact Person: Samuel C. Edwards, Ph.D., IRG CHIEF, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 5210, MSC 7846, Bethesda, MD 20892, (301) 435–1246, *edwardss@csr.nih.gov*.

Name of Committee: Center for Scientific Review Special Emphasis Panel; OD15–005: Chemistry, Toxicology, and Addiction Research on Water Pipe Tobacco.

Date: March 30, 2016.

Time: 11:00 a.m. to 7:00 p.m.

Agenda: To review and evaluate grant applications.

Place: National Institutes of Health, 6701 Rockledge Drive, Bethesda, MD 20892.

Contact Person: Mark P. Rubert, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 5218, MSC 7852, Bethesda, MD 20892, 301–435–1775, *rubertm@csr.nih.gov*.

Name of Committee: Center for Scientific Review Special Emphasis Panel; Member Conflicts and Continuous Submissions.

Date: March 31, 2016.

Time: 9:00 a.m. to 6:00 p.m.

Agenda: To review and evaluate grant applications.

Place: National Institutes of Health, 6701 Rockledge Drive, Bethesda, MD 20892, (Virtual Meeting).

Contact Person: Olga A. Tjurmina, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 4138, MSC 7814, Bethesda, MD 20892, (301) 451–1375, *ot3d@nih.gov.*

Name of Committee: Center for Scientific Review Special Emphasis Panel; Member Conflict: Chronic Dysfunction and Integrative Neurodegeneration.

Date: March 31, 2016.

Time: 2:00 p.m. to 4:00 p.m.

Agenda: To review and evaluate grant applications.

Place: National Institutes of Health, 6701 Rockledge Drive, Bethesda, MD 20892, (Telephone Conference Call).

Contact Person: Seetha Bhagavan, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 5194, MSC 7846, Bethesda, MD 20892, (301) 237–9838, *bhagavas@csr.nih.gov.*

Name of Committee: Center for Scientific Review Special Emphasis Panel; PAR–14–085: Metabolic Reprogramming in Immunotherapy.

Date: April 6, 2016.

Time: 12:00 p.m. to 1:30 p.m.

Agenda: To review and evaluate grant applications.

Place: National Institutes of Health, 6701 Rockledge Drive, Bethesda, MD 20892, (Telephone Conference Call).

Contact Person: Denise R. Shaw, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 6158, MSC 7804, Bethesda, MD 20892, 301–435–0198, *shawdeni@csr.nih.gov.*

Name of Committee: Center for Scientific Review Special Emphasis Panel; PAR Panel: HIV/HCV/HBV Co-Infections.

Date: April 6, 2016.

Time: 12:00 p.m. to 3:00 p.m.

Agenda: To review and evaluate grant applications

Place: National Institutes of Health, 6701 Rockledge Drive, Bethesda, MD 20892, (Telephone Conference Call).

Contact Person: Eduardo A. Montalvo, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 5108, MSC 7852, Bethesda, MD 20892, (301) 435–1168, *montalve@csr.nih.gov.*

(Catalogue of Federal Domestic Assistance Program Nos. 93.306, Comparative Medicine; 93.333, Clinical Research, 93.306, 93.333, 93.337, 93.393–93.396, 93.837–93.844, 93.846–93.878, 93.892, 93.893, National Institutes of Health, HHS)

Dated: March 8, 2016.

Melanie J. Gray,

Program Analyst, Office of Federal Advisory Committee Policy.

[FR Doc. 2016–05591 Filed 3–11–16; 8:45 am]

BILLING CODE 4140–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

National Toxicology Program Board of Scientific Counselors; Announcement of Meeting; Request for Comments

SUMMARY: This notice announces the next meeting of the National Toxicology Program (NTP) Board of Scientific Counselors (BSC). The BSC, a federally chartered, external advisory group composed of scientists from the public and private sectors, will review and provide advice on programmatic activities. The meeting is open to the public and registration is requested for both attendance and oral comment and required to access the webcast. Information about the meeting and registration are available at *http://ntp.niehs.nih.gov/go/165.*

DATES: *Meeting:* April 11, 2016, 3:30 p.m. until approximately 5:30 p.m. Eastern Daylight Time (EDT).

Written Public Comment Submissions: Deadline is April 4, 2016, for consideration by the BSC.

Registration for Meeting and/or Oral Comments: Deadline is April 4, 2016.

Registration to View Webcast: Deadline is April 11, 2016. Registration to view the meeting via the webcast is required.

ADDRESSES: *Meeting Location:* Rodbell Auditorium, Rall Building, National Institute of Environmental Health Sciences (NIEHS), 111 T.W. Alexander Drive, Research Triangle Park, NC 27709.

Meeting Web page: The preliminary agenda, registration, and other meeting materials are at *http://ntp.niehs.nih.gov/go/165.*

Webcast: The meeting will be webcast; the URL will be provided to those who register for viewing.

FOR FURTHER INFORMATION CONTACT: Dr. Lori White, Designated Federal Officer for the BSC, Office of Liaison, Policy and Review, Division of NTP, NIEHS, P.O. Box 12233, K2–03, Research Triangle Park, NC 27709. Phone: 919–541–9834, Fax: 301–480–3272, Email: *whiteld@niehs.nih.gov.* Hand Deliver/Courier address: 530 Davis Drive, Room K2124, Morrisville, NC 27560.

SUPPLEMENTARY INFORMATION:

Meeting and Registration: The meeting is open to the public with time scheduled for oral public comments; attendance at the meeting is limited only by the space available. Please note that this will be both an in-person and web-based meeting. The NTP staff will be at the meeting location at NIEHS. The BSC members will be attending the meeting via web-based video conferencing. Public attendees are welcome to watch the meeting via webcast or attend in person.

The BSC will provide input to the NTP on programmatic activities and issues. Preliminary agenda topics are Office of Report on Carcinogens draft evaluation concepts on (1) *Helicobacter pylori* (chronic infection) and (2) di- and tri-haloacetic acids found as water disinfection by-products. The draft concepts should be posted on the BSC meeting Web site (*http://ntp.niehs.nih.gov/go/165*) by March 7, 2016. The preliminary agenda, roster of BSC members, public comments, and any additional information, when available, will be posted on the meeting Web site or may be requested in hardcopy from the Designated Federal Officer for the BSC. Following the meeting, summary minutes will be prepared and made available on the BSC meeting Web site.

The public may attend the meeting in person or view the webcast. Registration is required to view the webcast; the URL for the webcast will be provided in the email confirming registration. Individuals who plan to provide oral comments (see below) are encouraged to register online at the BSC meeting Web site (*http://ntp.niehs.nih.gov/go/165*) by April 4, 2016, to facilitate planning for the meeting. Individuals are encouraged to access the Web site to stay abreast of the most current information regarding the meeting. Visitor and security information for those attending in-person is available at *niehs.nih.gov/about/visiting/index.cfm.* Individuals with disabilities who need accommodation to participate in this event should contact Dr. White at phone: (919) 541–9834 or email: *whiteld@niehs.nih.gov.* TTY users should contact the Federal TTY Relay Service at 800–877–8339. Requests should be made at least five business days in advance of the event.

Request for Comments: Written comments submitted in response to this notice should be received by April 4, 2016 for consideration by the BSC; however, comments on the draft concepts will be accepted at anytime. Comments will be posted on the BSC meeting Web site and persons submitting them will be identified by their name and affiliation and/or sponsoring organization, if applicable. Persons submitting written comments should include their name, affiliation (if applicable), phone, email, and sponsoring organization (if any) with the document. Guidelines for public comments are at *http://*

ntp.niehs.nih.gov/ntp/about_ntp/guidelines_public_comments_508.pdf.

Time is allotted during the meeting for the public to present oral comments to the BSC on the agenda topics. Public comments can be presented in-person at the meeting or by teleconference line. There are 50 lines for this call; availability is on a first-come, first-served basis. The lines will be open from 3:30 p.m. until 5:30 p.m. EDT on April 11, 2016, although the BSC will receive public comments only during the formal public comment periods, which are indicated on the preliminary agenda. Each organization is allowed one time slot per agenda topic. Each speaker is allotted at least 7 minutes, which if time permits, may be extended to 10 minutes at the discretion of the BSC chair. Persons wishing to present oral comments should register on the BSC meeting Web site by April 4, 2016, indicate whether they will present comments in-person or via the teleconference line, and indicate the topic(s) on which they plan to comment. The access number for the teleconference line will be provided to registrants by email prior to the meeting. On-site registration for oral comments will also be available on the meeting day, although time allowed for comments by these registrants may be limited and will be determined by the number of persons who register at the meeting.

Persons registering to make oral comments are asked to send a copy of their statement and/or PowerPoint slides to the Designated Federal Officer by April 4, 2016. Written statements can supplement and may expand upon the oral presentation. If registering on-site and reading from written text, please bring 20 copies of the statement for distribution to the BSC and NTP staff and to supplement the record.

Background Information on the BSC: The BSC is a technical advisory body comprised of scientists from the public and private sectors that provides primary scientific oversight to the NTP. Specifically, the BSC advises the NTP on matters of scientific program content, both present and future, and conducts periodic review of the program for the purpose of determining and advising on the scientific merit of its activities and their overall scientific quality. Its members are selected from recognized authorities knowledgeable in fields such as toxicology, pharmacology, pathology, biochemistry, epidemiology, risk assessment, carcinogenesis, mutagenesis, molecular biology, behavioral toxicology, neurotoxicology, immunotoxicology, reproductive toxicology or teratology, and biostatistics. Members serve overlapping terms of up to four years. The BSC usually meets biannually. The authority for the BSC is provided by 42 U.S.C. 217a, section 222 of the Public Health Service Act (PHS), as amended. The BSC is governed by the provisions of the Federal Advisory Committee Act, as amended (5 U.S.C. app.), which sets forth standards for the formation and use of advisory committees.

Dated: March 7, 2016.

John R. Bucher,

Associate Director, NTP.

[FR Doc. 2016–05590 Filed 3–11–16; 8:45 am]

BILLING CODE 4140–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

National Institute of Neurological Disorders and Stroke; Notice of Closed Meetings

Pursuant to section 10(d) of the Federal Advisory Committee Act, as amended (5 U.S.C. App.), notice is hereby given of the following meetings.

The meetings will be closed to the public in accordance with the provisions set forth in sections 552b(c)(4) and 552b(c)(6), Title 5 U.S.C., as amended. The grant applications and the discussions could disclose confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the grant applications, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Name of Committee: National Institute of Neurological Disorders and Stroke Special Emphasis Panel; Biorepository Resource Access Committee as Part of the X01 Mechanism for PAR–14–340 in the PDBP.

Date: March 17, 2016

Time: 1:00 p.m. to 2:30 p.m.

Agenda: To review and evaluate grant applications.

Place: National Institutes of Health, Neuroscience Center, 6001 Executive Boulevard, Rockville, MD 20852, (Telephone Conference Call).

Contact Person: Joel Saydoff, Ph.D., Scientific Review Officer, Scientific Review Branch, Division of Extramural Research, NINDS/NIH/DHHS/Neuroscience Center, 6001 Executive Boulevard, Suite 3208, MSC 9529, Bethesda, MD 20892–9529, 301–496–9223, *joelsaydoff@nih.gov.*

This notice is being published less than 15 days prior to the meeting due to the timing limitations imposed by the review and funding cycle.

Name of Committee: National Institute of Neurological Disorders and Stroke Special Emphasis Panel; F30 Member Conflict Review.

Date: March 31, 2016.

Time: 1:00 p.m. to 2:30 p.m.

Agenda: To review and evaluate grant applications.

Place: National Institutes of Health, Neuroscience Center, 6001 Executive Boulevard, Rockville, MD 20852, (Telephone Conference Call).

Contact Person: Elizabeth Webber, Ph.D., Scientific Review Officer, Scientific Review Branch, Division of Extramural Research, NINDS/NIH/DHHS/Neuroscience Center, 6001 Executive Boulevard, Suite 3204, MSC 9529, Bethesda, MD 20892–9529, 301–496–1917, *webbere@mail.nih.gov.*

(Catalogue of Federal Domestic Assistance Program Nos. 93.853, Clinical Research Related to Neurological Disorders; 93.854, Biological Basis Research in the Neurosciences, National Institutes of Health, HHS)

Dated: March 8, 2016.

Sylvia L. Neal,

Program Analyst, Office of Federal Advisory Committee Policy.

[FR Doc. 2016–05596 Filed 3–11–16; 8:45 am]

BILLING CODE 4140–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

National Institute of Environmental Health Sciences; Notice of Meeting

Pursuant to section 10(d) of the Federal Advisory Committee Act, as amended (5 U.S.C. App.), notice is hereby given of a meeting of the Board of Scientific Counselors, NIEHS.

The meeting will be open to the public as indicated below, with attendance limited to space available. Individuals who plan to attend and need special assistance, such as sign language interpretation or other reasonable accommodations, should notify the Contact Person listed below in advance of the meeting.

The meeting will be closed to the public as indicated below in accordance with the provisions set forth in section 552b(c)(6), Title 5 U.S.C., as amended for the review, discussion, and evaluation of individual intramural programs and projects conducted by the NATIONAL INSTITUTE OF ENVIRONMENTAL HEALTH SCIENCES, including consideration of personnel qualifications and performance, and the competence of individual investigators, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Name of Committee: Board of Scientific Counselors, NIEHS.

Date: April 17–19, 2016.
Closed: April 17, 2016, 7:00 p.m. to 10:00 p.m.
Agenda: To review and evaluate programmatic and personnel issues.
Place: Doubletree Guest Suites 2515 Meridian Parkway, Research Triangle Park, NC 27713.
Open: April 18, 2016, 8:30 a.m. to 11:00 a.m.
Agenda: Scientific Presentations.
Place: Nat. Inst. of Environmental Health Sciences Building 101, Rodbell Auditorium, 111 T. W. Alexander Drive Research Triangle Park, NC 27709.
Closed: April 18, 2016, 11:00 a.m. to 1:00 p.m.
Agenda: To review and evaluate programmatic and personnel issues.
Place: Nat. Inst. of Environmental Health Sciences Building 101, Rodbell Auditorium, 111 T. W. Alexander Drive Research Triangle Park, NC 27709.
Open: April 18, 2016, 1:00 p.m. to 2:30 p.m.
Agenda: Poster Session.
Place: Nat. Inst. of Environmental Health Sciences Building 101, Rodbell Auditorium, 111 T. W. Alexander Drive Research Triangle Park, NC 27709.
Open: April 18, 2016, 2:30 p.m. to 3:15 p.m.
Agenda: To review and evaluate programmatic and personnel issues.
Place: Nat. Inst. of Environmental Health Sciences, Building 101, Rodbell Auditorium, 111 T. W. Alexander Drive Research Triangle Park, NC 27709.
Open: April 18, 2016, 3:30 p.m. to 5:10 p.m.
Agenda: Scientific Presentations.
Place: Nat. Inst. of Environmental Health Sciences Building 101, Rodbell Auditorium, 111 T. W. Alexander Drive Research Triangle Park, NC 27709.
Closed: April 18, 2016, 5:10 p.m. to 5:40 p.m.
Agenda: To review and evaluate programmatic and personnel issues.
Place: Nat. Inst. of Environmental Health Sciences Building 101, Rodbell Auditorium, 111 T. W. Alexander Drive Research Triangle Park, NC 27709.
Closed: April 18, 2016, 6:15 p.m. to 10:00 p.m.
Agenda: To evaluate programmatic and personnel issues.
Place: Doubletree Guest Suites 2515 Meridian Parkway, Research Triangle Park, NC 27713.
Open: April 19, 2016, 8:30 a.m. to 9:20 a.m.
Agenda: Scientific Presentations.
Place: Nat. Inst. of Environmental Health Sciences, Building 101, Rodbell Auditorium, 111 T. W. Alexander Drive, Research Triangle Park, NC 27709.
Open: April 19, 2016, 9:20 a.m. to 9:50 a.m.
Agenda: To review and evaluate programmatic and personnel issues.
Place: Nat. Inst. of Environmental Health Sciences, Building 101, Rodbell Auditorium, 111 T. W. Alexander Drive Research Triangle Park, NC 27709.
Open: April 19, 2016, 10:05 a.m. to 11:15 a.m.
Agenda: Scientific Presentations.
Place: Nat. Inst. of Environmental Health Sciences Building 101, Rodbell Auditorium, 111 T. W. Alexander Drive, Research Triangle Park, NC 27709.
Closed: April 19, 2016, 11:15 a.m. to 1:00 p.m.
Agenda: To review and evaluate programmatic and personnel issues.
Place: Nat. Inst. of Environmental Health Sciences Building 101, Rodbell Auditorium, 111 T. W. Alexander Drive, Research Triangle Park, NC 27709.
Contact Person: Darryl C. Zeldin, Scientific Director & Principal Investigator, Division of Intramural Research, National Institute of Environmental Health Sciences, NIH, 111 TW Alexander Drive, Maildrop A2–09, Research Triangle Park, NC 27709, 919–541–1169, *zeldin@niehs.nih.gov.*

Any interested person may file written comments with the committee by forwarding the statement to the Contact Person listed on this notice. The statement should include the name, address, telephone number and when applicable, the business or professional affiliation of the interested person.

(Catalogue of Federal Domestic Assistance Program Nos. 93.115, Biometry and Risk Estimation—Health Risks from Environmental Exposures; 93.142, NIEHS Hazardous Waste Worker Health and Safety Training; 93.143, NIEHS Superfund Hazardous Substances—Basic Research and Education; 93.894, Resources and Manpower Development in the Environmental Health Sciences; 93.113, Biological Response to Environmental Health Hazards; 93.114, Applied Toxicological Research and Testing, National Institutes of Health, HHS)

Dated: March 8, 2016.

Carolyn Baum,

Program Analyst, Office of Federal Advisory Committee Policy.

[FR Doc. 2016–05594 Filed 3–11–16; 8:45 am]

BILLING CODE 4140–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

National Institute of Mental Health; Notice of Closed Meeting

Pursuant to section 10(d) of the Federal Advisory Committee Act, as amended (5 U.S.C. App.), notice is hereby given of the following meeting.

The meeting will be closed to the public in accordance with the provisions set forth in sections 552b(c)(4) and 552b(c)(6), Title 5 U.S.C., as amended. The grant applications and the discussions could disclose confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the grant applications, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Name of Committee: National Institute of Mental Health Special Emphasis Panel Novel NeuroAIDS Therapeutics IPCP (P01).
Date: April 4, 2016.
Time: 11:00 a.m. to 1:00 p.m.
Agenda: To review and evaluate grant applications.
Place: National Institutes of Health, Neuroscience Center, 6001 Executive Boulevard, Rockville, MD 20852 (Telephone Conference Call).
Contact Person: David W. Miller, Ph.D., Scientific Review Officer Division of Extramural Activities, National Institute of Mental Health, NIH Neuroscience Center, 6001 Executive BLVD, Room 6140, MSC 9608, Bethesda, MD 20892–9608, 301–443–9734, *millerda@mail.nih.gov.*

(Catalogue of Federal Domestic Assistance Program No. 93.242, Mental Health Research Grants, National Institutes of Health, HHS)

Dated: March 8, 2016.

Carolyn A. Baum,

Program Analyst, Office of Federal Advisory Committee Policy.

[FR Doc. 2016–05595 Filed 3–11–16; 8:45 am]

BILLING CODE 4140–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

National Institute of Neurological Disorders and Stroke; Notice of Meeting

Pursuant to section 10(a) of the Federal Advisory Committee Act, as amended (5 U.S.C. App.), notice is hereby given of a meeting of the Muscular Dystrophy Coordinating Committee (MDCC).

The meeting will be open to the public and accessible by live webcast.

Name of Committee: Muscular Dystrophy Coordinating Committee.
Type of meeting: Open Meeting.
Date: April 27, 2016.
Time: 8:30 a.m. to 4:30 p.m. *Eastern Time*—Approximate end time.
Agenda: The purpose of this meeting is to bring together committee members, representing government agencies, patient advocacy groups, other voluntary health organizations, and patients and their families to update one another on progress relevant to the Action Plan for the Muscular Dystrophies and to coordinate activities and discuss gaps and opportunities leading to better understanding of the muscular dystrophies, advances in treatments, and improvements in patients' and their families' lives. Prior to the meeting, an agenda will be posted to the MDCC meeting registration Web site: *https://meetings.ninds.nih.gov/meetings/MDCC27April2016/.*
Registration: To register, please go to: *https://meetings.ninds.nih.gov/meetings/MDCC27April2016/.*

Webcast Live: For those not able to attend in person, this meeting will be webcast at: *http://videocast.nih.gov/*.

Place: Neuroscience Center, Conference Room C/D, 6001 Executive Boulevard, Bethesda, Maryland 20892.

Contact Person: Glen H. Nuckolls, Ph.D., Executive Secretary, Muscular Dystrophy Coordinating Committee, National Institute of Neurological Disorders and Stroke, NIH, 6001 Executive Boulevard, NSC 2203, Bethesda, MD 20892, (301) 496–5745, *glen.nuckolls@ninds.nih.gov*.

Any member of the public interested in presenting oral comments to the committee may notify the Contact Person listed on this notice at least 10 days in advance of the meeting. Interested individuals and representatives of organizations may submit a letter of intent, a brief description of the organization represented, and a short description of the oral presentation. Only one representative of an organization may be allowed to present oral comments and if accepted by the committee, presentations may be limited to five minutes. Both printed and electronic copies are requested for the record. In addition, any interested person may file written comments with the committee by forwarding their statement to the Contact Person listed on this notice. The statement should include the name, address, telephone number and when applicable, the business or professional affiliation of the interested person.

Attendance is limited to seating space available. Individuals who plan to attend and need special assistance, such as sign language interpretation or other reasonable accommodations, should inform the Contact Person listed below in advance of the meeting.

All visitors must go through a security check at the building entrance to receive a visitor's badge. A government issued photo ID is required. Further information can be found at the registration Web site: *https://meetings.ninds.nih.gov/meetings/MDCC27April2016/*.

(Catalogue of Federal Domestic Assistance Program Nos. 93.853, Clinical Research Related to Neurological Disorders; 93.854, Biological Basis Research in the Neurosciences, National Institutes of Health, HHS)

Dated: March 8, 2016.

Sylvia L. Neal,

Program Analyst, Office of Federal Advisory Committee Policy.

[FR Doc. 2016–05597 Filed 3–11–16; 8:45 am]

BILLING CODE 4140–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

National Heart, Lung, and Blood Institute; Notice of Meeting

Pursuant to section 10(a) of the Federal Advisory Committee Act, as amended (5 U.S.C. App.), notice is hereby given of a meeting of the Sleep Disorders Research Advisory Board.

The meeting will be open to the public, with attendance limited to space available. Individuals who plan to attend and need special assistance, such as sign language interpretation or other reasonable accommodations, should notify the Contact Person listed below in advance of the meeting.

Name of Committee: Sleep Disorders Research Advisory Board.

Date: April 14–15, 2016.

Time: 1:00 p.m. to 3:00 p.m.

Agenda: To discuss plans for the proposed revision of the NIH Sleep Disorders Research Plan, and potential directions for inter-agency coordination activities.

Place: National Institutes of Health, Two Rockledge Center, 6701 Rockledge Drive, Conference Room 9100/9104, Bethesda, MD 20892–7952.

Contact Person: Michael J. Twery, Ph.D., Director, National Center on Sleep Disorders Research, Division of Lung Diseases, National Heart, Lung, and Blood Institute, National Institutes of Health, 6701 Rockledge Drive, Suite 10038, Bethesda, MD 20892–7952, 301–435–0199, *twerym@nhlbi.nih.gov*.

(Catalogue of Federal Domestic Assistance Program Nos. 93.233, National Center for Sleep Disorders Research; 93.837, Heart and Vascular Diseases Research; 93.838, Lung Diseases Research; 93.839, Blood Diseases and Resources Research, National Institutes of Health, HHS)

Dated: March 7, 2016.

Michelle Trout,

Program Analyst, Office of Federal Advisory Committee Policy.

[FR Doc. 2016–05593 Filed 3–11–16; 8:45 am]

BILLING CODE 4140–01–P

DEPARTMENT OF HOMELAND SECURITY

U.S. Customs and Border Protection

Modification of the National Customs Automation Program (NCAP); Tests Concerning the Partner Government Agency Message Set for Certain Data Required by the Environmental Protection Agency (EPA)

AGENCY: U.S. Customs and Border Protection, Department of Homeland Security.

ACTION: General notice.

SUMMARY: This document announces U.S. Customs and Border Protection's (CBP's) plan to modify three National Customs Automation Program (NCAP) tests concerning the electronic transmission through the Automated Commercial Environment (ACE) of certain import data required by the Environmental Protection Agency (EPA) for commodities regulated by the EPA. These modifications revise the number of persons who may participate in the three previously announced NCAP tests.

DATES: The modifications of the PGA Message Set Tests described in this notice are effective March 14, 2016. These modified tests will continue until concluded by way of announcement in the **Federal Register**. Comments concerning this notice and any aspect of the announced modifications may be submitted during each of the test periods to the address set forth below.

ADDRESSES: Comments concerning this notice and any aspect of the modified PGA Message Set Test may be submitted at any time during the testing periods via email to Josephine Baiamonte, ACE Business Office (ABO), Office of International Trade, at *josephine.baiamonte@cbp.dhs.gov.* In the subject line of your email, please indicate, ''*Comment on PGA Message Set Test FRN.''*

FOR FURTHER INFORMATION CONTACT: For technical questions related to the application or request for an ACE Portal Account contact the ACE Account Service Desk by calling 1–866–530–4172, selecting option 1, then option 2, or by emailing *ACE.Support@cbp.dhs.gov* for assistance. For EPA-related questions, contact Carol S. Holmes, Senior Counsel, Office of Civil Enforcement, U.S. Environmental Protection Agency, at *Holmes.Carol@epa.gov.*

SUPPLEMENTARY INFORMATION:

I. Background

The National Customs Automation Program (NCAP) was established in Subtitle B of Title VI—Customs Modernization (''Customs Modernization Act''), North American Free Trade Agreement Implementation Act (Pub. L. 103–182, 107 Stat. 2057, Dec. 8. 1993) (19 U.S.C. 1411). Through NCAP, the thrust of customs modernization has been on trade compliance and the development of the Automated Commercial Environment (ACE), the planned successor to the Automated Commercial System (ACS). ACE is an automated and electronic system for processing commercial trade data which is intended to streamline business processes, facilitate growth in trade, ensure cargo security, and foster participation in global commerce, while ensuring compliance with U.S. laws and regulations and reducing costs for U.S. Customs and Border Protection (CBP) and all of its communities of interest. The ability to meet these objectives depends on successfully modernizing CBP's business functions and the information technology that supports

those functions. The Automated Broker Interface (ABI) is the electronic data interchange (EDI) system that enables members of the trade community to file electronically required import data with CBP and transfers that data to ACE.

CBP's modernization efforts are accomplished through phased releases of ACE component functionality designed to replace specific legacy ACS functions. Each release will begin with a test and, if the test is successful, will end with mandatory use of the new ACE feature, thus retiring the legacy ACS function. Each release builds on previous releases and sets the foundation for subsequent releases.

For the convenience of the public, a chronological listing of **Federal Register** publications detailing ACE test developments is set forth below in Section XI and entitled, ''Development of ACE Prototypes.'' The procedures and criteria related to participation in the prior ACE test pilots remain in effect unless otherwise explicitly changed by this or subsequent notices published in the **Federal Register**.

II. Authorization for the Test

The Customs Modernization Act provisions provide the Commissioner of CBP with authority to conduct limited test programs or procedures designed to evaluate planned components of the NCAP. The tests described in this notice are authorized pursuant to § 101.9(b) of title 19 of the Code of Federal Regulations (19 CFR 101.9(b)) which provides for the testing of NCAP programs or procedures. *See* Treasury Decision (T.D.) 95–21, 60 FR 14211 (March 16, 1995).

III. International Trade Data System (ITDS)

These tests are also in furtherance of the International Trade Data System (ITDS) key initiatives, set forth in section 405 of the Security and Accountability for Every Port Act of 2006 (''SAFE Port Act'') (Sec. 405, Pub. L. 109–347, 120 Stat. 1884, Oct. 13, 2006) (19 U.S.C. 1411(d)) and in Executive Order 13659 of February 19, 2014, *Streamlining the Export/Import Process for America's Businesses,* 79 FR 10657 (February 25, 2014). The purpose of ITDS, as stated in section 405 of the SAFE Port Act, is to eliminate redundant information requirements, efficiently regulate the flow of commerce, and effectively enforce laws and regulations relating to international trade, by establishing a single portal system, operated by CBP, for the collection and distribution of standard electronic import and export data required by all participating Federal agencies. CBP is developing ACE as the ''single window'' for the trade community to comply with the ITDS requirement established by the SAFE Port Act.

Executive Order 13659 requires that by December 31, 2016, ACE, as the ITDS ''single window,'' have the operational capabilities to serve as the primary means of receiving from users the standard set of data and other relevant documentation (exclusive of applications for permits, licenses, or certifications) required for the release of imported cargo and clearance of cargo for export, and to transition from paper-based requirements and procedures to faster and more cost-effective electronic submissions to, and communications with, U.S. government agencies.

IV. Partner Government Agency (PGA) Message Set Test

The PGA Message Set is the data needed to satisfy the PGA reporting requirements. ACE enables the message set by acting as the ''single window'' for the submission of trade-related data required by the PGAs only once to CBP. After validation, the data will be made available to the relevant PGAs involved in import, export, and transportation-related decision making. The data will be used to fulfill merchandise entry requirements and may allow for earlier release decisions and more certainty for the importer in determining the logistics of cargo delivery. Also, by virtue of being electronic, the PGA Message Set will eliminate the necessity for the submission and subsequent handling of paper documents.

Under the Paperwork Reduction Act of 1995 (Public Law 104–13, 109 Stat. 163, codified at 44 U.S.C. 3501–3520) (PRA), an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid control number assigned by the Office of Management and Budget (OMB). A collection of information, however, is exempt from the requirements of the PRA if fewer than ten (10) persons will be asked to provide the information.

This notice addresses the modification of the following three previously announced tests under the NCAP with respect to the number of test participants. (Please note that all terms, conditions, rules and requirements announced in the previous notices concerning the submission through ACE of certain EPA data through the PGA Message Set continue to apply except to the extent expressly modified by this notice.)

A. Non-Road Vehicles and Engines

On December 13, 2013, CBP published a notice in the **Federal Register** announcing CBP's plan to modify the PGA Message Set test to allow for electronic filings of certain EPA import data with CBP for a variety of vehicles and engines. *See* 78 FR 75931 (December 13, 2013). That test notice did not limit the number of filers or participants. As the collection of electronic information under the PGA Message Set EPA Non-road Vehicles and Engines is governed by the PRA and the test notice inadvertently indicated that there was an OMB-approved Information Collection Request (ICR) for this additional information collection when there is not such an ICR for this additional information, participation in the non-road vehicles and engines portion of the test is hereby limited to nine (9) or fewer filers (*see* Section IX below). Accordingly, in order to comply with the participation limitation of the PRA, only up to nine filers seeking to participate in this test will be accepted at this stage of the test. CBP will accept applications throughout the duration of this test.

Applicants who qualify for this test but are not accepted because the limit of nine filers has been reached will have their applications placed on hold until and unless CBP lifts the limit on participation. All applicants will be notified that they have, or have not, been accepted into the test. If the limitation is lifted applicants will be notified of whether CBP has accepted their request to participate in the test and the date they can begin participation. CBP will not, however, publish another notice if the limitation is lifted. Rather, CBP will contact those who have applied and notify them that the limitation for participants has been lifted. Additionally, this test is expanded to all entries filed in ACE at any port in the customs territory of the United States.

B. Notice of Arrival: Pesticides or Pesticidal Devices

On February 4, 2015, CBP published a notice in the **Federal Register** announcing CBP's plan to modify the PGA Message Set test to expand the use of the ACE PGA Message Set to transmit Environmental Protection Agency (EPA) Notice of Arrival of Pesticides and Devices (NOA) import data in the ocean and rail modes of transportation. *See* 80 FR 6098. That notice indicated that CBP would accept an unlimited number of participants for the test. As the collection of electronic information under the PGA Message Set EPA NOA

is governed by the PRA and the test notice inadvertently indicated there was an OMB-approved Information Collection Request (ICR) for this additional information collection when there is not such an ICR for this additional information, participation in the test is hereby limited to nine (9) or fewer participants (*see* Section IX below). Accordingly, in order to comply with the participation limitation of the PRA, only up to nine filers seeking to participate in this test will be accepted throughout the duration of the test.

CBP will accept applications throughout the duration of this test. All applicants will be notified that they have, or have not, been accepted into the test. Applicants who qualify for this test but are not accepted because the limit of nine filers has been reached will have their applications placed on hold until and unless CBP lifts the limit on participation. If the limitation is lifted applicants will be notified of whether CBP has accepted their request to participate in the test and the date they can begin participation. CBP will not, however, publish another notice if the limitation is lifted. Rather, CBP will contact those who have applied and notify them that the limitation has been lifted. (If the limitation is lifted, the test will also require the mandatory filing of the product label affixed to the pesticide cargo via the pdf format into the Digital Image System, which must accompany the electronic filing of the Notice of Arrival PGA Message Set). Additionally, this test is expanded to all entries filed in ACE at any port in the customs territory of the United States.

C. Ozone Depleting Substances

In the **Federal Register** notice announcing the test for the submission of data and information related to the importation of Ozone Depleting Substances (ODS) through the PGA Message Set, CBP announced that the test would be limited to nine (9) or fewer filers. *See* 78 FR 75931 (December 13, 2013). All PRA requirements for the ODS pilot have been met since the publication of the above-referenced December 13, 2013, **Federal Register** notice (*see* Section IX below). Therefore, the limitation of nine filers is lifted and there is no longer a limit to the number of parties who may participate in this test. Applications may be submitted throughout the duration of the test and applicants will be notified of their acceptance into the test and the date they may begin participating. Additionally, this test is expanded to all modes of transportation, not exclusively ocean as was previously the case, and to all entries filed in ACE at any port in the customs territory of the United States.

V. Test Duration

Except as stated below, the modification of all three of the PGA Message Set Tests announced in this notice are effective on March 14, 2016. The modified PGA Message Set Tests will continue until concluded by way of announcement in the **Federal Register**.

At the conclusion of the testing, an evaluation will be conducted and the results of that evaluation will be published in the **Federal Register** and the *Customs Bulletin* as required by section 101.9(b)(2) of the CBP regulations (19 CFR 101.9(b)(2)).

VI. Comments

All interested parties are invited to comment on any aspect of these ACE Portal Account Tests, as modified by this notice, for the duration of the modified tests. CBP requests comments and feedback on all aspects of these modifications, including the design, conduct and implementation of the modifications, in order to determine whether to modify, alter, expand, limit, continue, end, or fully implement these modifications.

VII. Waiver of Regulations Under This Test

For purposes of these tests, any provision in title 19 of the Code of Federal Regulations including, but not limited to, the provisions found in part 12 that are inconsistent with the requirements set forth in this notice are waived for the duration of these tests. *See* 19 CFR 101.9(b). This document, however, does not waive any recordkeeping requirements found in part 163 of title 19 of the Code of Federal Regulations (19 CFR part 163) and the Appendix to part 163 (commonly known as the ''(a)(1)(A) list'').

VIII. Previous Notices

All requirements, terms and conditions, and aspects of the ACE tests discussed in previous notices are hereby incorporated by reference into this notice and continue to be applicable, unless changed by this notice.

IX. Paperwork Reduction Act

The collection of information related to the importation of Ozone Depleting Substances has been approved by the Office of Management and Budget (OMB) in accordance with the requirements of the Paperwork Reduction Act (44 U.S.C. 3507) and assigned OMB Information Collection Request (ICR) numbers 2060–0170 and 2060–0498. With respect to the two other ICRs, EPA will request OMB approval for its ICRs for the collection of information related to (1) the importation of non-road vehicles and engines and (2) the notice of arrival for pesticides or devices consistent with proposed revisions to the related CBP regulations at 19 CFR part 12. Once OMB approves those information collections CBP will lift the limit on participation in (1) the non-road vehicles and engines test and (2) the notice of arrival for pesticides or devices test.

X. Confidentiality

All data submitted and entered into ACE may be subject to the Trade Secrets Act (18 U.S.C. 1905) and is considered confidential by CBP, except to the extent as otherwise provided by law. The Electronic Export Information (EEI) is also subject to the confidentiality provisions of 15 CFR 30.60. As stated in previous notices, participation in these or any of the previous ACE tests is not confidential and upon a written Freedom of Information Act (FOIA) request, a name(s) of an approved participant(s) will be disclosed by CBP in accordance with 5 U.S.C. 552.

XI. Development of ACE Prototypes

A chronological listing of **Federal Register** publications detailing ACE test developments is set forth below.

- ACE Portal Accounts and Subsequent Revision Notices: 67 FR 21800 (May 1, 2002); 69 FR 5360 and 69 FR 5362 (February 4, 2004); 69 FR 54302 (September 8, 2004); 70 FR 5199 (February 1, 2005).
- ACE System of Records Notice: 71 FR 3109 (January 19, 2006).
- Terms/Conditions for Access to the ACE Portal and Subsequent Revisions: 72 FR 27632 (May 16, 2007); 73 FR 38464 (July 7, 2008).
- ACE Non-Portal Accounts and Related Notice: 70 FR 61466 (October 24, 2005); 71 FR 15756 (March 29, 2006).
- ACE Entry Summary, Accounts and Revenue (ESAR I) Capabilities: 72 FR 59105 (October 18, 2007).
- ACE Entry Summary, Accounts and Revenue (ESAR II) Capabilities: 73 FR 50337 (August 26, 2008); 74 FR 9826 (March 6, 2009).
- ACE Entry Summary, Accounts and Revenue (ESAR III) Capabilities: 74 FR 69129 (December 30, 2009).
- ACE Entry Summary, Accounts and Revenue (ESAR IV) Capabilities: 76 FR 37136 (June 24, 2011).
- Post-Entry Amendment (PEA) Processing Test: 76 FR 37136 (June 24, 2011).

- ACE Announcement of a New Start Date for the National Customs Automation Program Test of Automated Manifest Capabilities for Ocean and Rail Carriers: 76 FR 42721 (July 19, 2011).
- ACE Simplified Entry: 76 FR 69755 (November 9, 2011).
- National Customs Automation Program (NCAP) Tests Concerning Automated Commercial Environment (ACE) Document Image System (DIS): 77 FR 20835 (April 6, 2012).
- National Customs Automation Program (NCAP) Tests Concerning Automated Commercial Environment (ACE) Simplified Entry: Modification of Participant Selection Criteria and Application Process: 77 FR 48527 (August 14, 2012).
- Modification of NCAP Test Regarding Reconciliation for Filing Certain Post-Importation Preferential Tariff Treatment Claims under Certain FTAs: 78 FR 27984 (May 13, 2013).
- Modification of Two National Customs Automation Program (NCAP) Tests Concerning Automated Commercial Environment (ACE) Document Image System (DIS) and Simplified Entry (SE): 78 FR 44142 (July 23, 2013).
- Modification of Two National Customs Automation Program (NCAP) Tests Concerning Automated Commercial Environment (ACE) Document Image System (DIS) and Simplified Entry (SE); Correction: 78 FR 53466 (August 29, 2013).
- Modification of NCAP Test Concerning Automated Commercial Environment (ACE) Cargo Release (formerly known as Simplified Entry): 78 FR 66039 (November 4, 2013).
- Post-Summary Corrections to Entry Summaries Filed in ACE Pursuant to the ESAR IV Test: Modifications and Clarifications: 78 FR 69434 (November 19, 2013).
- National Customs Automation Program (NCAP) Test Concerning the Submission of Certain Data Required by the Environmental Protection Agency and the Food Safety and Inspection Service Using the Partner Government Agency Message Set Through the Automated Commercial Environment (ACE): 78 FR 75931 (December 13, 2013).
- Modification of National Customs Automation Program (NCAP) Test Concerning Automated Commercial Environment (ACE) Cargo Release for Ocean and Rail Carriers: 79 FR 6210 (February 3, 2014).
- Modification of National Customs Automation Program (NCAP) Test Concerning Automated Commercial Environment (ACE) Cargo Release to Allow Importers and Brokers to Certify From ACE Entry Summary: 79 FR 24744 (May 1, 2014).
- Modification of National Customs Automation Program (NCAP) Test Concerning Automated Commercial Environment (ACE) Cargo Release for Truck Carriers: 79 FR 25142 (May 2, 2014).
- Modification of National Customs Automation Program (NCAP) Test Concerning Automated Commercial Environment (ACE) Document Image System: 79 FR 36083 (June 25, 2014).
- Announcement of eBond Test: 79 FR 70881 (November 28, 2014).
- eBond Test Modifications and Clarifications: Continuous Bond Executed Prior to or Outside the eBond Test May Be Converted to an eBond by the Surety and Principal, Termination of an eBond by Filing Identification Number, and Email Address Correction: 80 FR 899 (January 7, 2015).
- Modification of National Customs Automation Program (NCAP) Test Concerning Automated Commercial Environment (ACE) Document Image System Relating to Animal and Plant Health Inspection Service (APHIS) Document Submissions: 80 FR 5126 (January 30, 2015).
- Modification of National Customs Automation Program (NCAP) Test Concerning the use of Partner Government Agency Message Set through the Automated Commercial Environment (ACE) for the Submission of Certain Data Required by the Environmental Protection Agency (EPA): 80 FR 6098 (February 4, 2015).
- Announcement of Modification of ACE Cargo Release Test to Permit the Combined Filing of Cargo Release and Importer Security Filing (ISF) Data: 80 FR 7487 (February 10, 2015).
- Modification of National Customs Automation Program (NCAP) Test Concerning Automated Commercial Environment (ACE) Cargo Release for Type 03 Entries and Advanced Capabilities for Truck Carriers: 80 FR 16414 (March 27, 2015).
- Automated Commercial Environment (ACE) Export Manifest for Air Cargo Test: 80 FR 39790 (July 10, 2015).
- National Customs Automation Program (NCAP) Concerning Remote Location Filing Entry Procedures in the Automated Commercial Environment (ACE) and the Use of the Document Image System for the Submission of Invoices and the Use of eBonds for the Transmission of Single Transaction Bonds: 80 FR 40079 (July 13, 2015).
- Modification of National Customs Automation Program (NCAP) Test Concerning the Automated Commercial Environment (ACE) Partner Government Agency (PGA) Message Set Regarding Types of Transportation Modes and Certain Data Required by the National Highway Traffic Safety Administration (NHTSA): 80 FR 47938 (August 10, 2015).
- ACE Export Manifest for Vessel Cargo Test: 80 FR 50644 (August 20, 2015).
- Modification of National Customs Automation Program (NCAP) Test Concerning the Submission of Certain Data Required by the Food and Drug Administration (FDA) Using the Partner Government Agency (PGA) Message Set Through the Automated Commercial Environment (ACE): 80 FR 52051 (August 27, 2015).
- ACE Export Manifest for Rail Cargo Test: 80 FR 54305 (September 9, 2015).
- Automated Commercial Environment (ACE) Fillings for Electronic Entry/Entry Summary (Cargo Release and Related Entry): 80 FR 61278 (October 13, 2015).
- Modification of the National Customs Automation Program (NCAP) Test Concerning the Automated Commercial Environment (ACE) Document Image System (DIS) Regarding Future Updates and New Method of Submission of Accepted Documents: 80 FR 62082 (October 15, 2015).
- Modification of National Customs Automation Program (NCAP) Test Concerning Automated Commercial Environment (ACE) Cargo Release Test for Entry Type 52 and Certain Other Modes of Transportation: 80 FR 63576 (October 20, 2015).
- Modification of National Customs Automation Program (NCAP) Test Concerning the Automated Commercial Environment (ACE) Portal Account Test to Establish the Exporter Portal Account: 80 FR 63817 (October 21, 2015).
- Modification of National Customs Automation Program (NCAP) Test Concerning Automated Customs Environment (ACE) Entry Summary, Accounts and Revenue (ESAR) Test of Automated Entry Summary Types 51 and 52 and Certain Modes of Transportation: 80 FR 63815 (October 21, 2015).
- Modification of National Customs Automation Program (NCAP) Test Concerning the Automated Commercial Environment (ACE) Partner Government Agency (PGA) Message Set Regarding the Toxic Substances Control Act (TSCA) Certification Required by the Environmental Protection Agency (EPA): 81 FR 7133 (February 10, 2016).

Dated: March 9, 2016.

Brenda B. Smith,

Assistant Commissioner, Office of International Trade.

[FR Doc. 2016–05678 Filed 3–11–16; 8:45 am]

BILLING CODE 9111–14–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5921–N–01]

Privacy Act of 1974; Computer Matching Program Between the Department of Housing and Urban Development and the Department of Health and Human Services: Matching Tenant Data in Assisted Housing Programs

AGENCY: Office of Administration, Housing and Urban Development (HUD).

ACTION: Notice of a new computer matching agreement between HUD and Health and Human Services (HHS).

SUMMARY: Pursuant to the Computer Matching and Privacy Protection Act of 1988, as amended, HUD is providing notice of its intent to execute a new computer matching agreement with HHS for a recurring matching program with HUD's Office of Public and Indian Housing (PIH) and Office of Housing, involving comparisons of information provided by participants in any authorized HUD rental housing assistance program with the independent sources of income information available through the National Directory of New Hires (NDNH) maintained by HHS. HUD will obtain HHS data and make the results available to: (1) Program administrators such as public housing agencies (PHAs) and private owners and management agents (O/As) (collectively referred to as POAs) to enable them to verify the accuracy of income reported by the tenants (participants) of HUD rental assistance programs and (2) contract administrators (CAs) overseeing and monitoring O/A operations as well as independent public auditors (IPAs) that audit both PHAs and O/As.

The most recent renewal of the current matching agreement expires on March 15, 2016.

DATES: HUD will file a report of the subject matching program with the Committee on Oversight and Government Reform of the House of Representatives, the Committee on Homeland Security and Governmental Affairs of the Senate, and Office of Management and Budget's (OMB), Office of Information and Regulatory Affairs. The matching program will become effective as cited in Section VI of this notice.

ADDRESSES: Interested persons are invited to submit comments regarding this notice to the Rules Docket Clerk, Office of General Counsel, Room 10276, Department of Housing and Urban Development, 451 Seventh Street SW., Washington, DC 20410–0500. Communications should refer to the above docket number and title. Facsimile (FAX) comments are not acceptable. A copy of each communication submitted will be available for public inspection and copying between 8:00 a.m. and 5:00 p.m. weekdays at the above address.

FOR FURTHER INFORMATION CONTACT: For Privacy Act Inquiries: Office of Administration, Office of the Executive Secretariat, contact Frieda B. Edwards, Acting Chief Privacy Officer, Department of Housing and Urban Development, 451 Seventh Street SW., Room 10139, Washington, DC 20410, telephone number (202) 402–6828. For program information: Office of Public and Indian Housing, contact Larry Tipton, Project Manager for the Real Estate Assessment Center, Department of Housing and Urban Development, 451 Seventh Street SW., Room PCFL2, Washington, DC 20410, telephone number (202) 475–8746; and for the Office of Housing, contact Danielle Garcia, Director of the Housing Oversight Division, Department of Housing and Urban Development, 451 Seventh Street SW., Room 6134, Washington, DC 20410, telephone number (202) 402–2768. (These are not toll-free numbers.) A telecommunications device for hearing- and speech-impaired individuals (TTY) is available at (800) 877–8339 (Federal Information Relay Service).

SUPPLEMENTARY INFORMATION: On March 11, 2009, Section 239 of HUD's 2009 Appropriations Act modified Section 904 of the Stewart B. McKinney Act of 1988, as amended, to include the Disaster Housing Assistance Program (DHAP) as a ''program'' of HUD for the purpose of income verifications and computer matching. As such, pursuant to the Computer Matching and Privacy Protection Act (CMPPA) of 1988, as amended; OMB's guidance on this statute entitled, ''Final Guidance Interpreting the Provisions of Public Law 100–503''; and OMB Circular No. A–130, Appendix 1 to OMB's Revisions of Circular No. A–130, ''Transmittal Memorandum No. 4, Management of Federal Information Resources''; HUD is providing the public with notice of a new computer matching agreement with HHS (previous notice of a computer matching program between HUD and HHS was previously published at 78 FR 47336 on August 5, 2013). The first HUD–HHS computer matching program was conducted in September 2005, with HUD's Office of Public and Indian Housing. The scope of the HUD–HHS computer matching program was extended to include HUD's Office of Housing in December 2007, and the participants of HUD's DHAP in January 2011.

The matching program will be carried out only to the extent necessary to: (1) Verify the employment and income of individuals participating in programs identified in Section II below, to correctly determine the amount of their rent and assistance, (2) identify, prevent, and recover improper payments made on behalf of tenants, and (3) after removal of personal identifiers, to conduct analyses of the employment and income reporting of individuals participating in any HUD authorized rental housing assistance program.

HUD will make the results of the computer matching program available to public housing agencies (PHAs), private housing owners and management agents (O/As) administering HUD rental assistance programs to enable them to verify employment and income and correctly determine the rent and assistance levels for individuals participating in those programs, and contract administrators (CAs) overseeing and monitoring O/A operations. This information also may be disclosed to the HUD Office of Inspector General (HUD/OIG) and the Attorney General in detecting and investigating potential cases of fraud, waste, and abuse within HUD rental assistance programs.

In addition to the above noted information disclosures, limited redisclosure of reports containing NDNH information may be redisclosed to the following persons and/or entities: (1) Independent auditors for the sole purpose of performing an audit of whether these HUD authorized entities verified tenants' employment and/or income and calculated the subsidy and rent correctly; and (2) entities and/or individuals associated with grievance procedures and judicial proceedings (*i.e.* lawyers, court personnel, agency personnel, grievance hearing officers, etc.) relating to independently verified unreported income identified through this matching program.

HUD and its third party administrators (PHAs, O/As, and CAs) will use this matching authority to identify, reduce or eliminate improper payments in HUD's rental housing

assistance programs, while continuing to ensure that HUD rental housing assistance programs serve and are accessible by its intended program beneficiaries.

I. Authority

This matching program is being conducted pursuant to Section 217 of the Consolidated Appropriation Act of 2004 (Pub. L. 108–199, Approved January 23, 2004), which amended Section 453(j) of the Social Security Act (42 U.S.C. 653(j)), Sections 3003 and 13403 of the Omnibus Budget Reconciliation Act of 1993 (Pub. L. 103–66, approved August 10, 1993); Section 542(b) of the 1998 Appropriations Act (Pub. L. 105–65); Section 904 of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988, as amended by Section 239 of HUD's 2009 Appropriations, effective March 11, 2009 (42 U.S.C. 3544); Section 165 of the Housing and Community Development Act of 1987 (42 U.S.C. 3543); the National Housing Act (12 U.S.C. 1701–1750g); the United States Housing Act of 1937 (42 U.S.C. 1437–1437z); Section 101 of the Housing and Community Development Act of 1965 (12 U.S.C. 1701s); the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4101 *et seq.*); and the Quality Housing and Work Responsibility Act of 1998 (42 U.S.C. 1437a(f)).

The Housing and Community Development Act of 1987 authorizes HUD to require applicants and participants (as well as members of their household 6 years of age and older) in HUD-administered programs involving rental housing assistance to disclose to HUD their Social Security Numbers (SSNs) as a condition of initial or continuing eligibility for participation in the programs. Effective January 31, 2010, all applicants and participants under the age of 6, are required to disclose their SSN to HUD, in accordance with regulatory revisions made to 24 CFR 5.216, as published at 74 FR 68924, on December 29, 2009.

Section 217 of the Consolidated Appropriations Act of 2004 (Pub. L. 108–199, approved January 23, 2004) authorizes HUD to provide to HHS information on persons participating in any programs authorized by:

(i) The United States Housing Act of 1937 (42 U.S.C. 1437 *et seq.*);

(ii) Section 202 of the Housing Act of 1959 (12 U.S.C. 1701q);

(iii) Section 221(d)(3), 221(d)(5) or 236 of the National Housing Act (12 U.S.C. 17151(d) and 1715z–1);

(iv) Section 811 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8013); or

(v) Section 101 of the Housing and Urban Development Act of 1965 (12 U.S.C. 1701s);

The Refinement of Income and Rent Determination Requirements in Public and Assisted Housing Programs: Implementation of the Enterprise Income Verification (EIV) System—Amendments; Final rule published at 74 FR 68924 on December 29, 2009, requires program administrators to use HUD's EIV system to verify tenant employment and income information during mandatory re-examinations or recertification's of family composition and income and reduce administrative and subsidy payment errors in accordance with HUD administrative guidance (HUD regulation at 24 CFR 5.233).

This matching program also assists HUD in complying with the following Federal laws, requirements, and guidance related to identifying and reducing improper payments:

1. Improper Payments Elimination and Recovery Act of 2010 (IPERA) (Pub. L. 111–204);
2. Presidential Memorandum on Enhancing Payment Accuracy Through a ''Do Not Pay List'' (June 18, 2010)
3. Office of Management and Budget M–10–13, Issuance of Part III to OMB Circular A–123, appendix C;
4. Presidential Memorandum on Finding and Recapturing Improper Payments (March 10, 2010);
5. Reducing Improper Payments and Eliminating Waste in Federal Programs (Executive Order 13520, November 2009);
6. Improper Payments Information Act of 2002 (Pub. L. 107–300); and
7. Office of Management and Budget M–03–13, Improper Payments Information Act of 2002 Implementation Guide

This matching program is also authorized by subsections 453(j)(7)(A), (C)(i), and (D)(i) of the Social Security Act (as amended and authorized by Section 217 of the Consolidated Appropriations Act of 2004 (Pub. L. 108–199)). Specifically, the aforementioned law authorizes HHS to compare information provided by HUD with data contained in the NDNH and report the results of the data match to HUD. The Social Security Act gives HUD the authority to disclose this information to CAs, O/As, and PHAs for the purpose of verifying the employment and income of individuals receiving benefits in the above programs. HUD shall not seek, use or disclose information relating to an individual without the prior written consent of that individual, and HUD has the authority to require consent as a condition of participating in HUD rental housing assistance programs.

The NDNH contains new hire, quarterly wage, and unemployment insurance information furnished by state and Federal agencies and is maintained by HHS' Office of Child Support Enforcement (OCSE) in its system of records ''OCSE National Directory of New Hires,'' No. 09–80–0381, published in the **Federal Register** at 80 FR 17894 (specifically pages 17906–17909) on April 2, 2015. The aforementioned published system of records notice authorizes disclosure of NDNH information to HUD pursuant to Routine Use (12) ''for the purpose of verifying the employment and income of the individuals and, after removal of personal identifiers, for the purpose of conducting analyses of the employment and income reporting of such individuals.''

The HUD records used in the information comparison are retrieved from the Tenant Rental Assistance Certification System (TRACS) covered under HUD's Tenant Housing Assistance and Contract Verification Data System (HUD/H–11), published on March 13, 1997 (62 FR 11909); and the Inventory Management System (IMS), also known as the Public and Indian Housing (PIH) Information Center (PIC) (HUD/PIH.01), published on April 13, 2012 (77 FR 22337). The results of the information comparison are maintained within, the HUD system of records, Enterprise Income Verification System (EIV), No. HUD/PIH–5, last published in the **Federal Register** at 71 FR 45066 on August 8, 2006, and updated on September 1, 2009, at 74 FR 45235. ''Routine use'' (1) of the system of records authorizes disclosure of HUD records to HHS.

II. Covered Programs

This notice of computer matching program applies to the following rental assistance programs:

A. Disaster Housing Assistance Program (DHAP)
B. Public Housing
C. Section 8 Housing Choice Vouchers (HCV)
D. Project-Based Vouchers
E. Section 8 Moderate Rehabilitation
F. Project-Based Section 8
  1. New Construction
  2. State Agency Financed
  3. Substantial Rehabilitation
  4. Sections 202/8
  5. Rural Housing Services Section 515/8
  6. Loan Management Set-Aside (LMSA)
  7. Property Disposition Set-Aside (PDSA)
G. Section 101 Rent Supplement
H. Section 202/162 Project Assistance Contract (PAC)
I. Section 202 Project Rental Assistance Contract (PRAC)

J. Section 811 Project Rental Assistance Contract (PRAC)
K. Section 236 Rental Assistance Program
L. Section 221(d)(3) Below Market Interest Rate (BMIR)

Note: This notice does not apply to the Low-Income Housing Tax Credit (LIHTC) or the Rural Housing Services Section 515 without Section 8 programs.

III. Objectives To Be Met by the Matching Program

HUD's primary objective of the computer matching program is to verify the employment and income of individuals participating in the housing programs identified in Section II above, to determine the appropriate level of rental assistance, and to detect, deter and correct fraud, waste, and abuse in rental housing assistance programs. In meeting these objectives, HUD also is carrying out a responsibility under 42 U.S.C. Sec. 1437f(K) to ensure that income data provided to PHAs, and O/As, by household members is complete and accurate. HUD's various rental housing assistance programs require that participants meet certain income and other criteria to be eligible for rental assistance. In addition, tenants generally are required to report and recertify the amounts and sources of their income at least annually. However, under the QHWRA of 1998, PHAs operating Public Housing programs may offer tenants the option to pay a flat rent, or an income-based rent. Those tenants who select a flat rent will be required to recertify income at least every three years. In addition, the changes to the Admissions and Occupancy final rule (March 29, 2000 (65 FR 16692)) specified that household composition must be recertified annually for tenants who select a flat rent or income-based rent.

An additional objective of this computer matching program is to facilitate the statistical measurement of subsidy error by completing an annual QC study. The QC study provides national estimates of the extent, severity, costs, and sources of rent errors for rental assistance programs, administered by the Offices of Housing and Public and Indian Housing. This study is designed to measure the extent of administrative errors by housing providers and tenant income reporting errors. The errors evaluated in this study affect the rent contributions tenants should have been charged. HUD will use NDNH information resulting from this data comparison and disclosure solely for the purpose of conducting aggregate analyses of employment and income reporting of individuals participating in the rental housing assistance programs. The study will not contain personally identifiable information of individuals.

IV. Program Description

In this computer matching program, tenant-provided information included in HUD's automated systems of records known as Tenant Rental Assistance Certification System (TRACS) covered under HUD's Tenant Housing Assistance and Contract Verification Data System (HUD/H–11), Inventory Management System, formerly the Public and Indian Housing Information Center (PIC) (commonly referred to as IMS/PIC) (HUD/PIH–4), and Enterprise Income Verification (EIV) System (HUD/PIH–5) will be compared to data from the NDNH database. HUD will disclose to HHS only tenant personal identifiers, *i.e.,* full name, Social Security Number, and date of birth. HHS will match the HUD-provided personal identifiers to personal identifiers included in the National Directory of New Hires (NDNH) contained within their systems of records known as ''OCSE National Directory of New Hires'', System Number 09–80–0381. HHS will provide employment information and income data to HUD only for individuals with matching personal identifiers.

A. Income Verification

Any disparity between tenant-reported income and/or sources and the income and sources derived from the match (*i.e.,* a ''hit'') will be further reviewed by HUD, the program administrator, or the HUD Office of Inspector General (OIG) to determine whether the income reported by tenants to the program administrator is correct and complies with HUD and program administrator requirements. Specifically, current or prior wage information and other data will be sought directly from employers and/or tenants.

B. Administrative or Legal Actions

With respect to the ''hits'' that will occur as a result of this matching program, HUD requires program administrators to take appropriate action in consultation with tenants to: (1) Resolve income disparities between tenant-reported and independent income source data, and (2) use correct income amounts in determining housing rental assistance.

Program administrators must compute the rent in full compliance with all applicable occupancy regulations. Program administrator must ensure that they use the correct income and correctly compute the rent. The program administrator may not suspend, terminate, reduce, or make a final denial of any housing assistance to any tenant as the result of information produced by this matching program until: (a) The tenant has received notice from the program administrator of its findings, and tenants are informed of the opportunity to contest such findings and (b) either the expiration of any notice period provided in applicable HUD requirements of the program or the 30-day period beginning on the date on which notice of adverse findings was mailed or otherwise provided to the tenant. In all cases, program administrators will resolve income discrepancies in consultation with tenants. Additionally, serious violations, which program administrators, HUD program staff, or HUD OIG verify, should be referred for full investigation and appropriate civil and/or criminal proceedings.

V. Records To Be Matched

HHS will conduct the matching of tenant SSNs, full names, and dates of births (DOBs) to tenant data HUD supplies from its Tenant Rental Assistance Certification System (TRACS) (HUD/H–11) and the Public and Indian Housing Information Center (PIC) (HUD/PIH–4). Program administrators utilize the form HUD–50058 module within the PIC and the form HUD–50059 module within the TRACS to provide HUD with the tenant data.

HHS will match the tenant records included in HUD/H–11 and HUD/PIH–4 to NDNH records contained in HHS' ''OCSE National Directory of New Hires,'' System Number 09–80–0381. HUD will place the resulting matched data into its Enterprise Income Verification (EIV) system (HUD/PIH–5).

VI. Period of the Match

The matching program will become effective and the matching may commence after the respective Data Integrity Boards (DIBs) of both agencies approve and sign the computer matching agreement, and after, the later of the following: (1) 40 Days after report of the matching program is sent to Congress and OMB; (2) at least 30 days after publication of this notice in the **Federal Register**, unless comments are received, which would result in a contrary determination. The computer matching program will be conducted according to agreement between HUD and HHS. The computer matching agreement for the planned match will terminate either when the purpose of the computer matching program is accomplished, or 18 months from the effective date. The agreement may be

renewed for one 12-month period, with the mutual agreement of all involved parties, if the following conditions are met:

(1) Within 3 months of the expiration date, all Data Integrity Boards (DIBs) review the agreement, find that the program will be conducted without change, and find a continued favorable examination of benefit/cost results;

(2) All parties certify that the program has been conducted in compliance with the agreement.

The agreement may be terminated, prior to accomplishment of the computer matching purpose or 18 months from the date the agreement is signed (whichever comes first), by the mutual agreement of all involved parties within 30 days of written notice.

Authority: 5 U.S.C. 552a; 88 Stat. 1896; 42 U.S.C. 3535(d).

Dated: March 3, 2016.

Patricia A. Hoban-Moore,

Chief Administrative Officer.

[FR Doc. 2016–05695 Filed 3–11–16; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5913–N–06]

60-Day Notice of Proposed Information Collection: Multifamily Contractor's/Mortgagor's Cost Breakdowns and Certifications

AGENCY: Office of the Assistant Secretary for Housing—Federal Housing Commissioner, HUD.

ACTION: Notice.

SUMMARY: HUD is seeking approval from the Office of Management and Budget (OMB) for the information collection described below. In accordance with the Paperwork Reduction Act, HUD is requesting comment from all interested parties on the proposed collection of information. The purpose of this notice is to allow for 60 days of public comment.

DATES: *Comments Due Date:* May 13, 2016.

ADDRESSES: Interested persons are invited to submit comments regarding this proposal. Comments should refer to the proposal by name and/or OMB Control Number and should be sent to: Colette Pollard, Reports Management Officer, QDAM, Department of Housing and Urban Development, 451 7th Street, SW., Room 4176, Washington, DC 20410–5000; telephone 202–402–3400 (this is not a toll-free number) or email at *Colette.Pollard@hud.gov* for a copy of the proposed forms or other available information. Persons with hearing or speech impairments may access this number through TTY by calling the toll-free Federal Relay Service at (800) 877–8339.

FOR FURTHER INFORMATION CONTACT: Theodore F. Toon, Director Multifamily Housing Development, Department Of Housing and Urban Development, 451 7th Street, SW., Washington, DC 20410, email *Theodore.F.Toon@hud.gov* or telephone 202–402–1142. This is not a toll-free number. Persons with hearing or speech impairments may access this number through TTY by calling the toll-free Federal Relay Service at (800) 877–8339.

Copies of available documents submitted to OMB may be obtained from Ms. Pollard.

SUPPLEMENTARY INFORMATION: This notice informs the public that HUD is seeking approval from OMB for the information collection described in Section A.

A. Overview of Information Collection

Title of Information Collection: Multifamily Contractor's/Mortgagor's Cost Breakdowns and Certifications.

OMB Approval Number: 2502–0044.

Type of Request: Extension of currently approved collection.

Form Number: HUD–92330–A, HUD–2328, HUD–2205–A.

Description of the need for the information and proposed use: Contractors use the form HUD–2328 to establish a schedule of values of construction items on which the monthly advances or mortgage proceeds are based. Contractors use the form HUD–92330–A to convey actual construction costs in a standardized format of cost certification. In addition to assuring that the mortgage proceeds have not been used for purposes other than construction costs, HUD–92330–A further protects the interest of the Department by directly monitoring the accuracy of the itemized trades on form HUD–2328. This form also serves as project data to keep Field Office cost data banks and cost estimates current and accurate. HUD–2205A is used to certify the actual costs of acquisition or refinancing of projects insured under Section 223(f) program.

Respondents: Business or other for profit. Not for profit institutions.

Estimated Number of Respondents: 1807.

Estimated Number of Responses: 3739.

Frequency of Response: 1.

Average Hours per Response: 19.

Total Estimated Burdens: 29,287.

B. Solicitation of Public Comment

This notice is soliciting comments from members of the public and affected parties concerning the collection of information described in Section A on the following:

(1) Whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;

(2) The accuracy of the agency's estimate of the burden of the proposed collection of information;

(3) Ways to enhance the quality, utility, and clarity of the information to be collected; and

(4) Ways to minimize the burden of the collection of information on those who are to respond; including through the use of appropriate automated collection techniques or other forms of information technology, *e.g.,* permitting electronic submission of responses.

HUD encourages interested parties to submit comment in response to these questions.

Authority: Section 3507 of the Paperwork Reduction Act of 1995, 44 U.S.C. Chapter 35.

Dated: March 7, 2016.

Janet M. Golrick,

Associate General Deputy Assistant Secretary for Housing-Associate Deputy Federal Housing Commissioner.

[FR Doc. 2016–05697 Filed 3–11–16; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

[FWS–HQ–R–2015–N237; FF09D00000–FXGO1664091HCC0–167]

Wildlife and Hunting Heritage Conservation Council; Charter Renewal

AGENCY: Fish and Wildlife Service, Interior.

ACTION: Notice.

SUMMARY: Under the Federal Advisory Committee Act (FACA), following consultation with the General Services Administration, the Secretary of the Interior and the Secretary of Agriculture have renewed the Wildlife and Hunting Heritage Conservation Council (Council).

FOR FURTHER INFORMATION CONTACT: Joshua Winchell, Council Coordinator, Fish and Wildlife Service, (703) 358–2639.

SUPPLEMENTARY INFORMATION: The Council provides recommendations on wildlife and habitat management,

hunting, and other outdoor recreation, affording stakeholders the opportunity to give policy, management, and technical input to the Secretaries. The Council conducts its operations in accordance with the provisions of the FACA, 5 U.S.C. Appendix 2. The Council reports to the Secretary of the Interior and the Secretary of Agriculture through the Fish and Wildlife Service, in consultation with the Director of the Bureau of Land Management; the Director of the National Park Service; the Chief, U.S. Forest Service; the Chief, Natural Resources Conservation Service; and the Administrator of the Farm Service Agency. The Council will function solely as an advisory body.

Certification: I hereby certify that the Wildlife and Hunting Heritage Conservation Council is necessary and is in the public interest in connection with the performance of duties imposed on the Department of the Interior under 43 U.S.C. 1457 and provisions of the Fish and Wildlife Act of 1956 (16 U.S.C. 742a), the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701), the National Wildlife Refuge System Improvement Act of 1997 (16 U.S.C. 668dd), and Executive Order 13443, Facilitation of Hunting Heritage and Wildlife Conservation.

Dated: February 10, 2016.

Sally Jewell,

Secretary of the Interior.

[FR Doc. 2016–05693 Filed 3–11–16; 8:45 am]

BILLING CODE 4333–15–P

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

[FWS–HQ–ES–2016–N007; FF09E15000–FXHC112509CBRA1–167]

John H. Chafee Coastal Barrier Resources System; Availability of Final Revised Maps for Alabama, Florida, Georgia, Louisiana, Michigan, Minnesota, Mississippi, New York, Ohio, and Wisconsin

AGENCY: Fish and Wildlife Service, Interior.

ACTION: Notice of availability.

SUMMARY: The Coastal Barrier Resources Act (CBRA) requires the Secretary of the Interior (Secretary) to review the maps of the John H. Chafee Coastal Barrier Resources System (CBRS) at least once every 5 years and make any minor and technical modifications to the boundaries of the CBRS as are necessary to reflect changes that have occurred in the size or location of any CBRS unit as a result of natural forces. The U.S. Fish and Wildlife Service (Service) has conducted this review and has prepared final revised maps for all of the CBRS units in Alabama, most units in Florida, all units in Georgia, several units in Louisiana, all units in Michigan, the only unit in Minnesota, all units in Mississippi, all units in the Great Lakes region of New York, all units in Ohio, and all units in Wisconsin. The maps were produced by the Service in partnership with the Federal Emergency Management Agency (FEMA) and in consultation with the appropriate Federal, State, and local officials. This notice announces the findings of the Service's review and the availability of final revised maps for 247 CBRS units. The final revised maps for these CBRS units, dated January 11, 2016, are the official controlling CBRS maps for these areas.

DATES: Changes to the CBRS depicted on the final revised maps, dated January 11, 2016, become effective on March 14, 2016.

ADDRESSES: For information about how to get copies of the maps or where to go to view them, see **SUPPLEMENTARY INFORMATION**.

FOR FURTHER INFORMATION CONTACT: Katie Niemi, Coastal Barriers Coordinator, U.S. Fish and Wildlife Service, Ecological Services Program, 5275 Leesburg Pike, MS: ES, Falls Church, VA 22041; (703) 358–2071 (telephone); or *CBRA@fws.gov* (email).

SUPPLEMENTARY INFORMATION:

Background

Background information on the CBRA (16 U.S.C. 3501 *et seq.*) and the CBRS, as well as information on the digital conversion effort and the methodology used to produce the revised maps, can be found in a notice the Service published in the **Federal Register** on August 29, 2013 (78 FR 53467).

For information on how to access the final revised maps, see the Availability of Final Maps and Related Information section below.

Announced Map Modifications

This notice announces modifications to the maps for all of the CBRS units in Alabama, most units in Florida, all units in Georgia, several units in Louisiana, all units in Michigan, the only unit in Minnesota, all units in Mississippi, all units in the Great Lakes region of New York, all units in Ohio, and all units in Wisconsin. Most of the modifications were made to reflect changes to the CBRS units as a result of natural forces (*e.g.,* erosion and accretion). The CBRA requires the Secretary to review the CBRS maps at least once every 5 years and make, in consultation with the appropriate Federal, State, and local officials, any minor and technical modifications to the boundaries of the CBRS as are necessary to reflect changes that have occurred in the size or location of any CBRS unit as a result of natural forces (16 U.S.C. 3503(c)).

The Service's review resulted in a set of 202 final revised maps, dated January 11, 2016, depicting a total of 247 CBRS units. The set of maps includes: 9 maps for 10 CBRS units located in Alabama, 90 maps for 125 CBRS units located in Florida, 16 maps for 13 CBRS units located in Georgia, 15 maps for 7 CBRS units located in Louisiana, 36 maps for 46 CBRS units located in Michigan, 1 map for 1 CBRS unit located in Minnesota, 9 maps for 7 CBRS units located in Mississippi, 14 maps for 21 CBRS units located in the Great Lakes region of New York, 7 maps for 10 CBRS units located in Ohio, and 5 maps for 7 CBRS units located in Wisconsin. Comprehensively revised maps for Florida Units P15, P16 and FL–63P were made effective on February 29, 2016, via Public Law 114–128; therefore, the revised maps prepared for these units through the digital conversion effort will not be adopted administratively by the Service and are not described in this notice. The Service found that a total of 134 of the 247 units reviewed had experienced changes in their size or location as a result of natural forces since they were last mapped. The Service's review of these areas also found two CBRS units that required modifications to correct administrative errors that were made in the past on maps for Santa Rosa County, Florida, and Jackson County, Mississippi. The revised maps were produced by the Service in partnership with FEMA.

The Service is specifically notifying the following stakeholders concerning the availability of the final revised maps: The Chair and Ranking Member of the House of Representatives Committee on Natural Resources; the Chair and Ranking Member of the Senate Committee on Environment and Public Works; the members of the Senate and House of Representatives for the affected areas; the Governors of the affected areas; the local elected officials of the affected areas; and other appropriate Federal, State, and local officials.

Consultation With Federal, State, and Local Officials

Consultation and Comment Period

The CBRA requires consultation with the appropriate Federal, State, and local officials (stakeholders) on the proposed CBRS boundary modifications to reflect

changes that have occurred in the size or location of any CBRS unit as a result of natural forces (16 U.S.C 3503(c)). The Service fulfilled this requirement by holding a 30-day comment period on the draft maps (dated August 14, 2015) for Federal, State, and local stakeholders, from November 17, 2015, through December 17, 2015. This comment period was announced in a notice published in the **Federal Register** (80 FR 71826) on November 17, 2015.

Formal notification of the comment period was provided via letters to approximately 530 stakeholders, including the Chair and Ranking Member of the House of Representatives Committee on Natural Resources; the Chair and Ranking Member of the Senate Committee on Environment and Public Works; the members of the Senate and House of Representatives for the affected areas; the Governors of the affected areas; the local elected officials of the affected areas; and other appropriate Federal, State, and local officials.

Comments and Service Responses

The November 2015 notice specifically solicited comments from Federal, State, and local officials. Below is a summary of the 10 written comments and/or acknowledgements received from stakeholders (Federal, State, and local officials) and the Service's response to those comments. Comments received from non-stakeholders were not considered as part of this process and are therefore not summarized or responded to below. Interested parties may contact the Service individual identified in the **FOR FURTHER INFORMATION CONTACT** section to make arrangements to view copies of the comments received during the stakeholder review period.

Great Lakes Region

1. U.S. General Services Administration Great Lakes Region: The U.S. General Services Administration Great Lakes Regional Office had no comment on the proposed boundary changes as a result of natural forces to the units in Michigan, Minnesota, Ohio, and Wisconsin.

Florida

1. Representative Jeff Miller, House of Representatives, 1st District, Florida: Representative Miller requested that the Service review all information provided by his constituents (local officials) supporting technical corrections to both Unit P32 and Unit P32P, and take appropriate measures to ensure that any technical errors are corrected in the final maps.

Service Response to Representative Miller: The Service did not receive comments from local officials or any other constituents regarding Units P32 and P32P during the comment period. However, the Service has been contacted by the City of Destin in the past regarding whether the areas within these units met the CBRA criteria for an undeveloped coastal barrier at the time of designation. Changes to the CBRS boundaries through the digital conversion effort are limited to the administrative modifications the Secretary is authorized to make under the CBRA (16 U.S.C. 3503(c)–(e)). Changes that are outside the scope of this authority and technical correction reviews must be considered through the comprehensive map modernization process, which entails significant research, public review, and Congressional enactment of legislation to make the revised maps effective. Additional information about CBRS digital conversion and comprehensive map modernization can be found in the Digital Conversion of the CBRS Maps section of the notice published by the Service in the **Federal Register** on August 29, 2013 (78 FR 53467).

The Service will consider the information previously provided by the local officials at such time as this area is reviewed through the comprehensive map modernization process. However, the Service does not recommend removing lands or aquatic habitat from the CBRS unless there is compelling evidence that a technical mapping error led to the inclusion of the area in the CBRS.

2. Bay County Community Development Department: Bay County provided comments regarding three residential subdivisions and Recreational Vehicle subdivision in Unit P31P and a portion of a residential subdivision and residential/resort condominium in Unit FL–93P. Bay County believes these areas were mapped within the OPAs by mistake due to their close proximity to State parks (St. Andrews State Park in Unit P31P and Camp Helen State Park in Unit FL–93P) and should be removed from the CBRS.

Service Response to Bay County Community Development Department: Changes to the CBRS boundaries through the digital conversion effort are limited to the administrative modifications the Secretary is authorized to make under the CBRA (16 U.S.C. 3503(c)–(e)). Changes that are outside the scope of this authority, such as those recommended by Bay County, must be considered through the comprehensive map modernization process, which entails significant research, public review, and Congressional enactment of legislation to make the revised maps effective. Additional information about CBRS digital conversion and comprehensive map modernization can be found in the Digital Conversion of the CBRS Maps section of the notice published by the Service in the **Federal Register** on August 29, 2013 (78 FR 53467).

Unit FL–93P has already undergone the comprehensive map modernization process through the Digital Mapping Pilot Project (pilot project) and the results of the Service's initial review of Unit FL–93P are contained in Appendix D of the Service's 2008 *Report to Congress: John H. Chafee Coastal Barrier Resources System Digital Mapping Pilot Project*. The Service is currently preparing a final recommended map of the unit for Congressional consideration. The final results of the Service's comprehensive review of Unit FL–93P, including the final recommended map, will be included in a final report to Congress on the pilot project, which is anticipated to be finalized later in 2016. The final recommended map for Unit FL–93P will become effective only if adopted by Congress through legislation.

Unit P31P is currently undergoing the comprehensive map modernization process. The Service will consider the information provided by Bay County during the course of its review. However, the Service does not recommend removing lands or aquatic habitat from the CBRS unless there is compelling evidence that a technical mapping error led to the inclusion of the area in the CBRS.

3. St. Johns County Engineering Division: St. Johns County commented that the 1996 map (which is dated November 12, 1996) of Unit P05 shows the northern boundary of the unit hugging St. Augustine Inlet's northern boundary, and that the boundary on the 2015 draft map (which is dated August 14, 2015) now cuts through the beach immediately north of the inlet. The County indicated that this area has historically been dynamic and requested that the northern boundary of Unit P05 along Porpoise Point (aka Vilano Point) be revised to hug the current location of St. Augustine Inlet's north shoreline.

Service Response to St. Johns County Engineering Division: The Service has reviewed the northern boundary of Unit P05 and has made a modification to the portion of the boundary along the eastern shoreline of the Tolomato River, but has made no change to the boundary as it crosses the barrier north of St.

Augustine Inlet along Porpoise Point for the reasons described below.

When Unit P05 was first established in 1982, the northern boundary of the unit was drawn to include the undeveloped land located north of St. Augustine Inlet. The original map adopted by Congress included within the unit approximately 41 lots of a residential subdivision (which was beginning to develop at the time of designation) known as Porpoise Point. In 1996, Congress revised the northern boundary of Unit P05 with the intent of removing these 41 lots from the CBRS by enacting Public Law 104–333. According to the legislative history of this law, the northern boundary of Unit P05 on the map adopted through this legislation was to follow ''the division between developed and undeveloped property,'' and there is no mention of the northern shoreline of the inlet (House Report 104–452). The fact that the boundary on the 1996 map follows the location of the northern shoreline of the inlet as depicted on the base map appears to be coincidence. Because the intent of this boundary is to follow a development feature, rather than a geomorphic feature that has experienced natural change, it is outside the scope of the digital conversion effort, which is limited to the administrative modifications the Secretary is authorized to make under the CBRA (16 U.S.C. 3503(c)–(e)). Changes that are outside the scope of this authority must be made through the comprehensive map modernization process, which requires Congressional enactment of the revised maps. Additional information about CBRS digital conversion and comprehensive map modernization can be found in the Digital Conversion of the CBRS Maps section of the notice published by the Service in the **Federal Register** on August 29, 2013 (78 FR 53467).

Unit P05 has already undergone the comprehensive map modernization process through the Digital Mapping Pilot Project (pilot project) and the results of the Service's initial review of Unit P05 are contained in Appendix D of the Service's 2008 *Report to Congress: John H. Chafee Coastal Barrier Resources System Digital Mapping Pilot Project.* The Service is currently preparing a final recommended map of the unit for Congressional consideration. The final results of the Service's comprehensive review of Unit P05, including the final recommended map, will be included in a final report to Congress on the pilot project, which is anticipated to be finalized later in 2016. The final recommended map for Unit P05 will become effective only if adopted by Congress through legislation.

The northern boundary of the unit along the Tolomato River located just to the northwest of St. Augustine Inlet follows the shoreline on the official map dated November 12, 1996, and the Service believes that the intent of the boundary in this location was to coincide with the shoreline. This change is within the scope of the digital conversion project, and the boundary has been modified to follow the current location of the shoreline as described in the Summary of Modifications to the CBRS Boundaries section below.

4. Charlotte County Community Development Department: Charlotte County had no comments regarding the proposed additions, but requested that the Service review the northern portion of the central segment of Unit P21, which the County believes does not accurately reflect the natural conditions at the time the area was designated within the CBRS in 1990. Information provided by the County indicates that the northern portion of the central segment of Unit P21 (which is depicted with mangrove symbology on the original base map) includes an area of fastland on the mainland. This fastland has developed since the area was included within Unit P21. The County requested that the Service consider amending this section of the CBRS to reflect the natural conditions that were in place at the time of the initial designation of the area in 1990 and remove the mainland fastland to make it consistent with the remainder of this area.

Service Response to Charlotte County Community Development Department: Changes to the CBRS boundaries through the digital conversion effort are limited to the administrative modifications the Secretary is authorized to make under the CBRA (16 U.S.C. 3503(c)–(e)). Changes that are outside the scope of this authority, such as the one recommended by Charlotte County, must be made through the comprehensive map modernization process, which entails Congressional enactment of legislation to make the revised maps effective. Additional information about CBRS digital conversion and comprehensive map modernization can be found in the Digital Conversion of the CBRS Maps section of the notice published by the Service in the **Federal Register** on August 29, 2013 (78 FR 53467).

Unit P21 has already undergone the comprehensive map modernization process through the Digital Mapping Pilot Project (pilot project), and the results of the Service's initial review of Unit P21 are contained in Appendix D of the Service's 2008 *Report to Congress: John H. Chafee Coastal Barrier Resources System Digital Mapping Pilot Project.* The Service is currently preparing a final recommended map of the unit for Congressional consideration and will take into consideration the information provided by Charlotte County. The final results of the Service's comprehensive review of Unit P21, including the final recommended map, will be included in a final report to Congress on the pilot project, which is anticipated to be finalized later in 2016. The final recommended map for Unit P21 will become effective only if adopted by Congress through legislation.

Louisiana

1. State of Louisiana Department of Environmental Quality: The State of Louisiana had no objection to the proposed modifications.

Michigan

1. State of Michigan Department of Environmental Quality: The State of Michigan had no comment regarding the draft maps.

Ohio

1. State of Ohio Department of Natural Resources: The State of Ohio had no comment on the proposed modifications.

New York

1. State of New York Office of Parks, Recreation and Historic Preservation: The State of New York commends the Service on the digital conversion of the CBRS maps for the parks in the Great Lakes portion of New York State, and states that the accuracy of the revised maps appears correct and usability will be greatly improved.

Wisconsin

1. State of Wisconsin Department of Administration's Coastal Management Program: The State of Wisconsin found the draft maps acceptable and had no further comment.

Change to Draft Maps

The Service made one change to the CBRS boundaries depicted on the draft maps dated August 14, 2015, as a result of the fall 2015 comment period (November 17, 2015, 80 FR 71826). This change is to Florida Unit P05 and is described in the Summary of Modifications to the CBRS Boundaries section below and the justification is included in the Consultation with Federal, State, and Local Officials section above.

The CBRS boundaries depicted on the remaining final revised maps, dated January 11, 2016, are identical to the CBRS boundaries depicted on the draft revised maps dated August 14, 2015.

Summary of Modifications to the CBRS Boundaries

Below is a summary of the changes depicted on the final revised maps dated January 11, 2016.

Alabama

The Service's review found 6 of the 10 CBRS units in Alabama to have changed due to natural forces.

AL–01P: PERDIDO KEY UNIT. A portion of the northern boundary of the unit has been modified to account for erosion along the shoreline of Old River. The western boundary of the unit has been modified to account for both erosion and accretion around Florida Point.

Q01: MOBILE POINT UNIT. There are five discrete segments of Unit Q01, but modifications to account for natural changes were only necessary in the largest segment. The southern boundary of the excluded area has been modified to account for erosion along the shoreline.

Q01P: MOBILE POINT UNIT. There are four discrete segments of Unit Q01P, but modifications to account for natural changes were only necessary in the two eastern segments. In the easternmost segment of the unit, the eastern boundary has been modified to account for shoreline erosion along Oyster Bay. In the eastern central segment of the unit, the southern boundary of the excluded area has been modified to account for shoreline erosion, and the boundary following the northern edge of Little Lagoon has been modified to account for natural changes that have occurred in the configuration of the shoreline.

Q01A: PELICAN ISLAND UNIT. The landward boundary of the unit located west of the Isle Dauphine Golf Club has been extended northward and westward to account for the migration of Pelican Island into Dauphin Island.

Q02: DAUPHIN ISLAND UNIT. In the eastern segment of the unit, located north of Fort Gaines, a portion of the boundary has been modified to account for wetlands erosion along the western side of an unnamed channel located landward of the southern portion of Little Dauphin Island. In the western segment of the unit, located on the west end of Dauphin Island, the northern boundary has been moved further north to account for the migration of the island. The western boundary has been moved further west to account for accretion at the western tip of the island.

Q02P: DAUPHIN ISLAND UNIT. The portions of the boundary encompassing the area near North Point and along the Dauphin Island Bridge have been expanded to accommodate accreting sand and submerged shoals around the northwestern portion of Little Dauphin Island.

Florida

The Service's review found 66 of the 125 CBRS units in Florida that are included in this review to have changed due to natural forces. Additionally, the Service's review found that one of these units, FL–99, contained an administrative error that was made by the Service in 1997.

Unit FL–87P was not included in this review because it was remapped and referenced in notices the Service published in the **Federal Register** on August 29, 2013 (78 FR 53467) and April 17, 2014 (79 FR 21787). Additionally, this review originally included Florida units P15, P16, and FL–63P; however, comprehensively revised maps for those three units were made effective on February 29, 2016, via Public Law 114–128; therefore, the draft maps for those units prepared through the digital conversion effort have been superseded and are not included in this notice. The comprehensively revised maps, dated February 29, 2016, make modifications to the CBRS to remove areas that were inappropriately included within the CBRS in the past; add undeveloped areas that qualify for inclusion; and also address the natural changes that were proposed in the notice published in the **Federal Register** (80 FR 71826) on November 17, 2015.

FL–03P: GUANA RIVER UNIT. The boundary of the unit has been modified to follow the shoreline at the northeastern portion of Capos Island. The boundary has been modified to reflect natural changes that have occurred in the configuration of the wetland/fastland interface around portions of Lake Ponte Vedra and east of Guana River. A portion of the landward boundary near Spanish Landing has been modified to account for channel migration along the Tolomato River as visible on the new CBRS base map. The southwestern portion of the landward boundary of the unit has been modified to reflect natural changes that have occurred in the configuration of the wetland/fastland interface.

FL–06P: WASHINGTON OAKS UNIT. The northwestern portion of the landward boundary of the unit has been modified to reflect natural changes that have occurred in the configuration of the wetland/fastland interface.

FL–14P: PEPPER BEACH UNIT. There are two discrete segments of Unit FL–14P. Within the northern segment, primarily the Indian River Aquatic Preserve, the southern boundary has been modified along Fort Pierce Cut to reflect natural changes that have occurred in the configuration of the shoreline.

FL–16P: JUPITER BEACH UNIT. A portion of the western boundary of the unit has been modified to reflect natural changes that have occurred in the configuration of the shoreline of an unnamed channel near Jupiter Beach Park. A portion of the northern boundary has been modified to reflect natural changes that have occurred in the configuration of the shoreline of Jupiter Inlet.

FL–35: NORTH KEY LARGO UNIT. Portions of the landward boundary of the unit have been modified to reflect natural changes that have occurred in the configuration of the mangroves and the shoreline along Little Card Sound. Portions of the boundaries that are coincident with Unit FL–35P have been modified to reflect natural changes that have occurred in the configuration of the mangroves and shoreline along Linderman Creek, Card Sound, Barnes Sound, and the Atlantic Ocean. Portions of the boundary coincident with Unit FL–36P have been modified to reflect natural changes that have occurred in the configuration of the mangroves and shoreline along El Radabob Key.

FL–35P: NORTH KEY LARGO UNIT. There are seven discrete segments of Unit FL–35P, but modifications to account for natural changes were only necessary in five of the segments. The boundaries of the unit are primarily coincident with those of Unit FL–35. In the northernmost segment of the unit, located on Linderman Key, a portion of the boundary has been modified to reflect natural changes that have occurred in the configuration of the mangroves and shoreline along Card Sound. In the next segment to the south, a portion of the boundary has been modified to reflect natural changes that have occurred in the configuration of the mangroves and shoreline along Linderman Creek. The western boundary of this same segment has been modified to reflect natural changes that have occurred in the configuration of the mangroves and shoreline along Card Sound. Portions of the central segment, comprised largely of Crocodile Lake National Wildlife Refuge, have been modified to reflect natural changes that have occurred in the configuration of the shoreline along the Atlantic Ocean and Barnes Sound. In the two southernmost segments of Unit FL–35P, portions of the boundaries have been modified to reflect natural changes that have occurred in the configuration of the mangroves and shoreline along the Atlantic Ocean. The lateral boundaries of the central segment have been extended to clarify the extent of the unit.

FL–36P: EL RADABOB KEY UNIT. Portions of the western boundary of the unit have been modified to reflect natural changes that have occurred in the configuration of the mangroves and shoreline along Largo Sound. Portions of the boundary coincident with Unit FL–35 have been modified to reflect natural changes that have occurred in the configuration of the mangroves and shoreline along El Radabob Key.

FL–37: RODRIGUEZ KEY UNIT. A portion of the landward boundary of the unit has

been modified to account for shoreline erosion along the Atlantic Ocean.

FL–39: TAVERNIER KEY UNIT. A portion of the northeastern boundary of the unit has been modified to account for emergent mangroves along Plantation Key. A boundary segment was added to the lateral boundaries to clarify that Tavernier Key is located within the unit.

FL–44: TOMS HARBOR KEYS UNIT. Portions of the landward boundary of the unit have been modified to reflect natural changes in the configuration of the mangroves and shoreline along Toms Harbor.

FL–47P: KEY DEER/WHITE HERON UNIT. There are 15 discrete segments of Unit FL–47P, but modifications to account for natural changes were only necessary in 4 segments. Portions of the boundary of the largest segment of the unit were modified to account for natural changes that have occurred in the configuration of the shoreline along Cudjoe Key. Portions of the boundary that are coincident with Unit FL–52 have been modified to account for natural changes that have occurred in the configuration of the shoreline along Big Torch Key. In a central segment, located between Little Knockemdown Key and Summerland Key, portions of the boundary that are coincident with Unit FL–52 have been modified to account for natural changes that have occurred in the configuration of the shoreline. Portions of the boundary, located in Upper Sugarloaf Sound, have been modified to account for natural changes in the configuration of the shoreline along Buttonwood Key.

FL–50: NO NAME KEY UNIT. Portions of the western boundary of the unit have been modified to account for natural changes in the configuration of the shoreline along Big Pine Key.

FL–51: NEWFOUND HARBOR KEYS UNIT. A portion of the eastern boundary of the unit has been modified to account for changes in the configuration of the mangroves and shoreline of an unnamed island located west of Long Beach.

FL–52: LITTLE KNOCKEMDOWN/TORCH KEYS COMPLEX UNIT. There are two discrete segments of Unit FL–52, but modifications to account for natural changes were only necessary in the northern segment. A portion of the eastern boundary following Niles Channel, which is coincident with the excluded area, has been modified to account for natural changes that have occurred in the configuration of the shoreline. Portions of the northern boundary that are coincident with Unit FL–47P have been modified to account for natural changes that have occurred in the configuration of the shoreline along Big Torch Key. A portion of the southern boundary has been modified to reflect natural changes in the configuration of the mangroves and shoreline along Summerland Key. Portions of the boundary that are coincident with Unit FL–47P, located between Little Knockemdown Key and Summerland Key, have been modified to account for natural changes that have occurred in the configuration of the shoreline.

FL–54: SUGARLOAF SOUND UNIT. There are four discrete segments of Unit FL–54, but modifications to account for natural changes were only necessary in the two western segments. In both western segments of the unit, portions of the boundary have been modified to reflect natural changes in the configuration of the shoreline along Lower Sugarloaf Sound.

FL–55: SADDLEBUNCH KEYS UNIT. There are two discrete segments of Unit FL–55. In the northern segment of the unit, portions of the boundary have been modified to account for shoreline erosion along the western side of Shark Key. In the southern segment of the unit, portions of the boundary have been modified to reflect natural changes that have occurred in the configuration of the mangroves and shoreline along Geiger Key.

FL–65P: WIGGINS PASS UNIT. A portion of the landward boundary of the unit has been modified to account for natural changes that have occurred along Vanderbilt Channel.

FL–67: BUNCHE BEACH UNIT. The northern boundary of the unit has been modified to account for natural changes that have occurred in the configuration of an unnamed channel south of Big Shell Island. A portion of the western boundary has been extended westward to account for the migration of the sand sharing system in San Carlos Bay. The name of this unit has been changed from ''Bunch Beach'' to ''Bunche Beach'' to correct a spelling error.

FL–80P: PASSAGE KEY UNIT. The northern and southern lateral boundaries of the unit have been extended westward and the southern lateral boundary has been moved southward to ensure that all of the shoals are clearly within the unit.

FL–81: EGMONT KEY UNIT. The boundary of the southern segment of the unit has been modified to account for natural changes that have occurred along the shoreline of Egmont Key.

FL–81P: EGMONT KEY UNIT. The landward boundary of the unit has been modified to account for natural changes that have occurred in the configuration of the shoreline along Egmont Key. The southern boundary has been moved southward to include more of the sand sharing system associated with Egmont Key.

FL–83: COCKROACH BAY UNIT. Portions of the landward boundary of the unit have been modified to account for natural changes that have occurred in the configuration of the wetland/fastland interface.

FL–86P: CALADESI/HONEYMOON ISLANDS UNIT. A portion of the northern boundary of the unit has been moved northward to include more of the sand sharing system associated with Honeymoon Island. A portion of the southern boundary that is coincident with Unit P24A has been modified to account for accretion and to include the associated aquatic habitat at the northern tip of Clearwater Beach Island.

FL–89: PENINSULA POINT UNIT. The landward boundary and the western lateral boundary of the unit have been moved further north and west to account for accretion at the western tip of Peninsula Point. The southern lateral boundary of the unit has been extended offshore to clarify the extent of the unit.

FL–94: DEER LAKE COMPLEX. The westernmost portion of the landward boundary of the unit has been modified to reflect natural changes in the wetlands along the shoreline of an unnamed pond. The boundary following the eastern shoreline of Deer Lake and the boundary along the central segment of the unit have been modified to reflect natural changes that have occurred in the configuration of the wetland/fastland interface.

FL–96: DRAPER LAKE UNIT. A portion of the landward boundary of the unit has been modified to reflect natural changes in the shoreline of Draper Lake.

FL–97: NAVARRE BEACH UNIT. The landward boundary of the unit has been modified to account for shoreline erosion along the northern side of Santa Rosa Sound.

FL–98P: SANTA ROSA ISLAND UNIT. A portion of the boundary in Pensacola Bay, located northwest of Fort Pickens, has been moved northward to account for accretion at the western tip of Santa Rosa Island.

FL–99: TOM KING UNIT. An approximately 750-foot long portion of the boundary of the unit located along the shoreline of East Bay north of Tom King Bayou has been modified to correct an administrative error in the transcription of the boundary from the prior CBRS map dated October 24, 1990, to the official map dated July 12, 1996, for this unit. The boundary on the official 1996 map was placed approximately 130 feet too far inland, and incorrectly included four homes within the unit. This correction is supported by an assessment of the historical CBRS maps for this area, the draft map of Unit FL–99 included in the Service's *1988 Report to Congress: Volume 15, Florida (West Coast);* the Service's 1994 *Coastal Barrier Resources System Photographic Atlas: Florida, Volume 13, Panama City, Part II;* and the legislative history of the Coastal Barrier Improvement Act (CBIA) (Pub. L. 101–591). Structures remain within other portions of Unit FL–99 that were not affected by this transcription error. No modifications were made to the boundaries of this unit as a result of changes due to natural forces.

FL–100: TOWN POINT UNIT. The eastern and western lateral boundaries of the unit have been extended offshore to clarify that the shoals north of Town Point in Pensacola Bay are within the unit. No modifications were made to the boundaries of this unit as a result of changes due to natural forces.

FL–101: GARCON POINT UNIT. A portion of the landward boundary of the unit has been modified to account for natural changes that have occurred in the wetlands. A portion of the northern boundary of the unit has been modified to account for erosion along the shoreline of East Bay and natural changes that have occurred in the configuration of the wetland/fastland interface. An offshore boundary has been added in East Bay, and the western lateral boundary of the unit has been extended offshore to clarify the extent of the unit.

FL–102: BASIN BAYOU UNIT. A portion of the boundary along Escambia Bay has been modified to account for erosion along the shoreline.

FL–103P: PERDIDO KEY UNIT. A portion of the landward boundary at the eastern end of the unit has been moved northward to

account for accretion on the northeastern side of Perdido Key.

P02: TALBOT ISLANDS COMPLEX. The northern portion of the boundary has been modified to account for channel migration along Sawpit Creek and Gunnison Cut. The southern portion of the boundary has been modified to account for channel migration along Haulover Creek and to follow the shoreline along Batten Island. The west central portion of the coincident boundary between Units P02 and P02P has been modified to account for channel migration along Myrtle Creek.

P02P: TALBOT ISLANDS COMPLEX. The west central portion of the coincident boundary between Units P02 and P02P has been modified to account for channel migration along Myrtle Creek.

P04A: USINA BEACH UNIT. The landward boundary of the unit has been modified to reflect natural changes that have occurred in the configuration of the wetland/fastland interface. The northern portion of the boundary has been modified to account for channel migration along Robinson Creek. The name of this unit has been changed from ''Usinas Beach'' to ''Usina Beach'' to correct a spelling error.

P05: CONCH ISLAND UNIT. The northern boundary of the unit along the eastern shoreline of the Tolomato River, north of Vilano Point, has been modified to account for natural changes that have occurred in the configuration of the shoreline. The landward boundary of the unit and a portion of the coincident boundary between Units P05 and P05P have been modified to reflect natural changes that have occurred in the configuration of the wetland/fastland interface.

P05P: CONCH ISLAND UNIT. A portion of the coincident boundary between Units P05 and P05P has been modified to reflect natural changes that have occurred in the configuration of the wetland/fastland interface.

P05A: MATANZAS RIVER UNIT. A portion of the landward boundary of the unit has been modified to reflect natural changes that have occurred in the configuration of the wetland/fastland interface. The western portion of the excluded area boundary along Rattlesnake Island has been modified to reflect natural changes that have occurred in the configuration of a portion of shoreline along the Intracoastal Waterway.

P07: ORMOND–BY–THE–SEA UNIT. A portion of the landward boundary of the unit has been modified to reflect natural changes that have occurred in the configuration of the wetland/fastland interface.

P08: PONCE INLET UNIT. The southeastern portion of the boundary has been modified to include the sand sharing system as visible on the new CBRS base map. A portion of the western boundary has been modified to reflect natural changes that have occurred in the configuration of the shoreline along Leon Cut. The northwestern portion of the boundary has been modified to follow the center of the Spruce Creek channel.

P09A: COCONUT POINT UNIT. The eastern portions of the two excluded areas have been modified to reflect natural changes that have occurred in the configuration of the shoreline of the Atlantic Ocean. The western portions of the two excluded areas have been modified to reflect natural changes that have occurred in the shoreline of Indian River. The landward boundary of the unit has been modified to reflect natural changes that have occurred in the configuration of the shoreline of Indian River.

P10A: BLUE HOLE UNIT. The southwestern portion of the landward boundary of the unit has been modified to reflect natural changes that have occurred in the configuration of the shoreline of an unnamed channel. The western portion of the landward boundary of the unit has been modified to reflect natural changes that have occurred in the configuration of the wetland/fastland interface. The eastern and western excluded area boundaries have been modified to reflect natural changes that have occurred in the configuration of the shoreline of the Atlantic Ocean and Blue Hole Creek.

P11: HUTCHINSON ISLAND UNIT. The eastern boundaries of the two excluded areas have been modified to reflect natural changes that have occurred in the configuration of the shoreline of the Atlantic Ocean. The landward boundary of the unit and western boundary of the northern excluded area have been modified to reflect natural changes that have occurred in the configuration of the shoreline of Indian River.

P12P: HOBE SOUND UNIT. A portion of the northwestern boundary of the unit has been modified to reflect natural changes that have occurred in the configuration of the shoreline of Great Pocket. A portion of the southwestern boundary has been modified to reflect natural changes that have occurred in the configuration of the shoreline of Peck Lake. A portion of the southwestern boundary has been modified to reflect natural changes that have occurred in the configuration of the wetland/fastland interface west of Peck Lake.

P17: LOVERS KEY COMPLEX. Portions of the landward boundary of the unit have been modified to reflect natural changes that have occurred in the configuration of the wetland/fastland interface. The boundary coincident with Unit P17P has been modified to account for natural changes that have occurred in the configuration of the shoreline. The southwestern lateral boundary has been modified to account for erosion of the sand spit along Big Hickory Pass.

P17A: BOWDITCH POINT UNIT. The name of this unit has been changed from ''Bodwitch Point'' to ''Bowditch Point'' to correctly identify the underlying barrier feature. No modifications were made to the boundaries of this unit as a result of changes due to natural forces.

P17P: LOVERS KEY COMPLEX. The boundary of the unit that is coincident with Unit P17 has been modified to account for natural changes that have occurred in the configuration of the shoreline.

P18: SANIBEL ISLAND COMPLEX. The southern boundary of the unit has been extended southwestward to account for accretion which resulted in connecting the sand sharing system of an emerging island to Albright Key.

P18P: SANIBEL ISLAND COMPLEX. There are seven discrete segments of Unit P18P, but modifications to account for natural changes were only necessary in one segment that is located just south of Captiva Island and Unit P18 along the Gulf of Mexico shoreline of Sanibel Island. A portion of the landward boundary of this segment has been modified to reflect natural changes that occurred in the configuration of an unnamed channel between Silver Key and Bowmans Beach County Park.

P19: NORTH CAPTIVA ISLAND UNIT. Portions of the boundaries that are coincident with Unit P19P have been modified to account for natural changes that have occurred in the configuration of the shoreline along North Captiva Island. The northern boundary that is coincident with Unit P20 has been moved northward to account for shoreline erosion at the southern tip of Cayo Costa.

P19P: NORTH CAPTIVA ISLAND UNIT. There are 16 discrete segments of Unit P19P that are all coincident with Unit P19. Portions of two discrete segments were combined and modified to account for natural changes that have occurred in the configuration of the shoreline along North Captiva Island.

P20: CAYO COSTA UNIT. A portion of the eastern boundary of the unit has been modified to account for natural changes that occurred in the configuration of the shoreline along Useppa Island. The northern boundary has been moved northward to account for migration of the sand sharing system north of Cayo Costa. A portion of the boundary that is coincident with Unit P20P has been modified to reflect natural changes that have occurred along the shoreline of Cayo Costa.

P20P: CAYO COSTA UNIT. There are 13 discrete segments of Unit P20P, but modifications to account for natural changes were only necessary in three of the western segments. The three western segments are coincident with Unit P20, and the modifications were made to account for natural changes that have occurred along the eastern shoreline of Cayo Costa. The southwesternmost boundary that is coincident with Unit P19 has been moved northward to account for shoreline erosion at the southern tip of Cayo Costa.

P21: BOCILLA ISLAND UNIT. There are three discrete segments of Unit P21, but modifications to account for natural changes were only necessary in the northern segment. The landward boundary has been modified to account for natural changes that have occurred along the shoreline of Lemon Bay.

P21A: MANASOTA KEY UNIT. There are three discrete segments of Unit P21A, but modifications to account for natural changes were only necessary in the southern segment. The boundary of the southern segment of the unit has been modified to account for accretion that has occurred along the eastern shoreline of Manasota Key.

P21AP: MANASOTA KEY UNIT. A lateral boundary of the southern segment of the unit has been extended offshore to clarify the extent of the unit. No modifications were made to the boundaries of this unit as a result of changes due to natural forces.

P22: CASEY KEY UNIT. Portions of the landward boundary of the unit have been modified to account for natural changes that

have occurred in the configuration of the shoreline along Sarasota Keys.

P23: LONGBOAT KEY UNIT. A portion of the landward boundary of the unit has been modified to account for natural changes that have occurred in the configuration of the wetland/fastland interface along Tidy Island.

P24: THE REEFS UNIT. Portions of the boundary of the unit located north and east of Shell Key Shoal have been modified to account for accretion and to include more of the sand sharing system. A portion of the boundary that is coincident with Unit P24P has been modified to reflect natural changes that have occurred in the configuration of the shoreline along Mullet Key.

P24P: THE REEFS UNIT. A portion of the boundary of the southern segment of the unit, which is coincident with Unit P24, has been modified to reflect natural changes that have occurred in the configuration of the shoreline along Mullet Key.

P24A: MANDALAY POINT UNIT. A portion of the boundary that is coincident with Unit FL–86P has been modified to account for accretion and to include the associated aquatic habitat at the northern tip of Clearwater Beach Island.

P25: CEDAR KEYS UNIT. The coincident boundary between Units P25 and P25P has been modified to account for natural changes that have occurred in the configuration of the shoreline along Candy Island, Hog Island North Key, Seahorse Key, Snake Key, and the eastern end of Buck Island. The coincident boundary between Units P25 and P25P has also been modified to reflect natural changes along Dennis Creek and the wetlands on the western shore of an unnamed peninsula. A portion of the southern boundary of the excluded area along Daughtry Bayou has been modified to account for natural changes in the configuration of the shoreline.

P25P: CEDAR KEYS UNIT. The coincident boundary between Units P25 and P25P has been modified to account for natural changes that have occurred in the configuration of the shoreline along Candy Island, Hog Island North Key, Seahorse Key, Snake Key, and the eastern end of Buck Island. The coincident boundary between Units P25 and P25P has also been modified to reflect natural changes along Dennis Creek and the wetlands on the western shore of an unnamed peninsula.

P27A: OCHLOCKONEE COMPLEX. A portion of the boundary on St. James Island has been modified to reflect natural changes that have occurred in the configuration of the wetland/fastland interface. A portion of the boundary along the southern side of Mashes Island has been modified to account for erosion along the shoreline of Ochlockonee Bay.

P28: DOG ISLAND UNIT. The northwestern boundary of the unit has been extended to clarify that Unit P28 is contiguous with Unit FL–90P to the southwest. No modifications were made to the boundaries of this unit as a result of changes due to natural forces.

P30: CAPE SAN BLAS UNIT. The landward boundary of the unit has been modified to account for erosion and other natural changes that have occurred in the configuration of the shoreline along the eastern side of St. Joseph Bay. The coincident boundary between Units P30 and P30P along the Gulf of Mexico has been modified to account for both erosion and accretion along the shoreline of St. Joseph Peninsula. Portions of the coincident boundary between Units P30 and P30P along the western side of St. Joseph Bay have been modified to account for natural changes that have occurred in the configuration of the shoreline. The northern lateral boundary of the unit has been extended offshore to clarify the extent of the unit.

P30P: CAPE SAN BLAS UNIT. The coincident boundary between Units P30 and P30P along the Gulf of Mexico has been modified to account for both erosion and accretion along the shoreline of St. Joseph Peninsula. Portions of the coincident boundary between Units P30 and P30P along the western side of St. Joseph Bay have been modified to account for natural changes that have occurred in the configuration of the shoreline.

P31: ST. ANDREW COMPLEX. Portions of the landward boundary of the unit located northwest of Wild Goose Lagoon, northeast of St. Andrew Sound, along Hog Island Sound, and along St. Andrew Bay, have been modified to account for natural changes along the shoreline and in the wetlands. The coincident boundary between Units P31 and P31P along the shoreline of Shell Island has been modified to account for accretion on the northern side of the island.

P31P: ST. ANDREW COMPLEX. The coincident boundary between Units P31 and P31P along the shoreline of Shell Island has been modified to account for accretion on the northern side of the island. The boundary along the shoreline of Grand Lagoon has been modified to reflect natural changes that have occurred in the configuration of the wetland/fastland interface.

P32: MORENO POINT UNIT. The southern boundaries of the excluded areas have been modified to account for natural changes that have occurred in the configuration of the shoreline.

Georgia

The Service's review found 12 of the 13 CBRS units in Georgia to have changed due to natural forces.

GA–02P: OSSABAW ISLAND UNIT. The northwestern boundary of the unit has been modified to account for channel migration along Skipper Narrows. Portions of the landward boundary of the unit have been modified to reflect natural changes that have occurred in the configuration of the wetland/fastland interface.

GA–03P: ST. CATHERINE ISLAND UNIT. The western boundary of the unit has been modified to account for channel migration along the Intracoastal Waterway.

GA–04P: BLACKBEARD/SAPELO ISLANDS UNIT. Portions of the landward boundary of the unit have been modified to reflect natural changes that have occurred in the configuration of the wetland/fastland interface. The northern boundary has been modified to account for channel migration along Sapelo River. The southwestern boundary has been modified to account for channel migration along Hudson Creek, Doboy Sound, North River, and Rockdedundy River.

GA–05P: ALTAMAHA/WOLF ISLANDS UNIT. The northwestern boundary of the unit has been modified to account for channel migration along Darien River. The southwestern boundary has been modified to account for channel migration along South Altamaha River. The southern boundary coincident with Unit N03 has been modified to account for channel migration along Buttermilk Sound.

N01: LITTLE TYBEE ISLAND UNIT. The northeastern and lateral boundaries have been modified to add portions of the sand sharing system at the mouth of Tybee Creek. The northern boundary of the unit has been modified to account for channel migration along Bull River, Lazaretto Creek, and Tybee Creek. The southwestern boundary has been modified to account for channel migration along Wilmington River. The landward portion of the unit has been modified to reflect natural changes that have occurred in the configuration of the wetland/fastland interface.

N01A: WASSAW ISLAND UNIT. The western boundary of the unit has been modified to account for channel migration along an unnamed channel.

N01AP: WASSAW ISLAND UNIT. The western boundary of the unit has been modified to account for channel migration along Romerly Marsh Creek, Habersham Creek, and Adams Creek.

N03: LITTLE ST. SIMONS ISLAND UNIT. The northern boundary coincident with Unit GA–05P has been modified to account for channel migration along Buttermilk Sound. The southern boundary of the unit has been modified to account for channel migration along Village Creek and Hampton River. Portions of the landward boundary of the unit have been modified to reflect natural changes that have occurred in the configuration of the wetland/fastland interface.

N04: SEA ISLAND UNIT. The northern and landward boundaries of the unit have been modified to reflect natural changes that have occurred in the configuration of the wetland/fastland interface. The southwestern boundary has been modified to account for channel migration along an unnamed channel. A portion of the southern boundary has been modified to extend further west to account for migration of the sand sharing system at Goulds Inlet.

N05: LITTLE CUMBERLAND ISLAND UNIT. The northern lateral boundary of the unit has been moved north to account for shoal migration north of Little Cumberland Island. The landward boundary of the unit has been modified to reflect natural changes that have occurred in the configuration of the wetland/fastland interface. The southern boundary coincident with Unit N06 has been modified to account for channel migration along Floyd Creek. The southeastern boundary coincident with Unit N06P has been modified to account for the accretion of the barrier spit at Long Point.

N06: CUMBERLAND ISLAND UNIT. There are five discrete segments of Unit N06, but modifications to account for natural changes were only necessary in two of the segments.

The northern boundary of the northern segment, coincident with Unit N05, has been modified to account for channel migration along Floyd Creek. The landward boundary of the northern segment has been modified to reflect natural changes that have occurred in the configuration of the wetland/fastland interface. The eastern boundary of the northern segment coincident with Unit N06P has been modified to account for channel migration along Brickhill River. The southeastern portion of the southern segment coincident with Unit N06P has been modified to account for channel migration along Beach Creek.

N06P: CUMBERLAND ISLAND UNIT. There are six discrete segments of Unit N06P, but modifications to account for natural changes were only necessary in three of the segments. In the northernmost segment, the northern boundary coincident with Unit N06 has been modified to account for the accretion of the barrier spit at Long Point. The western boundary of this segment that is coincident with Unit N06 has been modified to account for channel migration along Brickhill River. The boundary of the northwestern segment of Unit N06P, coincident with Unit N06, has been modified to account for channel migration along Brickhill River. The southwestern portion of the southern segment coincident with Unit N06 has been modified to account for channel migration along Beach Creek.

Louisiana

The Service's review found five of the seven CBRS units in Louisiana that are included in this review (Units LA–01, LA–02, S03, S04, S05, S06, and S07) to have changed due to natural forces.

The remaining Louisiana CBRS units not included in this review (Units LA–03P, LA–04P, LA–05P, LA–07, LA–08P, LA–09, LA–10, S01, S01A, S02, S08, S09, S10, and S11) are anticipated to have draft revised maps completed through the digital conversion effort available for stakeholder review and comment later in 2016.

S03: CAMINADA UNIT. The eastern boundary of the unit north of Cheniere Caminada has been modified to account for channel migration. The eastern boundary of the southwestern excluded area has been modified to account for natural changes along the shoreline of an unnamed channel.

S04: TIMBALIER BAY UNIT. The eastern boundary of the unit has been modified to account for channel migration and wetlands erosion along Bayou Lafourche and Belle Pass. A portion of the northern boundary following an inlet to Devils Bay has been modified to account for channel migration and wetlands erosion.

S05: TIMBALIER ISLANDS UNIT. The northern boundary of the unit has been modified to account for the migration of Timbalier Island and East Timbalier Island and to include associated shoals within the unit. The western boundary has also been moved westward to account for the migration of Timbalier Island.

S06: ISLES DERNIERES UNIT. The northeastern boundary has been modified to account for the migration of the Isles Dernieres. The northern boundary has been modified and generalized to account for wetlands erosion along Grand Pass des Ilettes. The western boundary has been moved northwestward to account for the migration of the Isles Dernieres. The eastern boundary of the unit has been extended offshore to clarify the extent of the unit.

S07: POINT AU FER UNIT. The eastern boundary of the unit has been modified to account for channel migration along Buckskin Bayou. The northern boundary has been modified to account for channel migration along Blue Hammock Bayou. A segment of the western boundary has been modified to account for wetlands erosion on the western side of Point Au Fer Island. A segment of the western boundary has been modified to include North Point due to accretion connecting North Point to Point Au Fer. Due to the significant rate of erosion in this area, some of the boundaries have been generalized. The eastern and western boundaries have been extended offshore to clarify the extent of the unit. Additionally, the northern boundary of the unit has been adjusted near the location where Four League Bay joins Atchafalaya Bay to close a gap in the boundary on the official map dated October 24, 1990, for this unit.

Michigan

The Service's review found 16 of the 46 CBRS units in Michigan to have changed due to natural forces.

MI–02: TOLEDO BEACH UNIT. The western lateral boundary has been moved westward to account for the accretion of a barrier spit within the unit.

MI–04: STURGEON BAR UNIT. The landward boundary of the unit has been modified to reflect natural changes that have occurred in the configuration of the shoreline and the wetland/fastland interface.

MI–05: HURON CITY UNIT. The boundary of the unit has been modified to reflect natural changes that have occurred in the configuration of the shoreline of Lake Huron and Willow Creek.

MI–08: CHARITY ISLAND UNIT. The western boundary of the unit has been moved westward to account for accreting sand and submerged shoals on the western side of Charity Island.

MI–13: SQUAW BAY UNIT. The landward boundary of the unit has been modified to reflect natural changes that have occurred in the configuration of the wetland/fastland interface. The northern lateral boundary has been moved northward and the southern lateral boundary has been moved southward to account for accreting sand and submerged shoals around Sulphur Island.

MI–14: WHITEFISH BAY UNIT. The landward boundary of the unit has been modified to reflect natural changes that have occurred in the configuration of the wetland/fastland interface.

MI–17: SWAN LAKE UNIT. The western and southeastern boundaries of the unit have been modified to reflect natural changes that have occurred in the configuration of the wetland/fastland interface. The eastern boundary has been modified to account for natural changes in the configuration of the shoreline of Swan Lake and to the channel between Swan Lake and Lake Huron.

MI–21: ARCADIA LAKE UNIT. The boundary along the eastern shoreline of the excluded area has been modified slightly to better follow the shoreline as depicted on the new CBRS base map.

MI–22: SADONY BAYOU UNIT. The landward boundary of the unit has been modified to reflect natural changes that have occurred in the configuration of the wetland/fastland interface.

MI–29: SEUL CHOIX UNIT. The northeastern boundary of the unit has been modified to reflect natural changes that have occurred in the configuration of the shoreline of an unnamed channel.

MI–33: MILLECOQUINS POINT UNIT. The boundary of the unit along the southern side of the excluded area has been modified slightly to better follow the shoreline as depicted on the new CBRS base map.

MI–40: GREEN ISLAND UNIT. The eastern landward boundary of the unit has been modified to reflect the current configuration of the wetland/fastland interface. The western landward boundary has been modified to account for accretion along the shoreline. The eastern lateral boundary has been moved eastward and the western lateral boundary has been moved westward to account for accreting sand and submerged shoals within the unit.

MI–44: ALBANY ISLAND UNIT. The western portion of the landward boundary of the unit has been modified to reflect natural changes that have occurred in the configuration of the wetland/fastland interface.

MI–49: SHELLDRAKE UNIT. A portion of the northern boundary of the unit has been modified to reflect natural changes that have occurred in the configuration of the shoreline of Betsy River.

MI–53: VERMILION UNIT. The landward boundary of the unit has been modified to reflect natural changes that have occurred in the configuration of the wetland/fastland interface and the configuration of the shoreline of Twomile Lake.

MI–62: SAUX HEAD UNIT. The boundary of the unit has been modified to reflect natural changes that have occurred in the configuration of the shoreline of Saux Head Lake.

Minnesota

The Service's review found that the boundaries of Unit MN–01 (the only CBRS unit in Minnesota) do not need to be modified due to changes from natural forces.

Mississippi

The Service's review found four of the seven CBRS units in Mississippi to have changed due to natural forces. Additionally, the Service's review found that one of these units, R01A, contained administrative errors that were made by the Service in 1990.

MS–01P: GULF ISLANDS UNIT. The gap between the two discrete segments of the

unit, located near the western tip of Petit Bois Island, has been moved to the west due to the migration of Petit Bois Island towards Horn Island Pass Channel.

MS–02: MARSH POINT UNIT. Portions of the landward boundary of the unit have been modified to reflect natural changes that have occurred in the configuration of the wetland/fastland interface.

MS–04: HERON BAY POINT UNIT. Three segments of offshore boundary have been added to the eastern, western, and southern portions of the unit to clarify the extent of the unit. The southern boundary of the unit is coincident with the northern boundary of Unit LA–02 in Louisiana. No modifications were made to the boundaries of this unit as a result of changes due to natural forces.

R01A: BELLE FONTAINE POINT UNIT. The western boundary of the unit has been modified to reflect natural changes in the wetlands along Graveline Bay. Additionally, three areas of the unit have been modified to correct administrative errors in the transcription of the boundary from the draft map that was included in the Service's *1988 Report to Congress: Volume 17, Mississippi,* and was reviewed and approved by Congress, to the official map dated October 24, 1990, for this unit. On the landward side of the unit, the boundary on the official 1990 map inaccurately showed more wetlands within the unit than the 1988 draft map. Furthermore, the eastern and western lateral boundaries of the unit were intended to remain the same as those depicted on the original map for this unit dated September 30, 1982, which was adopted by Congress with the enactment of the CBRA. However, the lateral boundaries were inadvertently moved by as much as 950 feet when they were transcribed from the 1988 draft map onto the new base map used for the official 1990 map. These corrections are supported by an assessment of the historical CBRS maps for the area and the legislative history of the CBIA. These errors likely occurred due to the fact that the boundary shown on the draft map that was approved by Congress had to be transcribed onto a new base map in 1990 in order to create the official map for the unit, and the new base map showed slightly updated natural and development features.

R02: DEER ISLAND UNIT. The official October 24, 1990, map of this unit does not include a complete depiction of the western end of Deer Island due to the limitations of the base map that was used at the time. The western portion of the boundary of the unit goes up to edge of the U.S. Geological Survey Topographic Quadrangle that it was printed on, and the unit is assumed to extend to the west to cover all of Deer Island. A segment of boundary has been added to the western end of the unit to match the location of the boundary as depicted on the Congressionally adopted map that first established this unit, dated September 30, 1982, to clearly show that all of Deer Island is within the unit. This clarification is supported by an assessment of the historical CBRS maps for this area as well as the legislative history of the CBIA. No modifications were made to the boundaries of this unit as a result of changes due to natural forces.

R03: CAT ISLAND UNIT. The western segment of the unit has been modified to account for erosion of the wetlands on the western side of Cat Island. The eastern segment of the unit, consisting of Middle Spit, South Spit, and associated shoals, has been modified to account for erosion of the wetlands, and erosion and migration of the spit. Due to the rapid rate of erosion in this area, some of the boundaries have been generalized.

New York

The Service's review found 15 of the 21 CBRS units in the Great Lakes region of New York (the only CBRS units in New York that were part of this review) to have changed due to natural forces. Unit NY–60P was remapped and referenced in notices the Service published in the **Federal Register** on June 10, 2014 (79 FR 33207), and May 4, 2015 (80 FR 25314). Other CBRS units in the State of New York were not assessed as part of this review. The Long Island region of New York is part of a separate comprehensive mapping project related to Hurricane Sandy. Draft maps for that project are anticipated to be released for public review and comment in 2017.

NY–62: GRENADIER ISLAND UNIT. The eastern lateral boundary of the unit has been modified to account for the accretion of a sand spit within the unit.

NY–64: THE ISTHMUS UNIT. A portion of the boundary of the unit along Chaumont Bay has been modified to reflect natural changes that have occurred in the configuration of the wetland/fastland interface.

NY–65: POINT PENINSULA UNIT. The landward boundary of the unit has been modified to reflect natural changes that have occurred in the configuration of the wetland/fastland interface.

NY–66: HOUNSFIELD UNIT. Two segments of offshore boundary have been added to clarify the extent of the unit. No modifications were made to the boundaries of this unit as a result of changes due to natural forces.

NY–67: DUTCH JOHN BAY UNIT. Portions of the boundary along the shoreline of Stony Island have been modified to account for natural changes that have occurred in the configuration of the shoreline.

NY–68: SHERWIN BAY UNIT. Portions of the boundary located inland of Shore Road have been modified to account for natural changes that have occurred in the configuration of the shoreline of Sherwin Bay.

NY–69: ASSOCIATION ISLAND UNIT. The boundary of the unit has been modified to account for erosion along the shoreline of Association Island.

NY–72: NORTH POND UNIT. The boundary of the unit has been modified to reflect natural changes that have occurred in the configuration of the wetland/fastland interface and to account for shoreline erosion around North Pond.

NY–73: DEER CREEK MARSH UNIT. The boundary of the unit around the southern half of Deer Creek Marsh has been modified to reflect natural changes that have occurred in the configuration of the wetland/fastland interface.

NY–74: GRINDSTONE CREEK UNIT. The landward boundary of the unit has been modified to follow the wetland/fastland interface along portions of the boundary that previously followed the shoreline of a pond which no longer exists as depicted on the base map of the October 15, 1992 official CBRS map. A portion of the northern lateral boundary has been moved northward to reflect the current position of the outlet of Grindstone Creek.

NY–75: BUTTERFLY SWAMP UNIT. The landward boundary of the unit has been modified to reflect natural changes that have occurred in the configuration of the wetland/fastland interface around Butterfly Swamp.

NY–76: WALKER UNIT. The landward and southern lateral boundaries of the unit have been modified to reflect natural changes that have occurred in the configuration of the wetland/fastland interface.

NY–77: SNAKE SWAMP UNIT. A portion of the eastern boundary of the unit located north of Lakeshore Road has been modified to reflect natural changes that have occurred in the configuration of the wetland/fastland interface.

NY–79: BLIND SODUS BAY UNIT. The landward boundary of the unit has been modified to account for natural changes that have occurred in the configuration of the shoreline and wetland/fastland interface. The western lateral boundary of the unit has been moved southwest to account for erosion along the shoreline of Lake Ontario.

NY–84: MAXWELL BAY UNIT. The boundary of the unit has been modified to account for natural changes that have occurred in the configuration of the wetland/fastland interface.

NY–87: BIG SISTER CREEK UNIT. A portion of the landward boundary on the northern side of the unit formerly followed the shoreline of an unnamed channel that has since migrated southward. This portion of the boundary has been modified to follow the wooded vegetation line east of the beach.

Ohio

The Service's review found 6 of the 10 CBRS units in Ohio to have changed due to natural forces.

OH–02: MENTOR UNIT. There are two segments of Unit OH–02, but modifications to account for natural changes were only necessary in the western segment. Portions of the boundary around Mentor Marsh have been modified to reflect natural changes that have occurred in the configuration of the wetland/fastland interface.

OH–03: NORTH POND UNIT. The western end of the landward boundary of the unit has been modified to reflect natural changes that have occurred in the configuration of the wetland/fastland interface. The eastern and western lateral boundaries of the unit have been modified to account for erosion along the shoreline of Lake Erie.

OH–04: OLD WOMAN CREEK. The southern portion of the boundary of the unit located north of Ohio State Route 2 has been modified to account for natural changes that have occurred in the shoreline along Old Woman Creek.

OH–06: BAY POINT UNIT. The southwestern boundary of the unit has been moved farther southeast to account for the accretion of Bay Point.

OH–09: FOX MARSH UNIT. The landward boundary of the unit has been modified to reflect natural changes that have occurred in the configuration of the wetland/fastland interface.

OH–10: TOUSSAINT RIVER UNIT. The landward boundary of the unit has been modified to reflect natural changes that have occurred in the configuration of the wetland/fastland interface.

Wisconsin

The Service's review found six of the seven CBRS units in Wisconsin to have changed due to natural forces.

WI–02: POINT AU SABLE UNIT. The southern lateral boundary of the unit has been modified to reflect natural changes that have occurred in the configuration of the wetland/fastland interface near the inlet of an unnamed channel to Green Bay.

WI–03: PESHTIGO POINT UNIT. There are two segments of Unit WI–03, but modifications to account for natural changes were only necessary in the western segment. The southern boundary of the western segment of the unit has been modified to reflect natural changes in the wetlands.

WI–04: DYERS SLOUGH UNIT. The eastern boundary of the unit has been modified to account for natural changes that have occurred in the configuration of the eastern shoreline of the Peshtigo River.

WI–05: BARK BAY UNIT. The landward boundary of the unit has been modified to reflect natural changes that have occurred in the configuration of the wetland/fastland interface.

WI–06: HERBSTER UNIT. The landward boundary of the unit has been modified to reflect natural changes that have occurred in the configuration of the wetland/fastland interface.

WI–07: FLAG RIVER UNIT. There are two segments of Unit WI–07, but modifications to account for natural changes were only necessary in the eastern segment. Portions of the landward boundary of the unit have been modified to reflect natural changes that have occurred in the configuration of the wetland/fastland interface.

Availability of Final Maps and Related Information

The final revised maps dated January 11, 2016, and digital boundary data can be accessed and downloaded from the Service's Web site: *http://www.fws.gov/ecological-services/habitat-conservation/Coastal.html.* The digital boundary data are available for reference purposes only. The digital boundaries are best viewed using the base imagery to which the boundaries were drawn; this information is printed in the title block of the maps. The Service is not responsible for any misuse or misinterpretation of the digital boundary data.

Interested parties may also contact the Service individual identified in the **FOR FURTHER INFORMATION CONTACT** section above to make arrangements to view the final maps at the Service's Headquarters office. Interested parties who are unable to access the maps via the Service's Web site or at the Service's Headquarters office may contact the Service individual identified in the **FOR FURTHER INFORMATION CONTACT** section above, and reasonable accommodations will be made to ensure the individual's ability to view the maps.

Dated: March 4, 2016.

Gary Frazer,

Assistant Director for Ecological Services.

[FR Doc. 2016–05708 Filed 3–11–16; 8:45 am]

BILLING CODE 4333–15–P

DEPARTMENT OF THE INTERIOR

Geological Survey

[GX16EE000101100]

Announcement of National Geospatial Advisory Committee Meeting

AGENCY: U.S. Geological Survey, Interior.

ACTION: Notice of meeting.

SUMMARY: The National Geospatial Advisory Committee (NGAC) will meet on April 6–7, 2016 at the Department of the Interior Building, 1849 C Street NW., Washington, DC 20240. The meeting will be held in the South Penthouse Conference Room.

DATES: The meeting will be held from 1:00 p.m. to 5:30 p.m. on April 6 and from 8:30 a.m. to 4:00 p.m. on April 7.

FOR FURTHER INFORMATION CONTACT: John Mahoney, U.S. Geological Survey (206–220–4621).

SUPPLEMENTARY INFORMATION: Meetings of the National Geospatial Advisory Committee are open to the public. Additional information about the NGAC and the meeting are available at *www.fgdc.gov/ngac.*

The NGAC, which is composed of representatives from governmental, private sector, non-profit, and academic organizations, has been established to advise the Chair of the Federal Geographic Data Committee on management of Federal geospatial programs, the development of the National Spatial Data Infrastructure, and the implementation of Office of Management and Budget (OMB) Circular A–16. Topics to be addressed at the meeting include:

—Leadership Dialogue
—FGDC Update
—FGDC 2016 Guidance
—NSDI Strategic Plan Framework
—NGAC Subcommittee Activities

Members of the public who wish to attend the meeting must register in advance for entrance. Please register by contacting Lucia Foulkes at the Federal Geographic Data Committee (703–648–4142, *lfoulkes@usgs.gov*). Registrations are due by April 1, 2016. While the meeting will be open to the public, registration is required for entrance to the Department of the Interior Building, and seating may be limited due to room capacity.

The meeting will include an opportunity for public comment on April 7. Attendees wishing to provide public comment should register by April 1. Please register by contacting Lucia Foulkes at the Federal Geographic Data Committee (703–648–4142, *lfoulkes@usgs.gov*). Comments may also be submitted to the NGAC in writing.

Kenneth Shaffer,

Deputy Executive Director, Federal Geographic Data Committee.

[FR Doc. 2016–05578 Filed 3–11–16; 8:45 am]

BILLING CODE 4338–11–P

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[LLORW00000.L16100000.DP0000. LXSSH1080000.16XL1109AF.HAG16–0093]

Notice of Public Meeting for the San Juan Islands National Monument Advisory Committee

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice of public meeting.

SUMMARY: In accordance with the Federal Land Policy and Management Act and the Federal Advisory Committee Act of 1972, and the U.S. Department of the Interior, Bureau of Land Management (BLM), the San Juan Islands National Monument Advisory Committee (MAC) will meet as indicated below.

DATES: The MAC will hold a public meeting Tuesday, April 19th, 2016. The meeting will run from 7:30 a.m. to 3:30 p.m. The meeting will be held at Grace Church (just northeast of Lopez Village) on Lopez Island. A public comment period will be available in the afternoon from 2:30 until 3:30 p.m.

FOR FURTHER INFORMATION CONTACT: Marcia deChadenèdes, San Juan Islands National Monument Manager, P.O. Box 3, 37 Washburn Ave., Lopez Island, Washington 98261, (360) 468–3051, or *mdechade@blm.gov.* Persons who use a telecommunications device for the deaf

(TDD) may call the Federal Information Relay Service (FIRS) at 1(800) 877–8339 to contact the above individual during normal business hours. The FIRS is available 24 hours a day, 7 days a week, to leave a message or question with the above individual. You will receive a reply during normal business hours.

SUPPLEMENTARY INFORMATION: The twelve member San Juan Islands MAC was chartered to provide information and advice regarding the development of the San Juan Islands National Monument's RMP. Members represent an array of stakeholder interests in the land and resources from within the local area and statewide. All advisory committee meetings are open to the public. At 2:30 p.m. members of the public will have the opportunity to make comments to the MAC during a one-hour public comment period. Persons wishing to make comments during the public comment period should register in person with the BLM by 2 p.m. that meeting day, at the meeting location. Depending on the number of persons wishing to comment, the length of comments may be limited. The public may send written comments to the MAC at San Juan Islands National Monument, Attn. MAC, P.O. Box 3, 37 Washburn Ave., Lopez Island, Washington 98261. The BLM appreciates all comments.

Linda Clark,

Spokane District Manager.

[FR Doc. 2016–05691 Filed 3–11–16; 8:45 am]

BILLING CODE 4310–33–P

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[LLES93000–L13200000–GAOOO0–241AOO, ALES–55199]

Notice of Competitive Coal Lease Sale ALES–55199, Alabama

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice.

SUMMARY: Notice is hereby given that certain Federal coal reserves in the Narley Mine Coal Tract described below in Jefferson County, Alabama, will be offered for competitive sale by sealed bid in accordance with the provisions of the Mineral Leasing Act of 1920, as amended.

DATES: The lease sale will be held at 1 p.m. Central Time (CT) on April 14, 2016. Sealed bids must be submitted on or before 10 a.m. CT on April 14, 2016. Any bid received after the time specified will not be considered.

ADDRESSES: The lease sale will be held at the Bureau of Land Management (BLM) Southeastern States District Office located at 411 Briarwood Drive, Suite 404, Jackson, MS 39206. Sealed bids must be sent by certified mail, return receipt requested, or hand-delivered to the Cashier, BLM Southeastern States Office, at the address given above. The outside of the sealed envelope containing the bid must be clearly marked ''Sealed Bid for Coal Lease Sale ALES–55199—Not to be opened before 10 a.m. on April 14, 2016.'' The Cashier will issue a receipt for each hand-delivered bid.

FOR FURTHER INFORMATION CONTACT: Randall Mills, BLM Mining Engineer, 601–977–5437, or by email to *ramills@blm.gov.* Persons who use a telecommunications device for the deaf (TDD) may call the Federal Information Relay Service (FIRS) at 1–800–877–8339 to contact the above individual during normal business hours. The FIRS is available 24 hours a day, 7 days a week, to leave a message or question with the above individual. You will receive a reply during normal business hours.

SUPPLEMENTARY INFORMATION: This coal lease sale is being held in response to a lease by application (LBA) filed by Best Coal Company. The Federal coal reserves to be offered consist of all reserves recoverable by surface mining methods in the following described lands located approximately 5 miles north of Mt Olive, Alabama, in Jefferson County, Alabama:

Huntsville Meridian, Alabama

T. 15 S., R. 4 W.,
Sec. 24, SW1/4NW1/4, N1/2SW1/4, and SE1/4SW1/4.

The areas described aggregate 160 acres.

The Narley Mine Coal Tract contains three minable coal beds known as the New Castle, Mary Lee, and Blue Creek seams of the Mary Lee coal group. The seams are under private surface lands. The minable portions of these coal beds for this tract are approximately 4 to 5 feet in thickness. The tract contains approximately 671,500 tons of recoverable high-volatile bituminous coal. The estimated average coal quality on an ''as received basis'' is as follows:

12,500	British Thermal Unit (Btu/lb).
3.50	Percent moisture.*
12.00	Percent ash.
34	Percent volatile matter.
50.50	Percent fixed carbon.
1.50	Percent sulfur.

* Estimated as received moisture; also used for calculating as received from dry basis.

The tract will be leased to the qualified bidder of the highest cash amount provided that the high bid meets or exceeds the BLM's estimate of the fair market value (FMV) of the tract or the minimum bid established by regulation of $100 per acre or fraction thereof, whichever is larger. No bid that is less than $100 per acre, or fraction thereof, will be considered. The FMV will be determined by the authorized officer prior to the sale. If identical high bids are received, the tying high bidders will be requested to submit follow-up sealed bids until a high bid is received. All tie-breaking, sealed bids must be submitted within 15 minutes following the sale official's announcement at the sale that identical high bids have been received.

The lease that may be issued as a result of this offering will provide for payment of an annual rental of $3 per acre, or fraction thereof, and a royalty payment to the United States of 12½ percent of the value of coal produced by surface mining methods. The value of the coal will be determined in accordance with 30 CFR 1206.250.

Pursuant to the regulation at 43 CFR 3473.2(f), the applicant for the Narley Coal Tract has paid a total case-by-case cost recovery processing fee in the amount of $30,630. The successful bidder for the Narley Coal Tract, if someone other than the applicant, must pay to the BLM the full amount previously paid by Best Coal Company. Additionally, the successful bidder must pay all processing costs the BLM will incur after the date this sale notice is published in the **Federal Register**, which are estimated to be $2,000.

Bidding instructions for the LBA tract offered and the terms and conditions of the proposed coal lease are included in the Detailed Statement of Lease Sale and available from the BLM Southeastern States Office at the address above. All case file documents, number ALES–55199, and written comments submitted by the public on FMV or royalty rates, except those portions protected as trade secrets and commercial or financial information under the Freedom of Information Act, 5 U.S.C. 552(b)(4), are available for public inspection in the Public Room of the BLM Southeastern States Office at the address above.

The actions announced by this notice are consistent with Secretarial Order 3338, which allows the sale and issuance of new thermal coal leases by application under pending applications for which the environmental analysis under the National Environmental Policy Act has been completed and a Decision Record has been issued by the BLM. The BLM completed an Environmental Assessment for this coal lease sale following a public hearing on November 20, 2014, and issued a Decision Record and a Finding of No

Significant Impact on February 16, 2015.

Ann DeBlasi,

Acting State Director.

[FR Doc. 2016–05642 Filed 3–11–16; 8:45 am]

BILLING CODE 4310–GJ–P

DEPARTMENT OF THE INTERIOR

National Indian Gaming Commission

Notice of Availability of a Draft Supplemental Environmental Impact Statement for the Jamul Indian Village Proposed Gaming Management Agreement, San Diego County, California

AGENCY: National Indian Gaming Commission (NIGC), Interior.

ACTION: Notice of Availability (NOA).

SUMMARY: In accordance with Section 102(2)(C) of the National Environmental Policy Act (NEPA), the NIGC, in cooperation with the Jamul Indian Village has prepared a Draft Supplemental Environmental Impact Statement (Draft SEIS) for the proposed Gaming Management Agreement (GMA) between the Jamul Indian Village (JIV) and San Diego Gaming Ventures (SDGV). If approved, the GMA would allow SDGV to assume responsibility for operation and management of the JIV Gaming Facility located in San Diego County, California. The Draft SEIS addresses the effects of GMA approval and the No Action Alternative, which assumes no GMA, is approved. The SEIS also updates the environmental baseline given the time that has passed and the changes that have been made to the scope of the Proposed Action, which was originally addressed in the 2003 Final EIS.

FOR FURTHER INFORMATION CONTACT: For further information or to request a copy of the Draft SEIS, please contact: John R. Hay, Associate General Counsel, National Indian Gaming Commission Office of the General Counsel 1849 C Street NW., Mail Stop #1621, Washington, DC 20240 Phone: 202–632–7003: Facsimile: 202–632–7066: email: *John_Hay@nigc.gov*.

Availability of the Draft SEIS: The Draft SEIS is available for public review at the following locations:

—The Rancho San Diego Public Library, 11555 Via Rancho San Diego, El Cajon, CA 92019, telephone (619) 660–5370; and

—The Jamul Indian Village Tribal Office, 14191 #16 Highway 94, Jamul, CA 91935, telephone (619) 669–4785.

Copies of the Draft SEIS will also be available for download from the Tribe's Web site *www.jamulindianvillage.com.*

SUPPLEMENTARY INFORMATION: The JIV Reservation is located in the unincorporated portion of southwestern San Diego County approximately one mile south of the community of Jamul on approximately six-acres of land held in federal trust. State Route 94 (SR–94) provides regional access to the JIV from downtown San Diego, which is located approximately 20 miles to the west where it intersects with Highway 5. Local access to the JIV is provided directly from SR–94 via Daisy Drive. From the JIV, SR–94 travels briefly north and then west to Downtown San Diego, passing through the unincorporated communities of Jamul, Casa de Oro, Spring Valley and Lemon Grove.

In 2000, JIV proposed a fee-to-trust land acquisition, construction and operation of a gaming complex and approval of a gaming development and management agreement for operation of the JIV Gaming Facility. The proposal was evaluated in a Final EIS prepared in 2003. Since that time, several major items have been removed from JIV's overall development program and the Gaming Facility has been redesigned to fit entirely within the existing JIV Reservation. All environmental effects of the Gaming Facility redesign have been evaluated through preparation of a Final Tribal Environmental Evaluation, which was prepared in accordance with the 1999 Tribal/State Compact. No action is before the BIA due to no fee-to-trust component of the JIV proposal. An action from the NIGC is required; specifically, approval or disapproval of the GMA. That approval or disapproval is the Proposed Action evaluated in the Draft SEIS.

In addition to the Proposed Action, the Draft SEIS addresses the No Action Alternative, which assumes no approval of the GMA between JIV and SDGV. Under the No Project scenario, JIV would assume operation and management responsibilities of the Jamul Gaming Facility. The NIGC may, in its Record of Decision, select the No Project Alternative rather than the Proposed Action.

This Draft SEIS updates environmental conditions in the affected area given the amount of time that has passed since the 2003 Final EIS. Environmental issues addressed within the Draft SEIS include land resources, water resources, air quality, biological resources, cultural/paleontological resources, socioeconomic conditions, transportation, land use, public services, hazardous materials, noise, and visual resources. The Draft SEIS examines the direct, indirect, and cumulative effects of each alternative on these resources. The NIGC published a Notice of Intent (NOI) in the **Federal Register** on April 10, 2013, describing the Proposed Action, announcing the NIGC's intent to prepare a Draft SEIS for the Proposed Action, and inviting comments. The Draft SEIS is made available to federal, Tribal, state, and local agencies and other interested parties for review and comment.

Submittal of Written Comments: You may mail, email, hand-carry or telefax written comments to NIGC, Attn: John Hay, Associate General Counsel, c/o Department of the Interior, 1849 C Street NW., Mail Stop #1621, Washington, DC 20240 email: *John_Hay@nigc.gov*. Please include your name, return address, and the caption: ''Draft SEIS Comments, Jamul Indian Village,'' on the first page of your written comments. In order to be fully considered, written comments on the Draft SEIS must be postmarked by April 28, 2016.

Commenting individuals may request confidentiality. If you wish us to withhold your name and/or address from public review or from disclosure under the Freedom of Information Act, you must state this prominently at the beginning of your written comments. Such requests will be honored to the extent allowed by law. Anonymous comments will not, however, be considered. All submissions from organizations or businesses, and from individuals identifying themselves as representatives or officials of organizations or businesses, will be made available to public in their entirety.

Authority: This notice is published in accordance with 25 U.S.C. 2711, section 1503.1 of the Council on Environmental Quality Regulations (40 CFR parts 1500 through 1508), and the Department of the Interior regulations (43 CFR part 46), implementing the procedural requirements of NEPA, as amended (42 U.S.C. 4321 *et seq.*).

Dated: March 8, 2016.

Shannon O'Loughlin,

Chief of Staff.

[FR Doc. 2016–05604 Filed 3–11–16; 8:45 am]

BILLING CODE 7565–01–P

INTERNATIONAL TRADE COMMISSION

[Investigation No. 337–TA–989]

Certain Automated Teller Machines, ATM Modules, Components Thereof, and Products Containing the Same;

Institution of Investigation

AGENCY: U.S. International Trade Commission.

ACTION: Notice.

SUMMARY: Notice is hereby given that a complaint was filed with the U.S. International Trade Commission on February 9, 2016, under section 337 of the Tariff Act of 1930, as amended, 19 U.S.C. 1337, on behalf of Nautilus Hyosung Inc. of Seoul, Korea and Nautilus Hyosung America Inc. of Irving, Texas. Supplements to the complaint were filed on February 26 and March 1, 2016. The complaint alleges violations of section 337 based upon the importation into the United States, the sale for importation, and the sale within the United States after importation of certain automated teller machines, ATM modules, components thereof, and products containing the same by reason of infringement of certain claims of U.S. Patent No. 7,891,551 (''the '551 patent''); U.S. Patent No. 7,950,655 (''the '655 patent''); U.S. Patent No. 8,152,165 (''the '165 patent'') and U.S. Patent No. 8,523,235 (''the '235 patent''). The complaint further alleges that an industry in the United States exists as required by subsection (a)(2) of section 337.

The complainants request that the Commission institute an investigation and, after the investigation, issue a limited exclusion order and cease and desist orders.

ADDRESSES: The complaint, except for any confidential information contained therein, is available for inspection during official business hours (8:45 a.m. to 5:15 p.m.) in the Office of the Secretary, U.S. International Trade Commission, 500 E Street SW., Room 112, Washington, DC 20436, telephone (202) 205–2000. Hearing impaired individuals are advised that information on this matter can be obtained by contacting the Commission's TDD terminal on (202) 205–1810. Persons with mobility impairments who will need special assistance in gaining access to the Commission should contact the Office of the Secretary at (202) 205–2000. General information concerning the Commission may also be obtained by accessing its internet server at *http://www.usitc.gov.* The public record for this investigation may be viewed on the Commission's electronic docket (EDIS) at *http://edis.usitc.gov.*

FOR FURTHER INFORMATION CONTACT: The Office of Docket Services, U.S. International Trade Commission, telephone (202) 205–1802.

Authority: The authority for institution of this investigation is contained in section 337 of the Tariff Act of 1930, as amended, and in section 210.10 of the Commission's Rules of Practice and Procedure, 19 CFR 210.10 (2015).

Scope of Investigation: Having considered the complaint, the U.S. International Trade Commission, on March 8, 2016, *ordered that*—

(1) Pursuant to subsection (b) of section 337 of the Tariff Act of 1930, as amended, an investigation be instituted to determine whether there is a violation of subsection (a)(1)(B) of section 337 in the importation into the United States, the sale for importation, or the sale within the United States after importation of certain automated teller machines, ATM modules, components thereof, and products containing the same by reason of infringement of one or more of claims 1–3 and 5 of the '551 patent; claims 1 and 6 of the '655 patent; claims 1–4, 6, and 7 of the '165 patent; and claims 1–3, 6, 8, and 9 of the '235 patent, and whether an industry in the United States exists as required by subsection (a)(2) of section 337;

(2) For the purpose of the investigation so instituted, the following are hereby named as parties upon which this notice of investigation shall be served:

(a) The complainants:

Nautilus Hyosung Inc., 281 Gwangpyeong-ro, Gangnam-Gu, Seoul, Republic of Korea.

Nautilus Hyosung America Inc., 6641 N. Beltline Road, Suite 100, Irving, TX 75061.

(b) The respondents are the following entities alleged to be in violation of section 337, and are the parties upon which the complaint is to be served:

Diebold, Incorporated, 5995 Mayfair Road, North Canton, OH 44720.

Diebold Self-Service Systems, 5995 Mayfair Road, North Canton, OH 44720.

(3) For the investigation so instituted, the Chief Administrative Law Judge, U.S. International Trade Commission, shall designate the presiding Administrative Law Judge.

The Office of Unfair Import Investigations will not participate as a party in this investigation.

Responses to the complaint and the notice of investigation must be submitted by the named respondents in accordance with section 210.13 of the Commission's Rules of Practice and Procedure, 19 CFR 210.13. Pursuant to 19 CFR 201.16(e) and 210.13(a), such responses will be considered by the Commission if received not later than 20 days after the date of service by the Commission of the complaint and the notice of investigation. Extensions of time for submitting responses to the complaint and the notice of investigation will not be granted unless good cause therefor is shown.

Failure of a respondent to file a timely response to each allegation in the complaint and in this notice may be deemed to constitute a waiver of the right to appear and contest the allegations of the complaint and this notice, and to authorize the administrative law judge and the Commission, without further notice to the respondent, to find the facts to be as alleged in the complaint and this notice and to enter an initial determination and a final determination containing such findings, and may result in the issuance of an exclusion order or a cease and desist order or both directed against the respondent.

By order of the Commission.

Issued: March 9, 2016.

Lisa R. Barton,

Secretary to the Commission.

[FR Doc. 2016–05681 Filed 3–11–16; 8:45 am]

BILLING CODE 7020–02–P

INTERNATIONAL TRADE COMMISSION

[Investigation No. 337–TA–988]

Certain Pumping Bras; Institution of Investigation

AGENCY: U.S. International Trade Commission.

ACTION: Notice.

SUMMARY: Notice is hereby given that a complaint was filed with the U.S. International Trade Commission on February 5, 2016, under section 337 of the Tariff Act of 1930, as amended, 19 U.S.C. 1337, on behalf of Simple Wishes, LLC of Sacramento, California. A supplement was filed on February 26, 2016. The complaint, as supplemented, alleges violations of section 337 based upon the importation into the United States, the sale for importation, and the sale within the United States after importation of certain pumping bras by reason of infringement of certain claims of U.S. Patent No. 8,323,070 (''the '070 patent'') and U.S. Patent No. 8,192,247 (''the '247 patent''). The complaint further alleges that an industry in the

United States exists as required by subsection (a)(2) of section 337.

The complainant requests that the Commission institute an investigation and, after the investigation, issue a general exclusion order, or in the alternative a limited exclusion order, and cease and desist orders.

ADDRESSES: The complaint, except for any confidential information contained therein, is available for inspection during official business hours (8:45 a.m. to 5:15 p.m.) in the Office of the Secretary, U.S. International Trade Commission, 500 E Street SW., Room 112, Washington, DC 20436, telephone (202) 205–2000. Hearing impaired individuals are advised that information on this matter can be obtained by contacting the Commission's TDD terminal on (202) 205–1810. Persons with mobility impairments who will need special assistance in gaining access to the Commission should contact the Office of the Secretary at (202) 205–2000. General information concerning the Commission may also be obtained by accessing its internet server at *http://www.usitc.gov.* The public record for this investigation may be viewed on the Commission's electronic docket (EDIS) at *http://edis.usitc.gov.*

FOR FURTHER INFORMATION CONTACT: The Office of Unfair Import Investigations, U.S. International Trade Commission, telephone (202) 205–2560.

SUPPLEMENTARY INFORMATION:

Authority: The authority for institution of this investigation is contained in section 337 of the Tariff Act of 1930, as amended, and in section 210.10 of the Commission's Rules of Practice and Procedure, 19 CFR 210.10 (2015).

Scope Of Investigation: Having considered the complaint, the U.S. International Trade Commission, on March 8, 2016, *ordered that*—

(1) Pursuant to subsection (b) of section 337 of the Tariff Act of 1930, as amended, an investigation be instituted to determine whether there is a violation of subsection (a)(1)(B) of section 337 in the importation into the United States, the sale for importation, or the sale within the United States after importation of certain pumping bras by reason of infringement of one or more of claims 10, 12, 14–16, and 27–37 of the '070 patent and claims 1–3, 5–7, 9 and 19 of the '247 patent, and whether an industry in the United States exists as required by subsection (a)(2) of section 337;

(2) For the purpose of the investigation so instituted, the following are hereby named as parties upon which this notice of investigation shall be served:

(a) The complainant is:

Simple Wishes, LLC, 1172 National Drive, Suite 90, Sacramento, CA 95834.

(b) The respondents are the following entities alleged to be in violation of section 337, and are the parties upon which the complaint is to be served:

TANZKY, Longhua Renming Road, Longhua Jiedao Baohua Road, 173HAO Chaohuilou 5–50 (Am_Tang) Luohugu, China.

BabyPreg, Shenzhen Yayi Technology Limited, Room 501 Building 10 Fuxuan New Village, Dalang Street Office Longhua, BAOAN, Shenzhen Guangdong 518000, China.

Deal Perfect, Huanancheng 1haojiaoyi guangchang 5lou, wanshang, Chuangyeyuan, Shenzhen, Guangdong, China.

Buywish, 121 Longpan Road XuanWuQu, Nanjing Jiangsu 210009, China.

(c) The Office of Unfair Import Investigations, U.S. International Trade Commission, 500 E Street SW., Suite 401, Washington, DC 20436; and

(3) For the investigation so instituted, the Chief Administrative Law Judge, U.S. International Trade Commission, shall designate the presiding Administrative Law Judge.

Responses to the complaint and the notice of investigation must be submitted by the named respondents in accordance with section 210.13 of the Commission's Rules of Practice and Procedure, 19 CFR 210.13. Pursuant to 19 CFR 201.16(e) and 210.13(a), such responses will be considered by the Commission if received not later than 20 days after the date of service by the Commission of the complaint and the notice of investigation. Extensions of time for submitting responses to the complaint and the notice of investigation will not be granted unless good cause therefor is shown.

Failure of a respondent to file a timely response to each allegation in the complaint and in this notice may be deemed to constitute a waiver of the right to appear and contest the allegations of the complaint and this notice, and to authorize the administrative law judge and the Commission, without further notice to the respondent, to find the facts to be as alleged in the complaint and this notice and to enter an initial determination and a final determination containing such findings, and may result in the issuance of an exclusion order or a cease and desist order or both directed against the respondent.

By order of the Commission.

Issued: March 9, 2016.

Lisa R. Barton,

Secretary to the Commission.

[FR Doc. 2016–05666 Filed 3–11–16; 8:45 am]

BILLING CODE 7020–02–P

INTERNATIONAL TRADE COMMISSION

[Investigation No. 337–TA–951]

Certain Lithium Metal Oxide Cathode Materials, Lithium-Ion Batteries for Power Tool Products Containing Same, and Power Tool Products With Lithium-Ion Batteries Containing Same; Request for Statements on the Public Interest

AGENCY: U.S. International Trade Commission.

ACTION: Notice.

SUMMARY: Notice is hereby given that the presiding administrative law judge has issued a recommended determination on remedy and bonding in the above-captioned investigation. The Commission is soliciting comments on public interest issues raised by the recommended relief, specifically a limited exclusion order against certain lithium metal oxide cathode materials, lithium-ion batteries for power tool products containing same, and power tool products with lithium-ion batteries containing same, imported by respondents Umicore N.V. of Brussels, Belgium and Umicore USA Inc. of Raleigh, North Carolina. This notice is soliciting public interest comments from the public only. Parties are to file public interest submissions pursuant to 19 CFR 210.50(a)(4).

FOR FURTHER INFORMATION CONTACT: Panyin A. Hughes, Office of the General Counsel, U.S. International Trade Commission, 500 E Street SW., Washington, DC 20436, telephone (202) 205–3042. The public version of the complaint can be accessed on the Commission's electronic docket (EDIS) at *http://edis.usitc.gov,* and will be available for inspection during official business hours (8:45 a.m. to 5:15 p.m.) in the Office of the Secretary, U.S. International Trade Commission, 500 E Street SW., Washington, DC 20436, telephone (202) 205–2000. General information concerning the Commission may also be obtained by accessing its Internet server (*http://www.usitc.gov*). The public record for this investigation may be viewed on EDIS at *http://edis.usitc.gov.* Hearing-impaired persons are advised that information on this matter can be obtained by contacting the Commission's TDD terminal on (202) 205–1810.

SUPPLEMENTARY INFORMATION: Section 337 of the Tariff Act of 1930 provides that if the Commission finds a violation it shall exclude the articles concerned from the United States:

unless, after considering the effect of such exclusion upon the public health and welfare, competitive conditions in the United States economy, the production of like or directly competitive articles in the United States, and United States consumers, it finds that such articles should not be excluded from entry.

19 U.S.C. 1337(d)(1). A similar provision applies to cease and desist orders. 19 U.S.C. 1337(f)(1).

The Commission is interested in further development of the record on the public interest in this investigation. Accordingly, members of the public are invited to file submissions of no more than five pages, inclusive of attachments, concerning the public interest in light of the administrative law judge's recommended determination on remedy and bonding issued in this investigation on March 3, 2016. Comments should address whether issuance of a limited exclusion order in this investigation would affect the public health and welfare in the United States, competitive conditions in the United States economy, the production of like or directly competitive articles in the United States, or United States consumers.

In particular, the Commission is interested in comments that:

(i) Explain how the articles potentially subject to the recommended orders are used in the United States;

(ii) identify any public health, safety, or welfare concerns in the United States relating to the recommended orders;

(iii) identify like or directly competitive articles that complainant, its licensees, or third parties make in the United States which could replace the subject articles if they were to be excluded;

(iv) indicate whether complainant, complainant's licensees, and/or third party suppliers have the capacity to replace the volume of articles potentially subject to the recommended exclusion order and/or a cease and desist order within a commercially reasonable time; and

(v) explain how the limited exclusion order would impact consumers in the United States.

Written submissions must be filed no later than by close of business on April 8, 2016. Persons filing written submissions must file the original document electronically on or before the deadlines stated above and submit eight true paper copies to the Office of the Secretary by noon the next day pursuant to section 210.4(f) of the Commission's Rules of Practice and Procedure (19 CFR 210.4(f)). Submissions should refer to the investigation number (Inv. No. 337–TA–908) in a prominent place on the cover page, the first page, or both. (*See* Handbook for Electronic Filing Procedures, *http://www.usitc.gov/secretary/fed_reg_notices/rules/handbook_on_electronic_filing.pdf*). Persons with questions regarding filing should contact the Secretary at (202) 205–2000.

Any person desiring to submit a document to the Commission in confidence must request confidential treatment. All such requests should be directed to the Secretary to the Commission and must include a full statement of the reasons why the Commission should grant such treatment. *See* 19 CFR 201.6. Documents for which confidential treatment by the Commission is properly sought will be treated accordingly. A redacted non-confidential version of the document must also be filed simultaneously with any confidential filing. All non-confidential written submissions will be available for public inspection at the Office of the Secretary and on EDIS.

This action is taken under the authority of section 337 of the Tariff Act of 1930, as amended (19 U.S.C. 1337), and of sections 201.10 and 210.50 of the Commission's Rules of Practice and Procedure (19 CFR 201.10, 210.50).

By order of the Commission.

Issued: March 8, 2016.

Lisa R. Barton,

Secretary to the Commission.

[FR Doc. 2016–05611 Filed 3–11–16; 8:45 am]

BILLING CODE 7020–02–P

JUDICIAL CONFERENCE OF THE UNITED STATES

Revision of Certain Dollar Amounts in the Bankruptcy Code Prescribed Under Section 104(a) of the Code; Correction

AGENCY: Judicial Conference of the United States.

ACTION: Notice; correction.

SUMMARY: The Judicial Conference of the United States published a document in the **Federal Register** on February 22, 2016, concerning adjusted dollar amounts in title 11 and title 28, United States Code. This document corrects the table attached to the notice to include a previously omitted adjusted dollar amount.

FOR FURTHER INFORMATION CONTACT: Michele Reed, Chief, Judicial Services Office, Administrative Office of the United States Courts, Washington, DC 20544, Telephone (202) 502–1800, or by email at *Judicial_Services_Office@ao.uscourts.gov.*

Correction

In the **Federal Register** of February 22, 2016, in FR Doc. 2016–03607, on page 8749, the following section of the attached table is amended to include the adjusted dollar amount in section 541(b)(10) (addition in italics):

Section 541(b)—property of the estate exclusions		
(1)—in paragraph (5)(C)—education IRA funds in the aggregate	$6,225	$6,425
(2)—in paragraph (6)(C)—pre-purchased tuition credits in the aggregate	6,225	6,425
(3)—in paragraph (10)(C)—qualified ABLE program funds in the aggregate	*6,225*	*6,425*

Dated: March 8, 2016.

Michele Reed,

Chief, Judicial Services Office.

[FR Doc. 2016–05638 Filed 3–11–16; 8:45 am]

BILLING CODE 2210–55–P

DEPARTMENT OF JUSTICE

[OMB Number 1121–0140]

Agency Information Collection Activities; Proposed eCollection eComments Requested; OJP Standard Assurances

AGENCY: Office of Justice Programs, Department of Justice.

ACTION: 30-Day notice.

SUMMARY: The Department of Justice (DOJ), Office of Justice Programs will be submitting the following information collection request to the Office of Management and Budget (OMB) for review and approval in accordance with the Paperwork Reduction Act of 1995. This proposed information collection was previously published at 81 *FR* 5138,

on February 1, 2016, allowing for a 60 day comment period.

DATES: The purpose of this notice is to allow for an additional 30 days for public comment until April 13, 2016.

FOR FURTHER INFORMATION CONTACT: If you have comments, especially on the estimated public burden or associated response time, suggestions, or need a copy of the proposed information collection instrument with instructions or additional information, please contact Maria Swineford, Office of Audit, Assessment, and Management, 810 7th Street NW., Washington, DC 20531. (Phone: 202–514–2000.) Written comments and/or suggestions can also be directed to the Office of Management and Budget, Officer of Information and Regulatory Affairs, Attention Department of Justice Desk Officer, Washington DC 20503 or send to *OIRA_submission@omb.eop.gov.*

SUPPLEMENTARY INFORMATION: Written comments and suggestions from the public and affected agencies concerning the proposed collection of information are encouraged. Your comments should address one or more of the following four points:

- Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;
- Evaluate the accuracy of the agencies estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;
- Enhance the quality, utility, and clarity of the information to be collected; and
- Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, *e.g.,* permitting electronic submission of responses.

Overview of this Information Collection:

(1) Type of Information Collection: Extension of a currently approved collection.

(2) Title of the Form/Collection: OJP Standard Assurances.

(3) Agency form number, if any, and the applicable component of the Department sponsoring the collection:

Form number: None.

Component: Office of Justice Programs, Department of Justice.

(4) Affected public who will be asked or required to respond, as well as a brief abstract:

Primary: Applicants for grants funded by the Office of Justice Programs.

Other: none.

Abstract: The purpose of the Standard Assurances form is to obtain the assurance/certification of each applicant for OJP funding that it will comply with the various crosscutting regulatory and statutory requirements that apply to OJP grantees, and to set out in one easy-to-reference document those requirements that most frequently impact OJP grantees.

(5) An estimate of the total number of respondents and the amount of time estimated for an average respondent to respond: Total of 8,250 respondents estimated, at 20 minutes each.

(6) An estimate of the total public burden (in hours) associated with the collection:

The estimated total public burden associated with this information is 3,500.

If additional information is required contact: Jerri Murray, Department Clearance Officer, United States Department of Justice, Justice Management Division, Policy and Planning Staff, Two Constitution Square, 145 N Street NE., Room 3E.405B, Washington, DC 20530.

Dated: March 9, 2016.

Jerri Murray,

Department Clearance Officer for PRA, U.S. Department of Justice.

[FR Doc. 2016–05668 Filed 3–11–16; 8:45 am]

BILLING CODE 4410–18–P

DEPARTMENT OF LABOR

Wage and Hour Division

Agency Information Collection Activities; Comment Request; Proposed Extension of the Approval of Information Collection Requirements; Records To Be Kept by Employers—Fair Labor Standards Act

AGENCY: Wage and Hour Division, Department of Labor.

ACTION: Notice.

SUMMARY: The Department of Labor, as part of its continuing effort to reduce paperwork and respondent burden, conducts a preclearance consultation program to provide the general public and Federal agencies with an opportunity to comment on proposed and/or continuing collections of information in accordance with the Paperwork Reduction Act of 1995 (PRA95). 44 U.S.C. 3056(c)(2)(A). This program helps to ensure that requested data can be provided in the desired format, reporting burden (time and financial resources) is minimized, collection instruments are clearly understood, and the impact of collection requirements on respondents can be properly assessed. Currently, the Wage and Hour Division is soliciting comments concerning its proposal to extend Office of Management and Budget (OMB) approval of the Information Collection: Records to be kept by Employers—Fair Labor Standards Act. A copy of the proposed information request can be obtained by contacting the office listed below in the **FOR FURTHER INFORMATION CONTACT** section of this Notice.

DATES: Written comments must be submitted to the office listed in the **ADDRESSES** section below on or before May 13, 2016.

ADDRESSES: You may submit comments identified by Control Number 1235–0018, by either one of the following methods: *Email: WHDPRAComments@dol.gov; Mail, Hand Delivery, Courier:* Division of Regulations, Legislation, and Interpretation, Wage and Hour, U.S. Department of Labor, Room S–3502, 200 Constitution Avenue NW., Washington, DC 20210. *Instructions:* Please submit one copy of your comments by only one method. All submissions received must include the agency name and Control Number identified above for this information collection. Because we continue to experience delays in receiving mail in the Washington, DC area, commenters are strongly encouraged to transmit their comments electronically via email or to submit them by mail early. Comments, including any personal information provided, become a matter of public record. They will also be summarized and/or included in the request for OMB approval of the information collection request.

FOR FURTHER INFORMATION CONTACT: Robert Waterman, Compliance Specialist, Division of Regulations, Legislation, and Interpretation, Wage and Hour, U.S. Department of Labor, Room S–3502, 200 Constitution Avenue NW., Washington, DC 20210; telephone: (202) 693–0406 (this is not a toll-free number). Copies of this notice may be obtained in alternative formats (Large Print, Braille, Audio Tape, or Disc), upon request, by calling (202) 693–0023 (not a toll-free number). TTY/TTD callers may dial toll-free (877) 889–5627 to obtain information or request materials in alternative formats.

SUPPLEMENTARY INFORMATION:

I. Background: The Wage and Hour Division of the Department of Labor administers the Fair Labor Standards Act (FLSA), 29 U.S.C. 201, *et seq.,*which

sets the Federal minimum wage, overtime pay, recordkeeping, and youth employment standards of most general application. *See* 29 U.S.C. 206; 207; 211; 212. FLSA requirements apply to employers of employees engaged in interstate commerce or in the production of goods for interstate commerce and of employees in certain enterprises, including employees of a public agency; however, the FLSA contains exemptions that apply to employees in certain types of employment. *See* 29 U.S.C. 213, *et al.*

FLSA section 11(c) requires all employers covered by the FLSA to make, keep, and preserve records of employees and of wages, hours, and other conditions and practices of employment. *See* 29 U.S.C. 211(c). A FLSA covered employer must maintain the records for such period of time and make such reports as prescribed by regulations issued by the Secretary of Labor. *Id.*

The DOL has promulgated regulations 29 CFR part 516 to establish the basic FLSA recordkeeping requirements. The DOL has also issued specific sections of regulations 29 CFR parts 10, 505, 519, 520, 525, 530, 547, 548, 549, 551, 552, 553, 570, 575, and 794 to supplement the part 516 requirements and to provide for the creation and maintenance of records relating to various FLSA exemptions and special provisions.

The Wage and Hour Division (WHD) uses this information to determine whether covered employers have complied with various FLSA requirements. Employers use the records to document FLSA compliance, including showing qualification for various FLSA exemptions.

The WHD seeks approval to renew this information collection related to various FLSA recordkeeping requirements.

II. Review Focus: The Department of Labor is particularly interested in comments which:

- Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;
- Enhance the quality, utility, and clarity of the information to be collected;
- Evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;
- Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, *e.g.,* permitting electronic submissions of responses.

III. Current Actions: The Department of Labor seeks an approval for the extension of this information collection that requires employers to make, maintain, and preserve records in accordance with statutory and regulatory requirements.

Type of Review: Extension.

Agency: DOL—Wage and Hour Division.

Title: Records to be kept by Employers—Fair Labor Standards Act.

OMB Control Number: 1235–0018.

Affected Public: State, Local, and Tribal Governments; and Private Sector businesses or other for-profit, Not-for-profit institutions, Farms.

Agency Numbers: Form WH–14, Form WH–5.

Total Estimated Number of Respondents: 4,355,492.

Total Estimated Number of Annual Responses: 43,975,849.

Estimated Annual Total Burden Hours: 983,153

Estimated Time per Response: various.

Frequency: On occasion.

Total Burden Cost (capital/startup): $0.

Total Burden Costs (operation/maintenance): $0.

Dated: March 8, 2016.

Mary Ziegler,

Assistant Administrator for Policy.

[FR Doc. 2016–05662 Filed 3–11–16; 8:45 am]

BILLING CODE 4510–27–P

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

[Notice: (16–022)]

NASA Advisory Council; Meeting

AGENCY: National Aeronautics and Space Administration.

ACTION: Notice of meeting.

SUMMARY: In accordance with the Federal Advisory Committee Act, Public Law 92–463, as amended, the National Aeronautics and Space Administration (NASA) announces a meeting of the NASA Advisory Council.

DATES: Thursday, March 31, 2016, 9:00 a.m.–5:30 p.m.; and Friday, April 1, 2016, 9:00 a.m.–3:00 p.m., Local Time.

ADDRESSES: NASA Headquarters, Room 9H40, Program Review Center (PRC), 300 E Street SW., Washington, DC 20546.

FOR FURTHER INFORMATION CONTACT: Ms. Marla King, NAC Administrative Officer, NASA Headquarters, Washington, DC 20546, (202) 358–1148.

SUPPLEMENTARY INFORMATION: This meeting will be open to the public to the meeting capacity of the room. This meeting is also available telephonically and by WebEx. You must use a touch tone phone to participate in this meeting. Any interested person may dial the toll free number 1–888–989–4389 or toll number 1–630–395–0279, passcode: 3927350 for both days.

Note: If dialing in, please ''mute'' your telephone. To join via WebEx, the link is *https://nasa.webex.com/*; the meeting number is 997 580 809 and the meeting password is MARCH2016! for both days (password is case sensitive). The agenda for the meeting will include the following:

—Aeronautics Committee Report
—Human Exploration and Operations Committee Report
—Institutional Committee Report
—Science Committee Report
—Technology, Innovation and Engineering Committee Report

Attendees will be requested to sign a register and to comply with NASA security requirements, including the presentation of a valid picture ID before receiving access to NASA Headquarters. Due to the Real ID Act, Public Law 109–13, any attendees with drivers licenses issued from non-compliant states/territories must present a second form of ID [Federal employee badge; passport; active military identification card; enhanced driver's license; U.S. Coast Guard Merchant Mariner card; Native American tribal document; school identification accompanied by an item from LIST C (documents that establish employment authorization) from the ''List of the Acceptable Documents'' on Form I–9]. Non-compliant states/territories are: American Samoa, Illinois, Minnesota, Missouri, New Mexico and Washington. Foreign nationals attending this meeting will be required to provide a copy of their passport and visa in addition to providing the following information no less than 10 working days prior to the meeting: Full name; gender; date/place of birth; citizenship; visa information (number, type, expiration date); passport information (number, country, expiration date); employer/affiliation information (name of institution, address, country, telephone); title/position of attendee; and home address to Ms. Marla King via email at *marla.k.king@nasa.gov.* To expedite admittance, U.S. citizens and Permanent Residents (green card holders) are requested to provide full name and citizenship status no less than

3 working days prior to the meeting to Ms. Marla King via email at *marla.k.king@nasa.gov.* It is imperative that the meeting be held on this date to accommodate the scheduling priorities of the key participants.

Patricia D. Rausch,

Advisory Committee Management Officer, National Aeronautics and Space Administration.

[FR Doc. 2016–05615 Filed 3–11–16; 8:45 am]

BILLING CODE 7510–13–P

NATIONAL CREDIT UNION ADMINISTRATION

Agency Information Collection Activities: Proposed Collection; Comment Request; Vendor Registration Form

AGENCY: National Credit Union Administration (NCUA).

ACTION: Notice and request for comments.

SUMMARY: The NCUA, as part of its continuing efforts to reduce paperwork and respondent burden, invites the general public and other Federal agencies to comment on an extension of a currently approved collection, as required by the Paperwork Reduction Act of 1995, Public Law 104–13 (44 U.S.C. 3506(c)(2)(A)). The NCUA is soliciting comments on its Vendor Registration Form.

DATES: Written comments should be received on or before May 13, 2016 to be assured of consideration.

ADDRESSES: Interested persons are invited to submit comments to Dawn Wolfgang, National Credit Union Administration, 1775 Duke Street, Alexandria, Virginia 22314–3428, Fax No. 703–837–2861, or Email at *OCIOPRA@ncua.gov.*

FOR FURTHER INFORMATION CONTACT: Requests for additional information should be directed to the address above.

SUPPLEMENTARY INFORMATION:

OMB Number: 3133–0185.

Title: NCUA Vendor Registration Form.

Form: NCUA 1772.

Abstract: Section 342 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Act) (Pub. L. 111–203) calls for agencies to promote the inclusion of minority and women-owned firms in their business activities. The Act also requires agencies to annually report to Congress the total amounts paid to minority and women-owned businesses. In order for NCUA to comply with this Congressional mandate, NCUA 1772 is used to collect certain information from its current and potential vendors, so that it can identify businesses that meet the criteria. The vendor information is to be submitted to the agency on a one-time basis and will be used to assign an ownership status to the vendor (*i.e.,* minority-owned business, woman-owned business) per the requirements of the Act. Once an ownership status is assigned to each vendor, NCUA will be able to calculate the total amounts of contracting dollars paid to minority-owned and women-owned businesses.

Type of Review: Extension without change of a currently approved collection.

Affected Public: Private sector: Businesses and other for-profits.

Estimated No. of Respondents: 1,000.

Estimated No. of Responses per Respondent: 1.

Estimated No. of Responses: 1,000.

Estimated Hours per Response: 10 minutes.

Estimated Total Annual Burden Hours: 167.

Request for Comments: Comments submitted in response to this notice will be summarized and included in the request for Office of Management and Budget approval. All comments will become a matter of public record. The public is invited to submit comments concerning: (a) Whether the collection of information is necessary for the proper performance of the function of the agency, including whether the information will have practical utility; (b) the accuracy of the agency's estimate of the burden of the information collection, including the validity of the methodology and assumptions used; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the information collection on respondents, including the use of automated collection techniques or other forms of

By Gerard Poliquin, Secretary of the Board, the National Credit Union Administration, on March 9, 2016.

Dated: March 9, 2016.

Dawn D. Wolfgang,

NCUA PRA Clearance Officer.

[FR Doc. 2016–05667 Filed 3–11–16; 8:45 am]

BILLING CODE 7535–01–P

OFFICE OF SCIENCE AND TECHNOLOGY POLICY

Notice of Public Meetings: National Nanotechnology Initiative Public Meetings

ACTION: Notice of Public Meetings.

SUMMARY: The National Nanotechnology Coordination Office (NNCO), on behalf of the Nanoscale Science, Engineering, and Technology (NSET) Subcommittee of the Committee on Technology, National Science and Technology Council (NSTC), will hold several events over the coming year in support of the U.S. National Nanotechnology Initiative (NNI), including two workshops and one or more webinars.

DATES: The ''2016 NNI Strategic Planning Stakeholder Workshop'' will be held on Thursday, May 19, 2016, from 8 a.m. until 5 p.m. and on Friday, May 20, 2016, from 8 a.m. until 5 p.m. The ''2016 U.S.-EU: Bridging NanoEHS Research Efforts'' workshop will be held on Monday, June 6, 2016, from 9 a.m. until 6 p.m. and on Tuesday, June 7, 2016, from 9 a.m. until 3 p.m. The NNCO will hold one or more webinars between the publication of this Notice and December 31, 2016. The first webinar will be held on or after April 20, 2016.

ADDRESSES: The ''2016 NNI Strategic Planning Stakeholder Workshop'' will be held at USDA Conference & Training Center, Patriots Plaza III, 355 E Street SW., Washington, DC 20024. More information about how to participate will be made available at *http://www.nano.gov/2016StakeholderWorkshop.*

FOR FURTHER INFORMATION CONTACT: For information regarding this Notice, please contact Stacey Standridge at National Nanotechnology Coordination Office, by telephone (703–292–8103) or email (*sstandridge@nnco.nano.gov*).

SUPPLEMENTARY INFORMATION: The ''2016 U.S.-EU: Bridging NanoEHS Research Efforts'' joint workshop will be held at the National Science Foundation, 4201 Wilson Boulevard, Arlington, Virginia 22230. The meeting date and location, as well as any call-in information will be posted on the Community of Research page at *http://us-eu.org/.* NNCO will hold a ''2016 NNI Strategic Planning Stakeholder Workshop'' on May 19–20, 2016, in Washington, DC, to obtain input from individual stakeholders that may be used to inform the development of the U.S. National Nanotechnology Initiative (NNI) Strategic Plan. Representatives of the U.S. research community, industry, non-governmental organizations, and interested members of the general public are invited to comment on key aspects related to the 2016 NNI Strategic Plan, currently under development by the NNI agencies. Topics covered may include future technical directions; implementation mechanisms; education

and outreach activities; and approaches for promoting commercialization.

NNCO will hold the ''2016 U.S.-EU: Bridging NanoEHS Research Efforts'' workshop on June 6–7, 2016, in Arlington, Virginia, in collaboration with the European Commission. The workshop will bring together the U.S.-EU Communities of Research (CORs), which serve as a platform for scientists to develop a shared repertoire of protocols and methods to overcome research gaps and barriers, and to address environmental, health, and safety questions about nanomaterials. The goal of this workshop is to publicize progress towards COR goals and objectives, clarify and communicate future plans, share best practices, and identify areas for cross-Community collaboration.

NNCO will hold one or more webinars to share information with the general public and the nanotechnology research and development community. Topics covered may include stakeholder input for strategic planning; technical subjects; environmental, health, and safety issues; business case studies; or other areas of potential interest to the nanotechnology community.

For information about upcoming webinars, please visit *http://www.nano.gov/PublicWebinars.* Many webinars are broadcast via AdobeConnect, which requires the installation of a free plug-in on a computer or of a free app on a mobile device.

Submitting Questions: Some webinars may include question-and-answer segments in which questions of interest may be submitted through the webinar interface. During the question-and-answer segments of the webinars, submitted questions will be considered in the order received and may be posted on the NNI Web site (*http://www.nano.gov*). A moderator will identify relevant questions and pose them to the speaker(s). Due to time constraints, not all questions may be addressed during the webinars. The moderator reserves the right to group similar questions and to skip questions, as appropriate. The Public Webinar page on nano.gov (*http://www.nano.gov/PublicWebinars*) will indicate which webinars will include question-and-answer segments.

Registration: Due to space limitations, pre-registration is required for all events covered under this Notice. Registration is on a first-come, first-served basis and will be capped at approximately 120 participants for the workshops. Registration for the ''2016 NNI Strategic Planning Stakeholder Workshop'' will open at *http://www.nano.gov/2016StakeholderWorkshop* on April 4, 2016, and registration for the ''2016 U.S.-EU: Bridging NanoEHS Research Efforts'' workshop will open at *http://us-eu.org/2016-us-eu-nanoehs-workshop/* on April 6, 2016. Registration for the webinars will open approximately two weeks prior to each event and will be capped at 500 participants or as space limitations dictate. Individuals planning to attend a webinar can find registration information at *http://www.nano.gov/PublicWebinars.* Written notices of participation by email may also be sent to *sstandridge@nnco.nano.gov* or mailed to Stacey Standridge, 4201 Wilson Blvd., Stafford II, Suite 405, Arlington, VA 22230.

Meeting Accomodations: Individuals requiring special accommodation to access any of these public events should contact Stacey Standridge (telephone 703–292–8103) at least ten business days prior to the meeting so that appropriate arrangements can be made.

Ted Wackler,

Deputy Chief of Staff and Assistant Director.

[FR Doc. 2016–05608 Filed 3–11–16; 8:45 am]

BILLING CODE 3270–F6–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–77324; File No. 4–546]

Joint Industry Plan; Notice of Filing and Immediate Effectiveness of Amendment to the Options Order Protection and Locked/Crossed Market Plan To Add ISE Mercury LLC, as a Participant

March 8, 2016.

Pursuant to Section 11A(a)(3) of the Securities Exchange Act of 1934 (''Act'') [1] and Rule 608 thereunder,[2] notice is hereby given that on February 11, 2016, ISE Mercury, LLC (''ISE Mercury'' or ''Exchange'') filed with the Securities and Exchange Commission (''Commission'') an amendment to the Options Order Protection and Locked/Crossed Market Plan (''Plan'').[3] The amendment adds ISE Mercury as a Participant [4] to the Plan. The Commission is publishing this notice to solicit comments on the amendment from interested persons.

I. Description and Purpose of the Amendment

The Plan requires the options exchanges to establish a framework for providing order protection and addressing locked and crossed markets in eligible options classes. The amendment to the Plan adds ISE Mercury as a Participant. The other Plan Participants are BATS, BOX, BX, C2, CBOE, EDGX, ISE, MIAX, Nasdaq, Phlx, NYSE MKT, NYSE Arca, and Topaz. ISE Mercury has submitted an executed copy of the Plan to the Commission in accordance with the procedures set forth in the Plan regarding new Participants. Section 3(c) of the Plan provides for the entry of new Participants to the Plan. Specifically, Section 3(c) of the Plan provides that an Eligible Exchange [5] may become a Participant in the Plan by: (i) Executing a copy of the Plan, as then in effect; (ii) providing each current Participant with a copy of such executed Plan; and (iii) effecting an amendment to the Plan, as specified in Section 4(b) of the Plan.

Section 4(b) of the Plan sets forth the process by which an Eligible Exchange may effect an amendment to the Plan. Specifically, an Eligible Exchange must: (a) Execute a copy of the Plan with the only change being the addition of the

[1] 15 U.S.C. 78k–1(a)(3).

[2] 17 CFR 242.608.

[3] On July 30, 2009, the Commission approved the Plan, which was proposed by Chicago Board Options Exchange, Incorporated (''CBOE''), International Securities Exchange, LLC (''ISE''), The NASDAQ Stock Market LLC (''Nasdaq''), NASDAQ OMX BX, Inc. (''BX''), NASDAQ OMX PHLX, Inc. (''Phlx''), NYSE Amex, LLC (''NYSE Amex''), and NYSE Arca, Inc. (''NYSE Arca''). *See* Securities Exchange Act Release No. 60405 (July 30, 2009), 74 FR 39362 (August 6, 2009). *See also* Securities Exchange Act Release No. 61546 (February 19, 2010), 75 FR 8762 (February 25, 2010)(adding BATS Exchange, Inc. (''BATS'') as a Participant; 63119 (October 15, 2010), 75 FR 65536 (October 25, 2010)(adding C2 Options Exchange, Incorporated (''C2'') as a Participant); 66969 (May 12, 2015), 77 FR 29396 (May 17, 2012) (adding BOX Options Exchange LLC (''BOX Options'' as a Participant); 70763 (October 28, 2013), 78 FR 65734 (November, 2013) (adding Topaz Exchange, LLC (''Topaz'') as a Participant; 70762 (October 28, 2013), 78 FR 65733 (November 1, 2013) (adding MIAX International Securities Exchange, LLC (''MIAX'') as a Participant); 76823 (January 5, 2016), 81 FR 1260 (January 11, 2016) (adding EDGX Exchange, Inc. (''EDGX'') as a Participant).

[4] The term ''Participant'' is defined as an Eligible Exchange whose participation in the Plan has become effective pursuant to Section 3(c) of the Plan.

[5] Section 2(6) of the Plan defines an ''Eligible Exchange'' as a national securities exchange registered with the Commission pursuant to Section 6(a) of the Act, 15 U.S.C. 78f(a), that: (a) Is a ''Participant Exchange'' in the Options Clearing Corporation (''OCC'') (as defined in OCC By-laws, Section VII); (b) is a party to the Options Price Reporting Authority (''OPRA'') Plan (as defined in the OPRA Plan, Section 1); and (c) if the national securities exchange chooses not to become part to this Plan, is a participant in another plan approved by the Commission providing for comparable Trade-Through and Locked and Crossed Market protection. ISE Mercury has represented that it has met the requirements for being considered an Eligible Exchange. *See* letter from Michael Simon, Secretary, ISE, to Brent J. Fields, Secretary, Commission, dated February 9, 2016.

new Participant's name in Section 3(a) of the Plan; and (b) submit the executed Plan to the Commission. The Plan then provides that such an amendment will be effective when the amendment is approved by the Commission or otherwise becomes effective pursuant to Section 11A of the Act and Rule 608 thereunder.

II. Effectiveness of the Proposed Linkage Plan Amendment

The foregoing Plan amendment has become effective pursuant to Rule 608(b)(3)(iii) [6] because it involves solely technical or ministerial matters. At any time within sixty days of the filing of this amendment, the Commission may summarily abrogate the amendment and require that it be refiled pursuant to paragraph (a)(1) of Rule 608,[7] if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors or the maintenance of fair and orderly markets, to remove impediments to, and perfect the mechanisms of, a national market system or otherwise in furtherance of the purposes of the Act.

III. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the amendment is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's Internet comment form (*http://www.sec.gov/rules/sro.shtml*); or
- Send an email to *rule-comments@sec.gov.* Please include File Number 4–546 on the subject line.

Paper Comments

- Send paper comments in triplicate to Brent J. Fields, Secretary, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549–1090.

All submissions should refer to File Number 4–546. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (*http://www.sec.gov/rules/sro.shtml*). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the amendment between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for Web site viewing and printing in the Commission's Public Reference Room, 100 F Street NE., Washington, DC 20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of such filing also will be available for inspection and copying at the principal office of ISE Mercury. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number 4–546 and should be submitted on or before April 4, 2016.

By the Commission.

Robert W. Errett,

Deputy Secretary.

[FR Doc. 2016–05599 Filed 3–11–16; 8:45 am]

BILLING CODE 8011–01–P

[6] 17 CFR 242.608(b)(3)(iii).

[7] 17 CFR 242.608(a)(1).

SECURITIES AND EXCHANGE COMMISSION

Sunshine Act Meeting

Notice is hereby given, pursuant to the provisions of the Government in the Sunshine Act, Public Law 94–409, that the Securities and Exchange Commission will hold an Open Meeting on Wednesday, March 16, 2016 at 1:30 p.m., in the Auditorium (L–002) at the Commission's headquarters building, to hear oral argument in an appeal from an initial decision of an administrative law judge by respondents Mohammed Riad and Kevin Timothy Swanson.

On April 21, 2014, the ALJ found that respondents violated the antifraud provisions of the securities laws while associated with an investment adviser responsible for managing the portfolio of a closed-end investment company, the Fiduciary/Claymore Dynamic Equity Fund (the ''Fund''). Specifically, the ALJ found that respondents misrepresented and omitted material information about two newly implemented derivative strategies in the Fund's 2007 annual report and May 2008 semiannual report. The ALJ also found that Riad caused the Fund's violation of Investment Company Rule 8b–16(b), which requires closed-end funds to disclose in their annual reports any material change in their investment objectives, policies, and risk factors.

For these violations, the ALJ imposed cease-and-desist orders, order that each respondent pay a third-tier civil penalty of $130,000, and barred each respondent. She also ordered that Riad disgorge $188,948.52 plus prejudgment interest.

Respondents appealed the initial decision's findings of violations and the sanctions imposed. The issues likely to be considered at oral argument include, among other things, whether respondents violated the securities laws and, if so, what sanction, if any, is appropriate in the public interest.

For further information, please contact the Office of the Secretary at (202) 551–5400.

Dated: March 9, 2016.

Brent J. Fields,

Secretary.

[FR Doc. 2016–05802 Filed 3–10–16; 4:15 pm]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–77316; File No. SR–MSRB–2016–03]

Self-Regulatory Organizations; Municipal Securities Rulemaking Board; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Consisting of an Amendment to Rule G–33, on Calculations, and an Interpretive Notice

March 8, 2016.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the ''Act'' or ''Exchange Act'') [1] and Rule 19b–4 thereunder,[2] notice is hereby given that on February 23, 2016, the Municipal Securities Rulemaking Board (the ''MSRB'' or ''Board'') filed with the Securities and Exchange Commission (the ''Commission'' or ''SEC'') the proposed rule change as described in Items I and II below, which Items have been prepared by the MSRB. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The MSRB filed with the Commission a proposed rule change consisting of a proposed amendment to Rule G–33, on calculations, and a proposed interpretive notice (the ''proposed rule change''). The MSRB has designated the proposed rule change as ''non-controversial'' pursuant to Section 19(b)(3)(A)(iii) of the Act [3] and Rule

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] 15 U.S.C. 78s(b)(3)(A)(iii).

19b–4(f)(6)[4] thereunder, which renders it effective upon filing with the Commission. A proposed rule change filed under Rule 19b–4(f)(6)[5] normally does not become operative prior to 30 days after the date of filing. Rule 19b–4(f)(6)(iii),[6] however, permits the Commission to designate a shorter time if such action is consistent with the protection of investors and the public interest. Immediate utilization of the amended pricing formula contained in the proposed rule change will result in more accurate price and yield data reported to the MSRB, which will, in turn, result in more accurate data disseminated to the public. The MSRB requests the Commission waive the 30-day operative delay. Such waiver would allow the MSRB to establish a compliance date of July 18, 2016 for all dealers to conform to the amended pricing formula, while allowing dealers the flexibility to immediately utilize the amended pricing formula pursuant to the proposed interpretive notice.

The text of the proposed rule change is available on the MSRB's Web site at *www.msrb.org/Rules-and-Interpretations/SEC-Filings/2016-Filings.aspx,* at the MSRB's principal office, and at the Commission's Public Reference Room.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the MSRB included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The MSRB has prepared summaries, set forth in Sections A, B, and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

The proposed rule change would revise the mathematical formula in Rule G–33(b)(i)(B)(2), which governs how brokers, dealers, and municipal securities dealers (collectively ''dealers'') calculate the dollar price of interest-bearing municipal securities with periodic interest payments (*e.g.,* daily, monthly, quarterly or annually) that have more than six months to redemption (the ''pricing formula,'' as amended by the proposed rule change, the ''amended pricing formula''). The proposed rule change would also clarify that the amended pricing formula is applicable for the calculations of municipal securities with periodic interest payments and more than one coupon period to redemption. The proposed rule change would similarly clarify that the formulas in Rules G–33(b)(i)(B)(1) and G–33(b)(ii)(B)(1), which are not being changed, are applicable for the calculations of municipal securities with periodic interest payments and less than six months to redemption.

The amended pricing formula would replace a formula that was originally designed to accommodate the technologies available at the time of its adoption several decades ago and reflected the limited capabilities of those technologies to efficiently conduct the more complex and advanced calculation of the amended pricing formula.[7] Recognizing that it resulted in only marginally less accurate price reporting on a relatively small number of transactions, the accommodation was made to presume that interest-bearing municipal securities with periodic interest payments and with more than one coupon period to redemption pay interest on a semi-annual basis. With improved access to more technologically advanced methods of computing dollar prices and yields, the amended pricing formula would dispense with the six-month presumption and instead require the use of a calculation method for yield and dollar price that is based on the actual interest payment frequency of the security. Modernizing the pricing formula would recognize the use of enhanced calculators by many market participants and produce more accurate price and yield data reported to the MSRB's Real-Time Transaction Reporting System (''RTRS''),[8] which the MSRB subsequently disseminates to the market and displays on its Electronic Municipal Market Access (''EMMA®'') system.[9]

In addition, the MSRB is proposing an interpretive notice (''Notice'') concerning the application of the amended pricing formula to afford dealers the flexibility to utilize the amended pricing formula prior to the mandatory compliance date.

Proposed Amendment to Rule G–33

Rule G–33 prescribes standard formulas for the computation of accrued interest, dollar price and yield, and related computations. Specifically, Rule G–33(b)(i)(B)(2) requires that, for interest-bearing municipal securities with periodic interest payments and more than one coupon period to redemption, dealers compute the dollar price of such securities using a formula that accounts for the present value of all future coupon payments and presumes a semi-annual payment of interest rather than the actual interest payment frequency of the security (*e.g.,* monthly or quarterly).[10] By reference, Rule G–33(b)(ii)(B)(2) requires the use of the formula in Rule G–33(b)(i)(B)(2) when calculating the yield on such municipal securities with periodic interest payments and more than one coupon period to redemption.

The proposed rule change would require, for securities subject to Rule G–33(b)(i)(B)(2), that the dollar price for transactions effected on the basis of yield be computed in accordance with the amended pricing formula below:

$$P = \left[\frac{RV}{\left(1+\frac{Y}{M}\right)_{exp}{}^{N-1+\frac{E-A}{E}}}\right] + \left[\sum_{K=1}^{N}\frac{100\cdot\frac{R}{M}}{\left(1+\frac{Y}{M}\right)_{exp}{}^{K-1+\frac{E-A}{E}}}\right] - \left[100\cdot\frac{A}{B}\cdot R\right]$$

[4] 17 CFR 240.19b–4(f)(6).

[5] *Id.*

[6] 17 CFR 240.19b–4(f)(6)(iii).

[7] *See e.g.,* Use of formulas: Annual interest securities, June 6, 1983. Available at *http://www.msrb.org/Rules-and-Interpretations/MSRB-Rules/General/Rule-G-33.aspx?tab=2* (''1983 interpretive letter'').

[8] The proposed amendments will conform the rule text regarding the required manner of calculation by dealers to the manner in which the MSRB currently calculates dollar price and yield for such securities in RTRS.

[9] EMMA is a registered trademark of the MSRB.

[10] The formula also accounts for the present value of the redemption amount and the accrued interest to be paid to the seller. Those elements of the calculation are not being changed.

The amended pricing formula modifies the pricing formula currently prescribed by Rule G–33(b)(i)(B)(2) by eliminating the presumption in the calculation that interest-bearing municipal securities with periodic interest payments, and more than one coupon period to redemption, pay interest on a semi-annual basis. Rather than calculate for a variable of yield divided by 2 (presumed semi-annual interest payment), the amended pricing formula requires dividing yield by ''M'' where ''M'' is the number of interest payment periods per year standard for the security involved in the transaction.[11]

In addition, the proposed rule change would modify subparagraphs (b)(i)(B)(2) and (b)(ii)(B)(2) to clarify the applicability of the formula in Rule G–33(b)(i)(B)(2).[12] Because the amended pricing formula is adapted to future coupon payments that occur more frequently or less frequently than semi-annually, it is more accurate to provide that the formula is applicable for the calculations of securities with more than one coupon period to redemption rather than ''with more than six months to redemption.'' The proposed rule change would also make a corresponding change to subparagraphs (b)(i)(B)(1) and (b)(ii)(B)(1). Specifically the proposed rule change would clarify that the formulas in Rule G–33(b)(i)(B)(1) and G–33(b)(ii)(B)(1) are applicable for calculating dollar price and yield, respectively, on securities with one coupon period or less to redemption rather than ''with six months or less to redemption.''

Proposed Interpretive Notice

With the current, wide availability of advanced calculator models, dealers may want to utilize the more precise amended pricing formula prior to the compliance date. The proposed interpretive notice would provide that, prior to the compliance date for Rule G–33, as amended by the proposed rule change, dealers would be in compliance with the current rule if they calculate price and yield on interest-bearing securities with periodic interest payments and more than one coupon period to redemption factoring in the actual interest frequency in the formula rather than assuming a semi-annual interest payment.

The MSRB believes that allowing dealers this flexibility could benefit transparency without creating any material discrepancies in pricing information. Transactions in interest-bearing securities with periodic interest payments (*e.g.,* monthly, quarterly or annually) have typically accounted for less than .05 percent of all transactions reported to the MSRB annually and, as the MSRB previously recognized, calculations for these securities that presume a semi-annual interest payment rather than the actual interest payment frequency ''produce slightly less accurate results.'' [13]

2. Statutory Basis

The MSRB believes that the proposed rule change is consistent with Section 15B(b)(2)(C) of the Act, which requires, in pertinent part, that the MSRB's rules shall be designed to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in municipal securities and municipal financial products, to remove impediments to and perfect the mechanism of a free and open market in municipal securities and municipal financial products, and, in general, to protect investors, municipal entities, obligated persons, and the public interest.

The MSRB believes that the amended pricing formula will improve the accuracy of the reporting of the dollar prices and yields on transactions in interest-bearing municipal securities that pay interest on a periodic basis. Additionally, the MSRB believes that the proposed interpretive notice will afford dealers the flexibility to utilize the more precise formula prior to the compliance date.

B. Self-Regulatory Organization's Statement on Burden on Competition

Section 15B(b)(2)(C) [14] of the Act requires that MSRB rules not be designed to impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act.

In determining whether this standard has been met, the MSRB attempted to evaluate the number of firms that may need to make changes to comply with the proposed amendment and the likely challenges associated with compliance. In reviewing data from 2015, the MSRB observed that a very small percentage, approximately 1/10 of 1 percent, of municipal securities reported to RTRS pay interest on a periodic basis and trading in those securities accounted for less than ¼ of 1 percent of customer transactions reported to the MSRB. The MSRB believes that the impact of the proposed amendments would be very small and would not impose any additional burdens on competition that are not necessary or appropriate in furtherance of the purposes of the Exchange Act.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

Written comments were neither solicited nor received on the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Pursuant to Section 19(b)(3)(A) [15] of the Act and Rule 19b–4(f)(6) [16] thereunder, the MSRB has designated the proposed rule change as one that affects a change that does not: (i) Significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate. A proposed rule change filed under Rule 19b–4(f)(6) normally does not become operative until 30 days after the date of filing.[17] However, Rule 19b–4(f)(6)(iii) permits the Commission to designate a shorter time if consistent with the protection of investors and the public interest.[18]

The MSRB has requested that the Commission waive the 30-day operative delay specified in Rule 19b–4(f)(6)(iii).[19] The waiver of the 30-day operative delay will allow dealers to immediately utilize the amended pricing formula before the July 18, 2016, compliance date. According to the MSRB, immediate utilization of the amended pricing formula will result in more accurate price and yield data reported to the MSRB, which will, in turn, result in more accurate data disseminated to the public. The Commission believes that

[11] All other variables remain the same and the symbols for the formula are as defined in Rule G–33(b)(i)(B)(2).

[12] By reference, despite computing for a different end variable, G–33(b)(ii)(B)(2) uses the pricing formula in (b)(i)(B)(2).

[13] As a result of the amended pricing formula, the MSRB will delete the 1983 interpretive letter from its Rule Book.

[14] 15 U.S.C. 78*o*–4(b)(2)(C).

[15] 15 U.S.C. 78s(b)(3)(A).

[16] 17 CFR 240.19b–4(f)(6).

[17] *Id.*

[18] In addition, Rule 19b–4(f)(6)(iii) requires a self-regulatory organization to give the Commission written notice of its intent to file a proposed rule change, along with a brief description and text of such proposed rule change, at least five business days prior to the date of filing, or such shorter time as designated by the Commission. The MSRB fulfilled this obligation.

[19] *See* SR–MSRB–2016–03 (filed with the Commission on February 23, 2016).

waiving the 30-day operative delay is consistent with the protection of investors and the public interest as it will allow dealers to immediately begin providing more accurate price and yield data to the MSRB, which reflects the actual frequency of interest payments. Accordingly, the Commission hereby waives the 30-day operative delay specified in Rule 19b-4(f)(6)(iii) and designates the proposed rule change to be operative upon filing.[20]

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's Internet comment form (*http://www.sec.gov/rules/sro.shtml*); or
- Send an email to *rule-comments@sec.gov*. Please include File Number SR–MSRB–2016–03 on the subject line.

Paper Comments

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549.

All submissions should refer to File Number SR–MSRB–2016–03. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (*http://www.sec.gov/rules/sro.shtml*). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for Web site viewing and printing in the Commission's Public Reference Room, 100 F Street NE., Washington, DC 20549 on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the MSRB. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR–MSRB–2016–03 and should be submitted on or before April 4,2016.

For the Commission, pursuant to delegated authority.[21]

Robert W. Errett,

Deputy Secretary.

[FR Doc. 2016–05586 Filed 3–11–16; 8:45 am]

BILLING CODE 8011–01–P

[20] For the purpose of waiving the 30-day operative delay for this proposal, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. *See* 15 U.S.C. 78c(f).

[21] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–77320; File No. SR–NASDAQ–2016–002]

Self-Regulatory Organizations; The NASDAQ Stock Market LLC; Notice of Designation of a Longer Period for Commission Action on Proposed Rule Change to List and Trade Shares of the First Trust Municipal High Income ETF

March 8, 2016.

On January 6, 2016, The NASDAQ Stock Market LLC (''Exchange'') filed with the Securities and Exchange Commission (''Commission''), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act'') [1] and Rule 19b–4 thereunder,[2] a proposed rule change to list and trade shares of the First Trust Municipal High Income ETF under Nasdaq Rule 5735. The proposed rule change was published for comment in the **Federal Register** on January 27, 2016.[3] The Commission has not received any comments on the proposal.

Section 19(b)(2) of the Act [4] provides that within 45 days of the publication of notice of the filing of a proposed rule change, or within such longer period up to 90 days as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding, or as to which the self-regulatory organization consents, the Commission shall either approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether the proposed rule change should be disapproved. The 45th day after publication of the notice for this proposed rule change is March 12, 2016. The Commission is extending this 45-day time period.

The Commission finds it appropriate to designate a longer period within which to take action on the proposed rule change so that it has sufficient time to consider this proposed rule change. Accordingly, the Commission, pursuant to Section 19(b)(2) of the Act,[5] designates April 26, 2016, as the date by which the Commission shall either approve or disapprove, or institute proceedings to determine whether to disapprove, the proposed rule change (File No. SR–NASDAQ–2016–002)

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[6]

Robert W. Errett,

Deputy Secretary.

[FR Doc. 2016–05588 Filed 3–11–16; 8:45 am]

BILLING CODE 8011–01–P

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] *See* Securities Exchange Act Release No. 76944 (Jan. 21, 2016), 81 FR 4712.

[4] 15 U.S.C. 78s(b)(2).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–77319; File No. SR–CBOE–2016–016]

Self-Regulatory Organizations; Chicago Board Options Exchange, Incorporated; Notice of Filing and Order Granting Accelerated Approval of a Proposed Rule Change Related to Options That Overlie the MSCI EAFE Index and the MSCI Emerging Markets Index

March 8, 2016.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the ''Act''),[1] and Rule 19b–4 thereunder,[2] notice is hereby given that, on February 29, 2016, Chicago Board Options Exchange, Incorporated (the ''Exchange'' or ''CBOE'') filed with the Securities and Exchange Commission (the ''Commission'') the proposed rule change as described in Items I and II below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons and, for the

[5] *Id.*

[6] 17 CFR 200.30–3(a)(31).

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

reasons discussed below, is approving the proposal on an accelerated basis.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange seeks to amend the listing criteria for options that overlie the MSCI EAFE Index and the MSCI Emerging Markets Index (''EAFE options'' and ''EM options''). The text of the proposed rule change is available on the Exchange's Web site (*http://www.cboe.com/AboutCBOE/CBOELegalRegulatoryHome.aspx*), at the Exchange's Office of the Secretary, and at the Commission's Public Reference Room.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item III below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

On April 8, 2015, the Commission approved CBOE's proposal to list and trade options on the MSCI EAFE Index (''EAFE Index'') and the MSCI Emerging Markets Index (''EM Index'').[3] Rule 24.2.01(a) sets forth the initial listing standards for EAFE and EM options. Rule 24.2.01(b) sets forth the maintenance listing standards for EAFE and EM options. All of the maintenance listing requirements set forth in Rule 24.2.01(b) are met except for the requirement that the initial listing standard of Rule 24.2.01(a)(7) continues to be met. Rule 24.2.01(a)(7) currently states that Non-U.S. component securities (stocks or ADRs) that are not subject to comprehensive surveillance agreements (''CSAs'') do not, in the aggregate, represent more than: (i) Twenty percent (20%) of the weight of the EAFE Index, and (ii) twenty-two and a half percent (22.5%) of the weight of the EM Index. Due to unforeseen circumstances, as described below, the EAFE and EM Indexes no longer meet this requirement; thus, the Exchange is seeking to amend Rule 24.2.01(a)(7) (criteria ''No. 7'') to raise the CSA percentage for the EAFE and EM Indexes by five percent (5%).

EAFE Index

The EAFE Index consists of the following 21 developed market country indexes: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, and the United Kingdom. The EAFE Index consists of large and midcap components, has 928 constituents and ''covers approximately 85% of the free float-adjusted market capitalization in each country.'' [4]

In order for EAFE options to meet listing criteria No. 7, the Exchange relied on Intermarket Surveillance Group (''ISG'') [5] membership [6] as well as several CSAs [7] that the Exchange has entered into with relevant stock exchanges. One of the CSAs that the Exchange relied upon was the CSA with the Association of Swiss Exchanges (the ''Association''), which is the predecessor to SIX Swiss Exchange (''SIX Swiss''). However, CBOE was recently informed by SIX Swiss that the Association's activities have ceased and that SIX Swiss was unable to find evidence of a transfer of the CSA to SIX Swiss. The Exchange has been in contact with SIX Swiss in an attempt to enter into a new CSA, but the Exchange has thus far been unable to execute a new CSA with SIX Swiss. The component securities of the EAFE Index that trade on SIX Swiss represent approximately 9.5% of the weight of the EAFE Index. When relying on the CSA with the Association, the non-U.S. component securities (stocks or ADRs) that are not subject to CSAs do not, in the aggregate, represent more than 20% of the weight of the EAFE Index. Currently, without relying on the CSA with the Association, the non-U.S. component securities (stocks or ADRs) that are not subject to CSAs do not, in the aggregate, represent more than approximately 24.5% of the weight of the EAFE Index. Thus, the Exchange is seeking to amend listing criteria No. 7 for EAFE options to raise the percentage of non-U.S. component securities that do not need to be subject to CSAs from twenty percent (20%) to twenty-five percent (25%).

The Exchange represents that raising the percent will not have an adverse impact on the Exchange's surveillance program. The Exchange represents that it will still have an adequate surveillance program in place for EAFE options and will continue to use the same surveillance procedures currently utilized for each of the Exchange's other index options to monitor trading in EAFE options.

Furthermore, the EAFE Index is a broad-based index with 928 constituents. The component stocks of the EAFE Index have a market capitalization of 11,444,154.78 (USD Millions) with an average market capitalization per constituent of 12,332.06 (USD Millions). Additionally, the component stocks have an average daily volume of over 5 billion with an average daily volume per constituent of over 5 million. Also, the largest constituent in the EAFE Index currently only accounts for 2.04% of the weight of the EAFE Index. Given the high number of constituents and capitalization of the EAFE Index and the deep and liquid markets for the securities underlying these indexes, the concerns for market manipulation and/or disruption in the underlying markets are greatly reduced.

EM Index

The EM Index consists of the following 23 emerging market country indexes: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Peru, Philippines, Poland, Qatar, Russia, South Africa, Taiwan, Thailand, Turkey and United Arab Emirates. The EM Index consists of large and midcap components, has 837 constituents and ''covers approximately 85% of the free float-adjusted market capitalization in each country.'' [8]

[3] *See* Securities Exchange Act Release No. 74681 (April 8, 2015), 80 FR 20032 (April 14, 2015) (approving SR–CBOE–2015–023).

[4] *See* EAFE Index fact sheet (dated January 29, 2016) located at: *http://www.msci.com/resources/factsheets/index_fact_sheet/msci-eafe-index-usd-price.pdf.*

[5] The ISG ''is comprised of an international group of exchanges, market centers, and market regulators.'' *See* Intermarket Surveillance Group Web site, available at *https://www.isgportal.org/home.html.* The purpose of the ISG is to provide a framework for the sharing of information and the coordination of regulatory efforts among exchanges trading securities and related products to address potential intermarket manipulations and trading abuses. The ISG plays a crucial role in information sharing among markets that trade securities, options on securities, security futures products, and futures and options on broad-based security indexes. A list identifying the current ISG members is available at: *https://www.isgportal.org/home.html.*

[6] The component securities that represent a majority of the weight of the EAFE and EM Indexes are traded on exchanges that are members of ISG.

[7] For the EAFE and EM Indexes, the CSAs are in the form of Memorandum of Understanding (''MOUs'') or information sharing agreements.

[8] *See* EM Index fact sheet (dated January 29, 2016) located at: *http://www.msci.com/resources/*

In order for EM options to meet listing criteria No. 7, the Exchange relied on ISG membership as well as several CSAs that have been entered into with relevant stock exchanges. One of the CSAs that the Exchange relied upon was the CSA with Bolsa de Valores de Sao Paulo (''BOVESPA''), which is the predecessor to Bolsa de Valores Mercadorias e Futuros (''BM&FBOVESPA''). However, CBOE was recently informed by BM&FBOVESPA that a Brazilian law prevents BM&FBOVESPA from providing information to CBOE under the CSA. The component securities of the EM Index that trade on BM&FBOVESPA represent approximately 5.5% of the weight of the EM Index. When relying on the CSA with BOVESPA the non-U.S. component securities (stocks or ADRs) that are not subject to CSAs do not, in the aggregate, represent more than approximately 22.5% of the weight of the EM Index. Currently, without relying on the CSA with BOVESPA, the non-U.S. component securities (stocks or ADRs) that are not subject to CSAs do not, in the aggregate, represent more than approximately 24.5% of the weight of the EM Index. Thus, the Exchange is seeking to amend listing criteria No. 7 for EM options to raise the percentage of non-U.S. component securities that do not need to be subject to CSAs from twenty-two and a half percent (22.5%) to twenty-seven and a half percent (27.5%).[9]

The Exchange represents that raising the percent will not have an adverse impact on the Exchange's surveillance program. The Exchange represents that it will still have an adequate surveillance program in place for EM options and will continue to use the same surveillance procedures currently utilized for each of the Exchange's other index options to monitor trading in EM options.

Furthermore, the EM Index is a broad-based index with 837 constituents. The component stocks of the EM Index have a market capitalization of 3,219,779.13 (USD Millions) and average market capitalization per constituent of 3,846.81 (USD Millions). Additionally, the component stocks have an average daily volume of over 25 billion with an average daily volume per constituent of over 30 million. Also, the largest constituent in the EM Index currently only accounts for 3.29% of the weight of the EM Index. Given the high number of constituents and capitalization of the EM Index and the deep and liquid markets for the securities underlying these indexes, the concerns for market manipulation and/or disruption in the underlying markets are greatly reduced.

Conclusion

EAFE and EM options are currently listed for trading on CBOE. The Exchange generally adds new series after an expiration, which allows trading to commence in the new series on the first trading day after the expiration date. The Exchange currently lists EAFE and EM options that expire in February, March, April, June, September, and December. Additional series, specifically EAFE and EM options that expire in May, are scheduled to be added after expiration on March 18, 2016, which will allow trading to commence in the additional series on the next trading day of March 21, 2016. Without this amendment, EAFE and EM options cannot meet the continuing listing criteria of Rule 24.2.01(b), specifically criteria No. 7, which will prevent the Exchange from adding the EAFE and EM options that expire in May.[10] The inability to add the EAFE and EM options that expire in May would be a detriment to market participants seeking to hedge positions in exchange-traded funds (''ETFs'') based on the EAFE and EM indexes (''EFA'' and ''EEM,'' respectively), options on EFA and EEM, EAFE and EM futures, and European-traded derivatives on the EAFE and EM Indexes. Additionally, to the extent market participants want to roll a position in EAFE and EM options that expire in April to a position that expires in May, they will be prevented from doing so without this amendment.

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Act and the rules and regulations thereunder, including the requirements of Section 6(b) of the Act.[11] In particular, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)[12] requirements that the rules of an exchange be designed to promote just and equitable principles of trade, to prevent fraudulent and manipulative acts, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, to remove impediments to and to perfect the mechanism for a free and open market and a national market system, and, in general, to protect investors and the public interest.

In particular, the Exchange believes that both the EAFE Index and the EM Index are not easily susceptible to manipulation. Both indexes are broad-based indexes and have high market capitalizations. The EAFE Index is comprised of 928 component stocks, the component stocks have a market capitalization of 11,444,154.78 (USD Millions) and average daily volume of over 5 billion, and no single component comprises more than 3.5% [sic] of the index, making it not easily subject to market manipulation. Similarly, the EM Index is comprised of 837 component stocks, the component stocks have a market capitalization of 3,219,779.13 (USD Millions) and average daily volume of over 25 billion, and no single component comprises more than 3.5% of the index, making it not easily subject to market manipulation. The purpose of a CSA is to allow the Exchange to investigate manipulation if it were to occur on a foreign exchange at which one of the component securities trades. However, as described above, the EAFE and EM Indexes are unlikely to be susceptible to manipulation; thus, raising the CSA percentage for the EAFE and EM Indexes by only five percent (5%) is unlikely to affect the Exchange's ability to investigate manipulation.

Additionally, the iShares MSCI EAFE and iShares MSCI Emerging Markets ETFs are actively traded products, as are options on those ETFs. Because both indexes have large numbers of component securities, are representative of many countries and trade a large volume with respect to ETFs and options on those ETFs, the Exchange believes that the revised listing requirements are appropriate to trade options on these indexes. The Exchange also represents that it has an adequate surveillance program in place for EAFE and EM options.

B. Self-Regulatory Organization's Statement on Burden on Competition

This proposed rule change does not impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. Specifically, CBOE believes the proposed rule change will allow the continued listing and trading of EAFE

factsheets/index_fact_sheet/msci-emerging-markets-index-usd-price.pdf.

[9] The Exchange notes that the iShares MSCI Emerging Markets ETF (''EEM''), which is also based on the EM Index, is only required to have 50% of the component securities subject to CSAs. *See* Securities Exchange Act Release No. 53824 (May 17, 2006), 71 FR 30003 (May 24, 2006) (SR–Amex–2006–43).

[10] Rule 24.2.01(b)(2) states that ''[i]n the event a class of index options listed on the Exchange fails to satisfy the maintenance listing standards set forth herein, the Exchange shall not open for trading any additional series of options of that class unless the continued listing of that class of index options has been approved by the Commission under Section 19(b)(2) of the Exchange Act.''

[11] 15 U.S.C. 78f(b).

[12] 15 U.S.C. 78f(b)(5).

and EM options, which enhances competition among market participants and provides different types of options to compete with domestic products such as EFA and EMM [sic], which seek to track the EAFE and EM Indexes, respectively, EFA and EEM options, EAFE and EM futures and European-traded derivatives on the EAFE Index and the EM Index to the benefit of investors and the marketplace. For all the reasons stated above, the Exchange does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act, and believes the proposed change will enhance competition among similar products.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

No written comments were solicited or received with respect to the proposed rule change.

III. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's Internet comment form (*http://www.sec.gov/rules/sro.shtml*); or
- Send an email to *rule-comments@sec.gov.* Please include File Number SR–CBOE–2016–016 on the subject line.

Paper Comments

- Send paper comments in triplicate to Brent J. Fields, Secretary, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549–1090.

All submissions should refer to File Number SR–CBOE–2016–016. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (*http://www.sec.gov/rules/sro.shtml*). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for Web site viewing and printing in the Commission's Public Reference Room, 100 F Street NE., Washington, DC 20549 on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of such filing also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR–CBOE–2016–016, and should be submitted on or before April 4, 2016.

IV. Commission's Findings and Order Granting Accelerated Approval of Proposed Rule Change

After careful review, the Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange.[13] In particular, the Commission finds that the proposed rule change is consistent with Section 6(b)(5) of the Act,[14] which requires, among other things, that the rules of a national securities exchange be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest.

In order to list options on the EAFE and EM indexes, CBOE Rule 24.2.01(a)(7) requires that any non-U.S. component securities that are not subject to CSAs must not, in the aggregate, represent more than: (i) Twenty percent (20%) of the weight of the EAFE Index, and (ii) twenty-two and a half percent (22.5%) of the weight of the EM Index. The Exchange proposes to raise the percentage of non-U.S. component securities that do not need to be subject to CSAs to twenty-five percent (25%) for the EAFE Index and twenty-seven and a half percent (27.5%) for the EM Index. The Exchange stated that both indexes are broad-based indexes, have high market capitalizations, and have components with high trading volume. Given the high number of constituents and the overall high capitalization of the EAFE and EM Indexes and the deep and liquid markets for the securities underlying these indexes, the Exchange believes that the concerns for market manipulation or disruption in the underlying markets are greatly reduced. Therefore, the Exchange believes that a five percent increase would not likely impact its ability to investigate manipulation in these products. Additionally, in its filing, the Exchange represented that it will maintain an adequate surveillance program for EAFE and EM options and will continue to use the same surveillance procedures currently utilized for each of the Exchange's other index options to monitor trading in these products. Based on these representations, the Commission believes the modest increase in the applicable percentages of non-U.S. component securities that do not need to be subject to CSA requirements is not likely to have a material effect on CBOE's ability to surveil for potential manipulation in EAFE and EM options. Therefore, the Commission believes that approval of this proposal is appropriate.

The Exchange has requested that the Commission find good cause for approving the proposed rule change prior to the 30th day after publication of the notice thereof in the **Federal Register**. The Exchange stated that accelerated approval of its proposal will allow CBOE to add new series of EAFE and EM options that expire in May (which would be listed after the March expiration). The Exchange believes that the inability to add additional series in EAFE and EM options would be a detriment to market participants seeking to hedge positions in EFA and EEM, options on EFA and EEM, EAFE and EM futures, and European-traded derivatives on the EAFE and EM Indexes. Additionally, the Exchange stated that, without accelerated approval of its proposal, market participants would be unable to roll a position in EAFE and EM options that expires in April to a position that expires in May. The Commission believes that good cause exists for accelerated approval of the proposed rule change because it raises no novel issues and the modest increase in the applicable percentages of non-U.S. component securities that do not need to be subject to CSA requirements is not likely to impose a material change in

[13] 15 U.S.C. 78f(b). In approving this proposed rule change, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. *See* 15 U.S.C. 78c(f).

[14] 15 U.S.C. 78f(b)(5).

CBOE's ability to surveil for potential manipulation in EAFE and EM options or adversely affect market participants. The Commission further believes that approval of this proposal on an accelerated basis should benefit investors by creating, without undue delay, additional competition in the market for these and similar products. Accordingly, the Commission finds good cause, pursuant to Section 19(b)(2) of the Act,[15] to approve the proposed rule change prior to the 30th day after the date of publication of the notice of filing thereof in the **Federal Register**.

V. Conclusion

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,[16] that the proposed rule change (SR–CBOE–2016–016) be, and hereby is, approved on an accelerated basis.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[17]

Robert W. Errett,

Deputy Secretary.

[FR Doc. 2016–05587 Filed 3–11–16; 8:45 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–77323; File No. 4–443]

Joint Industry Plan; Notice of Filing and Immediate Effectiveness of Amendment to the Plan for the Purpose of Developing and Implementing Procedures Designed To Facilitate the Listing and Trading of Standardized Options To Add ISE Mercury, LLC as a Plan Sponsor

March 8, 2016.

Pursuant to Section 11A(a)(3) of the Securities Exchange Act of 1934 (''Act'')[1] and Rule 608 thereunder,[2] notice is hereby given that on February 11, 2016, ISE Mercury, LLC (''ISE Mercury'' or ''Exchange'') filed with the Securities and Exchange Commission (''Commission'') an amendment to the Plan for the Purpose of Developing and Implementing Procedures Designed to Facilitate the Listing and Trading of Standardized Options (''OLPP'').[3] The amendment adds ISE Mercury as a Sponsor[4] of the OLPP. The Commission is publishing this notice to solicit comments on the amendment from interested persons.

I. Description and Purpose of the Amendment

The OLPP establishes procedures designed to facilitate the listing and trading of standardized options contracts on the options exchanges. The amendment to the OLPP adds ISE Mercury as a Sponsor. The other OLPP Sponsors are Amex, BATS, BOX, BX, CBOE, C2, EDGX, ISE, MIAX, Nasdaq, NYSE Arca, OCC, Phlx, and Topaz. ISE Mercury has submitted an executed copy of the OLPP to the Commission in accordance with the procedures set forth in the OLPP regarding new Sponsors. Section 7 of the OLPP provides for the entry of new Sponsors to the OLPP. Specifically, Section 7 of the OLPP provides that an Eligible Exchange[5] may become a Sponsor of the OLPP by: (i) Executing a copy of the OLPP, as then in effect; (ii) providing each current Sponsor with a copy of such executed OLPP; and (iii) effecting an amendment to the OLPP, as specified in Section 7(ii) of the OLPP.

Section 7(ii) of the OLPP sets forth the process by which an Eligible Exchange may effect an amendment to the OLPP. Specifically, an Eligible Exchange must: (a) Execute a copy of the OLPP with the only change being the addition of the new Sponsor's name in Section 8 of the OLPP;[6] and (b) submit the executed OLPP to the Commission. The OLPP then provides that such an amendment will be effective when the amendment is approved by the Commission or otherwise becomes effective pursuant to Section 11A of the Act and Rule 608 thereunder.

II. Effectiveness of the OLPP Amendment

The foregoing OLPP amendment has become effective pursuant to Rule 608(b)(3)(iii)[7] because it involves solely technical or ministerial matters. At any time within sixty days of the filing of this amendment, the Commission may summarily abrogate the amendment and require that it be refiled pursuant to paragraph (a)(1) of Rule 608,[8] if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors or the maintenance of fair and orderly markets, to remove impediments to, and perfect the mechanisms of, a national market system or otherwise in furtherance of the purposes of the Act.

III. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the amendment is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's Internet comment form (*http://www.sec.gov/rules/sro.shtml*); or
- Send an email to *rule-comments@sec.gov.* Please include File Number 4–443 on the subject line.

Paper Comments

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549–1090.

All submissions should refer to File Number 4–443. This file number should be included on the subject line if email is used. To help the Commission

[15] 15 U.S.C. 78s(b)(2).

[16] 15 U.S.C. 78s(b)(2).

[17] 17 CFR 200.30–3(a)(12).

[1] 15 U.S.C. 78k–1(a)(3).

[2] 17 CFR 242.608.

[3] On July 6, 2001, the Commission approved the OLPP, which was proposed by the American Stock Exchange LLC (''Amex''), Chicago Board Options Exchange, Incorporated (''CBOE''), International Securities Exchange LLC (''ISE''), Options Clearing Corporation (''OCC''), Philadelphia Stock Exchange, Inc. (''Phlx''), and Pacific Exchange, Inc. (n/k/a ''NYSE Arca''). *See* Securities Exchange Act Release No. 44521, 66 FR 36809 (July 13, 2001). *See also* Securities Exchange Act Release Nos. 49199 (February 5, 2004), 69 FR 7030 (February 12, 2004) (adding Boston Stock Exchange, Inc. as a Sponsor to the OLPP); 57546 (March 21, 2008), 73 FR 16393 (March 27, 2008) (adding Nasdaq Stock Market, LLC (''Nasdaq'') as a Sponsor to the OLPP); 61528 (February 17, 2010), 75 FR 8415 (February 24, 2010) (adding BATS Exchange, Inc. (''BATS'') as a Sponsor to the OLPP); 63162 (October 22, 2010), 75 FR 66401 (October 28, 2010) (adding C2 Options Exchange Incorporated (''C2'') as a sponsor to the OLPP); 66952 (May 9, 2012), 77 FR 28641 (May 15, 2012) (adding BOX Options Exchange LLC (''BOX'') as a Sponsor to the OLPP); 67327 (June 29, 2012), 77 FR 40125 (July 6, 2012) (adding Nasdaq OMX BX, Inc. (''BX'') as a Sponsor to the OLPP); 70765 (October 28, 2013), 78 FR 65739 (November 1, 2013) (adding Topaz Exchange, LLC as a Sponsor to the OLPP (''Topaz''); 70764 (October 28, 2013), 78 FR 65733 (November 1, 2013) (adding Miami International Securities Exchange, LLC (''MIAX'') as a Sponsor to the OLPP); and 76822 (January 1, 2016), 81 FR 1251 (January 11, 2016) (adding EDGX Exchange, Inc. (''EDGX'') as a Sponsor to the OLPP).

[4] A ''Sponsor'' is an Eligible Exchange whose participation in the OLPP has become effective pursuant to Section 7 of the Plan.

[5] The OLPP defines an ''Eligible Exchange'' as a national securities exchange registered with the Commission pursuant to Section 6(a) of the Exchange Act, 15 U.S.C. 78f(a), that (1) has effective rules for the trading of options contracts issued and cleared by the OCC approved in accordance with the provisions of the Exchange Act and the rules and regulations thereunder and (2) is a party to the Plan for Reporting Consolidated Options Last Sale Reports and Quotation Information (the ''OPRA Plan''). ISE Mercury has represented that it has met both the requirements for being considered an Eligible Exchange. *See* letter from Michael Simon, Secretary, ISE, to Brent J. Fields, Secretary, Commission, dated February 9, 2016.

[6] The Commission notes that the list of Sponsors is set forth in Section 9 of the OLPP.

[7] 17 CFR 242.608(b)(3)(iii).

[8] 17 CFR 242.608(a)(1).

process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (*http://www.sec.gov/rules/sro.shtml*). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for Web site viewing and printing in the Commission's Public Reference Room, 100 F Street NE., Washington, DC 20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of such filing also will be available for inspection and copying at ISE Mercury's principal office. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File No. 4–443 and should be submitted on or before April 4, 2016.

By the Commission.

Robert W. Errett,

Deputy Secretary.

[FR Doc. 2016–05598 Filed 3–11–16; 8:45 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–77321; File No. 4–697]

Program for Allocation of Regulatory Responsibilities Pursuant to Rule 17d–2; Order Approving and Declaring Effective a Proposed Plan for the Allocation of Regulatory Responsibilities Between the Financial Industry Regulatory Authority, Inc. and ISE Mercury, LLC

March 8, 2016.

On February 9, 2016, ISE Mercury, LLC (''ISE Mercury'') and the Financial Industry Regulatory Authority, Inc. (''FINRA'') (together with ISE Mercury, the ''Parties'') filed with the Securities and Exchange Commission (''Commission'' or ''SEC'') a plan for the allocation of regulatory responsibilities, dated February 8, 2016 (''17d–2 Plan'' or the ''Plan''). The Plan was published for comment on February 19, 2016.[1] The Commission received no comments on the Plan. This order approves and declares effective the Plan.

I. Introduction

Section 19(g)(1) of the Securities Exchange Act of 1934 (''Act''),[2] among other things, requires every self-regulatory organization (''SRO'') registered as either a national securities exchange or national securities association to examine for, and enforce compliance by, its members and persons associated with its members with the Act, the rules and regulations thereunder, and the SRO's own rules, unless the SRO is relieved of this responsibility pursuant to Section 17(d) or Section 19(g)(2) of the Act.[3] Without this relief, the statutory obligation of each individual SRO could result in a pattern of multiple examinations of broker-dealers that maintain memberships in more than one SRO (''common members''). Such regulatory duplication would add unnecessary expenses for common members and their SROs.

Section 17(d)(1) of the Act[4] was intended, in part, to eliminate unnecessary multiple examinations and regulatory duplication.[5] With respect to a common member, Section 17(d)(1) authorizes the Commission, by rule or order, to relieve an SRO of the responsibility to receive regulatory reports, to examine for and enforce compliance with applicable statutes, rules, and regulations, or to perform other specified regulatory functions.

To implement Section 17(d)(1), the Commission adopted two rules: Rule 17d–1 and Rule 17d–2 under the Act.[6] Rule 17d–1 authorizes the Commission to name a single SRO as the designated examining authority (''DEA'') to examine common members for compliance with the financial responsibility requirements imposed by the Act, or by Commission or SRO rules.[7] When an SRO has been named as a common member's DEA, all other SROs to which the common member belongs are relieved of the responsibility to examine the firm for compliance with the applicable financial responsibility rules. On its face, Rule 17d–1 deals only with an SRO's obligations to enforce member compliance with financial responsibility requirements. Rule 17d–1 does not relieve an SRO from its obligation to examine a common member for compliance with its own rules and provisions of the federal securities laws governing matters other than financial responsibility, including sales practices and trading activities and practices.

To address regulatory duplication in these and other areas, the Commission adopted Rule 17d–2 under the Act.[8] Rule 17d–2 permits SROs to propose joint plans for the allocation of regulatory responsibilities with respect to their common members. Under paragraph (c) of Rule 17d–2, the Commission may declare such a plan effective if, after providing for appropriate notice and comment, it determines that the plan is necessary or appropriate in the public interest and for the protection of investors; to foster cooperation and coordination among the SROs; to remove impediments to, and foster the development of, a national market system and a national clearance and settlement system; and is in conformity with the factors set forth in Section 17(d) of the Act. Commission approval of a plan filed pursuant to Rule 17d–2 relieves an SRO of those regulatory responsibilities allocated by the plan to another SRO.

II. Proposed Plan

The proposed 17d–2 Plan is intended to reduce regulatory duplication for firms that are common members of both ISE Mercury and FINRA.[9] Pursuant to the proposed 17d–2 Plan, FINRA would assume certain examination and enforcement responsibilities for common members with respect to certain applicable laws, rules, and regulations.

The text of the Plan delineates the proposed regulatory responsibilities with respect to the Parties. Included in the proposed Plan is an exhibit (the ''ISE Mercury Certification of Common Rules,'' referred to herein as the ''Certification'') that lists every ISE Mercury rule, and select federal securities laws, rules, and regulations, for which FINRA would bear

[1] *See* Securities Exchange Act Release No. 77122 (February 11, 2016), 81 FR 8566.

[2] 15 U.S.C. 78s(g)(1).

[3] 15 U.S.C. 78q(d) and 15 U.S.C. 78s(g)(2), respectively.

[4] 15 U.S.C. 78q(d)(1).

[5] *See* Securities Act Amendments of 1975, Report of the Senate Committee on Banking, Housing, and Urban Affairs to Accompany S. 249, S. Rep. No. 94–75, 94th Cong., 1st Session 32 (1975).

[6] 17 CFR 240.17d–1 and 17 CFR 240.17d–2, respectively.

[7] *See* Securities Exchange Act Release No. 12352 (April 20, 1976), 41 FR 18808 (May 7, 1976).

[8] *See* Securities Exchange Act Release No. 12935 (October 28, 1976), 41 FR 49091 (November 8, 1976).

[9] The proposed 17d–2 Plan refers to these common members as ''Dual Members.'' *See* Paragraph 1(c) of the proposed 17d–2 Plan. On January 29, 2016, the Commission approved ISE Mercury's application for registration as a national securities exchange. *See* Securities Exchange Act Release No. 76998, 81 FR 6066 (February 4, 2016).

responsibility under the Plan for overseeing and enforcing with respect to ISE Mercury members that are also members of FINRA and the associated persons therewith (''Dual Members'').

Specifically, under the 17d–2 Plan, FINRA would assume examination and enforcement responsibility relating to compliance by Dual Members with the rules of ISE Mercury that are substantially similar to the applicable rules of FINRA,[10] as well as any provisions of the federal securities laws and the rules and regulations thereunder delineated in the Certification (''Common Rules''). In the event that a Dual Member is the subject of an investigation relating to a transaction on ISE Mercury, the plan acknowledges that ISE Mercury may, in its discretion, exercise concurrent jurisdiction and responsibility for such matter.[11]

Under the Plan, ISE Mercury would retain full responsibility for surveillance and enforcement with respect to trading activities or practices involving ISE Mercury's own marketplace, including, without limitation, registration pursuant to its applicable rules of associated persons (*i.e.,* registration rules that are not Common Rules); its duties as a DEA pursuant to Rule 17d–1 under the Act; and any ISE Mercury rules that are not Common Rules.[12]

III. Discussion

The Commission finds that the proposed Plan is consistent with the factors set forth in Section 17(d) of the Act[13] and Rule 17d–2(c) thereunder[14] in that the proposed Plan is necessary or appropriate in the public interest and for the protection of investors, fosters cooperation and coordination among SROs, and removes impediments to and fosters the development of the national market system. In particular, the Commission believes that the proposed Plan should reduce unnecessary regulatory duplication by allocating to FINRA certain examination and enforcement responsibilities for common members that would otherwise be performed by ISE Mercury and FINRA. Accordingly, the proposed Plan promotes efficiency by reducing costs to common members. Furthermore, because ISE Mercury and FINRA will coordinate their regulatory functions in accordance with the Plan, the Plan should promote investor protection.

The Commission notes that, under the Plan, ISE Mercury and FINRA have allocated regulatory responsibility for those ISE Mercury rules, set forth in the Certification, that are substantially similar to the applicable FINRA rules in that examination for compliance with such provisions and rules would not require FINRA to develop one or more new examination standards, modules, procedures, or criteria in order to analyze the application of the rule, or a common member's activity, conduct, or output in relation to such rule. In addition, under the Plan, FINRA would assume regulatory responsibility for certain provisions of the federal securities laws and the rules and regulations thereunder that are set forth in the Certification. The Common Rules covered by the Plan are specifically listed in the Certification, as may be amended by the Parties from time to time.

According to the Plan, ISE Mercury will review the Certification, at least annually, or more frequently if required by changes in either the rules of ISE Mercury or FINRA, and, if necessary, submit to FINRA an updated list of Common Rules to add ISE Mercury rules not included on the then-current list of Common Rules that are substantially similar to FINRA rules; delete ISE Mercury rules included in the then-current list of Common Rules that are no longer substantially similar to FINRA rules; and confirm that the remaining rules on the list of Common Rules continue to be ISE Mercury rules that are substantially similar to FINRA rules.[15] FINRA will then confirm in writing whether the rules listed in any updated list are Common Rules as defined in the Plan. Under the Plan, ISE Mercury will also provide FINRA with a current list of common members and shall update the list no less frequently than once each quarter.[16] The Commission believes that these provisions are designed to provide for continuing communication between the Parties to ensure the continued accuracy of the scope of the proposed allocation of regulatory responsibility.

The Commission is hereby declaring effective a Plan that, among other things, allocates regulatory responsibility to FINRA for the oversight and enforcement of all ISE Mercury rules that are substantially similar to the rules of FINRA for common members of ISE Mercury and FINRA. Therefore, modifications to the Certification need not be filed with the Commission as an amendment to the Plan, provided that the Parties are only adding to, deleting from, or confirming changes to ISE Mercury rules in the Certification in conformance with the definition of Common Rules provided in the Plan. However, should the Parties decide to add an ISE Mercury rule to the Certification that is not substantially similar to a FINRA rule; delete an ISE Mercury rule from the Certification that is substantially similar to a FINRA rule; or leave on the Certification an ISE Mercury rule that is no longer substantially similar to a FINRA rule, then such a change would constitute an amendment to the Plan, which must be filed with the Commission pursuant to Rule 17d–2 under the Act.[17]

IV. Conclusion

This Order gives effect to the Plan filed with the Commission in File No. 4–697. The Parties shall notify all members affected by the Plan of their rights and obligations under the Plan.

It is therefore ordered, pursuant to Section 17(d) of the Act, that the Plan in File No. 4–697, between FINRA and ISE Mercury, filed pursuant to Rule 17d–2 under the Act, is approved and declared effective.

It is further ordered that ISE Mercury is relieved of those responsibilities allocated to FINRA under the Plan in File No. 4–697.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[18]

Robert W. Errett,

Deputy Secretary.

[FR Doc. 2016–05589 Filed 3–11–16; 8:45 am]

BILLING CODE 8011–01–P

[10] *See* paragraph 1(b) of the proposed 17d–2 Plan (defining Common Rules). *See also* paragraph 1(f) of the proposed 17d–2 Plan (defining Regulatory Responsibilities). Paragraph 2 of the Plan provides that annually, or more frequently as required by changes in either ISE Mercury rules or FINRA rules, the parties shall review and update, if necessary, the list of Common Rules. Further, paragraph 3 of the Plan provides that ISE Mercury shall furnish FINRA with a list of Dual Members, and shall update the list no less frequently than once each calendar quarter.

[11] *See* paragraph 6 of the proposed 17d–2 Plan.

[12] *See* paragraph 2 of the proposed 17d–2 Plan.

[13] 15 U.S.C. 78q(d).

[14] 17 CFR 240.17d–2(c).

[15] *See* paragraph 2 of the Plan.

[16] *See* paragraph 3 of the Plan.

[17] The Commission also notes that the addition to or deletion from the Certification of any federal securities laws, rules, and regulations for which FINRA would bear responsibility under the Plan for examining, and enforcing compliance by, common members, also would constitute an amendment to the Plan.

[18] 17 CFR 200.30–3(a)(34).

SOCIAL SECURITY ADMINISTRATION

[Docket No. SSA–2015–0037; Social Security Ruling, SSR 16–1p]

Titles II and XVI: Fraud and Similar Fault Redeterminations Under Sections 205(U) and 1631(E)(7) of the Social Security Act

AGENCY: Social Security Administration (SSA).

ACTION: Notice of Social Security Ruling (SSR).

SUMMARY: In accordance with 20 CFR 402.35(b)(1), the Commissioner of Social Security gives notice of SSR 16–1p. This Ruling provides guidance on how we redetermine entitlement to and eligibility for benefits when there is a reason to believe fraud or similar fault is involved with an individual's application for benefits.

DATES: *Effective Date:* March 14, 2016.

FOR FURTHER INFORMATION CONTACT: Dan O'Brien, Director of Office of Vocational Evaluation and Process Policy in the Office of Disability Policy, Social Security Administration, 6401 Security Boulevard, Baltimore, MD 21235–6401, (410) 597–1632 or TTY 410–966–5609, for information about this notice. For information on eligibility or filing for benefits, call our national toll-free number, 1–800–772–1213 or TTY 1–800–325–0778, or visit our Internet site, Social Security Online, at *http://www.socialsecurity.gov.*

SUPPLEMENTARY INFORMATION: Although 5 U.S.C. 552(a)(1) and (a)(2) do not require us to publish this SSR, we are doing so in accordance with 20 CFR 402.35(b)(1).

Through SSRs, we convey to the public SSA precedential decisions relating to the Federal old-age, survivors, disability, supplemental security income, and special veterans benefits programs. We may base SSRs on determinations or decisions made at all levels of administrative adjudication, Federal court decisions, Commissioner's decisions, opinions of the Office of the General Counsel, or other interpretations of the law and regulations.

Although SSRs do not have the same force and effect as statutes or regulations, they are binding on all components of the Social Security Administration. 20 CFR 402.35(b)(1).

This SSR will remain in effect until we publish a notice in the **Federal Register** that rescinds it, or we publish a new SSR that replaces or modifies it.

(Catalog of Federal Domestic Assistance, Programs Nos. 96.001, Social Security—Disability Insurance; 96.002, Social Security—Retirement Insurance; 96.004, Social Security—Survivors Insurance; 96.006—Supplemental Security Income.)

Dated: March 7, 2016.

Carolyn W. Colvin,

Acting Commissioner of Social Security.

Policy Interpretation Ruling

Social Security Ruling, SSR 16–1p:

Titles II And XVI: Fraud and Similar Fault Redeterminations Under Sections 205(u) And 1631(e)(7) of the Social Security Act

PURPOSE: This Social Security Ruling (SSR) explains the process we use to redetermine an individual's entitlement to or eligibility for benefits when there is reason to believe that fraud or similar fault was involved in that individual's application for benefits.[1]

CITATIONS: Sections 205(u) and 1631(e)(7) of the Social Security Act, 42 U.S.C. 405(u), 1383(e)(7), as amended; Regulations No. 4, sections 404.704, 404.708, 404.1512, 404.1520, and 404.1527; Regulations No. 16, sections 416.912, 416.920, 416.924, and 416.927; and Regulations No. 22, section 422.130(b).

INTRODUCTION: The Social Security Independence and Program Improvements Act of 1994, Public Law 103–296, amended the Social Security Act (Act) to add provisions addressing fraud or similar fault. These amendments to sections 205 and 1631 of the Act provide that we must immediately redetermine an individual's entitlement to monthly insurance benefits under title II or eligibility for benefits under title XVI if there is reason to believe that fraud or similar fault was involved in the individual's application for such benefits. This legislation requires us to redetermine an individual's entitlement or eligibility unless a United States Attorney, or equivalent State prosecutor, with jurisdiction over potential or actual related criminal cases, certifies, in writing, that there is a substantial risk that such action by SSA with regard to beneficiaries or recipients in a particular investigation would jeopardize the criminal prosecution of a person involved in a suspected fraud. This statute further provides that, when we redetermine entitlement or eligibility, or when we make an initial determination of entitlement or eligibility, we ''shall disregard any evidence if there is reason to believe that fraud or similar fault was involved in the providing of such evidence.'' If, after redetermining entitlement to or eligibility for benefits, we determine that without the disregarded evidence, the evidence does not support entitlement or eligibility, we may terminate such entitlement or eligibility and may treat benefits paid based on such evidence as overpayments.

This ruling describes the process we use when we redetermine an individual's entitlement or eligibility to receive benefits when there is reason to believe that fraud or similar fault was involved in that individual's application for benefits.

This ruling applies to all final determinations or decisions on entitlement or eligibility to receive benefits under title II and title XVI of the Act.

This ruling does not replace or limit other appropriate standards and criteria for evaluation of claims.

POLICY INTERPRETATION:

A. General

1. Sections 205(u) and 1631(e)(7) of the Act provide that we must immediately redetermine an individual's entitlement to monthly insurance benefits under title II or eligibility for benefits under title XVI if there is reason to believe that fraud or similar fault was involved in the individual's application for benefits.

2. This legislation requires us to redetermine an individual's entitlement or eligibility unless a United States Attorney, or equivalent State prosecutor, with jurisdiction over potential or actual related criminal cases, certifies, in writing, that there is a substantial risk that our action with regard to beneficiaries or recipients in a particular investigation would jeopardize the criminal prosecution of a person involved in a suspected fraud.

3. When we redetermine a case under sections 205(u) or 1631(e)(7) of the Act, we must disregard evidence if there is reason to believe that fraud or similar fault was involved in providing that evidence.

4. We may find that any individual or entity whose actions affect an individual's application for monthly benefits, has committed fraud or similar fault. Examples of any individual or entity include a claimant, beneficiary, auxiliary, recipient, spouse, representative, medical source, translator, interpreter, and representative payee. Sections 205(u) or 1631(e)(7) of the Act do not require that the individual or entity who committed

[1] Fraud and similar fault redeterminations under sections 205(u) and 1631(e)(7) of the Act are distinct from reopenings as described in 20 CFR 404.987–404.996 and 20 CFR 416.1487–416.1494. Fraud and similar fault redeterminations are also distinct from redeterminations of Supplemental Security Income eligibility under Title XVI of the Act as described in 20 CFR 416.204.

fraud or similar fault, or the individual or entity providing the evidence that involves fraud or similar fault, have a direct relationship to or act on behalf of the claimant, beneficiary, or recipient, or directly or indirectly benefit from the fraud or similar fault.

5. During the redetermination, we will consider evidence that was provided absent fraud or similar fault, and that relates to the individual's entitlement and eligibility from the time of the individual's original allowance, even if that evidence was not presented previously.

6. If, after redetermining an individual's entitlement to monthly insurance benefits under title II or eligibility for benefits under title XVI, we determine that the evidence does not support such entitlement or eligibility, we may terminate such entitlement or eligibility and may treat benefits paid or payments made based on such evidence as overpayments.

7. If an individual disagrees with our finding that the evidence does not support his or her entitlement or eligibility at the time of the original allowance, that individual may appeal our determination or decision.

8. If the individual believes he or she is currently disabled, he or she may file a new application while appealing our determination or decision.

9. If we assess an overpayment, we will apply the provisions of 20 CFR part 404, subpart F (20 CFR 404.501 *et seq.*), 20 CFR part 416, subpart E (20 CFR 416.501 *et seq.*). The individual assessed with the overpayment may request that we waive that overpayment, and we will consider such a request under our rules.

10. We will not waive an assessed overpayment if we find that the individual is at fault in causing the overpayment. In determining whether an individual is at fault, we will consider all pertinent circumstances, including the individual's age and intelligence, and any physical, mental, educational, or linguistic limitations (including any lack of facility with the English language) the individual has.

B. Definitions

1. *Fraud.* Fraud exists when a person, with the intent to defraud, either makes or causes to be made, a false statement or misrepresentation of a material fact for use in determining rights under the Social Security Act; or conceals or fails to disclose a material fact for use in determining rights under the Social Security Act.

2. *Similar Fault.* As defined in sections 205(u)(2) and 1631(e)(7)(B) of the Act, similar fault is involved with respect to a determination if: ''(A) an incorrect or incomplete statement that is material to the determination is knowingly made; or (B) information that is material to the determination is knowingly concealed.''

3. *Material.* This term describes a statement or information, or an omission from a statement or information, that could influence us in determining entitlement to benefits under title II or eligibility for benefits under title XVI of the Act.

4. *Knowingly.* This term describes a person's awareness or understanding regarding the correctness or completeness of the information he or she provides us, or the materiality of the information he or she conceals from us.

5. *Preponderance of Evidence.* This term means such relevant evidence that as a whole shows that the existence of a fact to be proven is more likely than not. Preponderance is established by that piece or body of evidence that, when considered, produces the stronger impression and is more convincing as to its truth when weighed against the evidence in opposition. Thus, preponderance does not require that a certain number of pieces of evidence (*e.g.,* five or six) must be present. It is possible that just one piece of evidence may be so convincing that it outweighs more than one piece of evidence in opposition.

C. How We Redetermine an Individual's Entitlement or Eligibility Under Sections 205(u) and 1631(e)(7) of the Act

The following steps outline how we redetermine entitlement or eligibility in this SSR.

1. Under sections 205(u) or 1631(e)(7) of the Act, we must immediately redetermine an individual's entitlement to or eligibility for benefits when there is reason to believe that fraud or similar fault was involved in an individual's application for benefits.

2. We will disregard any evidence if there is reason to believe that fraud or similar fault was involved in the providing of such evidence.

a. We will disregard any evidence supplied, prepared, or signed by a source when there is a reason to believe that the source provided the evidence knowing it was incorrect or incomplete or concealed information knowing it was material to the determination, even if it includes a report prepared or signed by another source, such as lab findings and x-rays.

b. We will not develop evidence from a source when there is a reason to believe that the source provided evidence knowing it was fraudulent, incorrect, or incomplete.

c. In certain circumstances, we may disregard evidence provided by someone who has not committed fraud or similar fault, but whose evidence relies on other evidence involving fraud or similar fault. For example, we may disregard parts of a physician's report that rely on another source's evidence that we disregarded. Depending on the extent to which the physician relied on the disregarded evidence, we may disregard the physician's entire report.

d. We may consider evidence we relied on to find fraud or similar fault in one claim in deciding whether there is fraud or similar fault in another claim. We may also consider that evidence in deciding the weight we give to evidence in another claim.

e. If we cannot determine whether evidence provided by a source involved fraud or similar fault, we will consider the evidence in accordance with our policies regarding evaluating symptoms and weighing medical source opinions. We will also consider its consistency with the remaining evidence.

f. We will document the claim file with a description of the disregarded evidence and the reasons for disregarding the evidence.

3. We will consider the claim only through the date of the final determination or decision on the beneficiary's application for benefits (*i.e.,* the original date of the allowance). We will not develop evidence about new medical conditions or impairments with an onset date after the original date of the allowance. We will not develop information about the recipient's or beneficiary's current state of health.

4. We will accept evidence relevant to the issues we decide during a redetermination. For instance, we will accept evidence that relates to the issue of whether the individual was disabled as defined under the Act at the time of the individual's original allowance.

5. We will consider evidence that postdates the original date of the allowance if that evidence relates to the period at issue.

6. A finding of fraud or similar fault and disregarding evidence based on that finding does not constitute complete adjudicative action on a claim. We will evaluate the remaining evidence in file and determine whether that evidence supports a finding of entitlement to or eligibility for benefits.

D. Appeal Rights

1. Initiating a redetermination under sections 205(u) or 1631(e)(7) of the Act is not subject to administrative or judicial review.

2. After a redetermination, an individual may appeal our determination that after disregarding evidence, the remaining evidence does not support that individual's entitlement to or eligibility for benefits and results in termination of such entitlement or eligibility. The individual may appeal any overpayments we assess based on such evidence.

3. An individual may appeal our finding of fraud or similar fault. However, we will not administratively review information provided by SSA's Office of the Inspector General under section 1129(l) of the Act regarding its reason to believe that fraud was involved in the individual's application for benefits.

DATES: Effective Date: This SSR is effective on March 14, 2016.

CROSS-REFERENCES: SSR 85–23, ''Title XVI: Reopening Supplemental Security Income Determinations at Any Time for 'Similar Fault.' '' SSR 16–2p, ''Titles II and XVI: Evaluation of Claims Involving the Issue of ''Similar Fault'' in the Providing of Evidence.''

[FR Doc. 2016–05661 Filed 3–11–16; 8:45 am]

BILLING CODE 4191–02–P

SOCIAL SECURITY ADMINISTRATION

[Docket No. SSA–2015–0070]

Social Security Acquiescence Ruling (AR) 16–1(7), Boley v. Colvin: Judicial Review of an Administrative Law Judge's Order Finding No Good Cause for a Late Hearing Request and Dismissing the Request as Untimely—Titles II and XVI of the Social Security Act

AGENCY: Social Security Administration.

ACTION: Notice of Social Security Acquiescence Ruling (AR).

SUMMARY: We are publishing this Social Security AR to explain how we will apply a holding in a decision of the United States Court of Appeals for the Seventh Circuit that we have determined conflicts with our interpretation of the law regarding judicial review of an administrative law judge's (ALJ's) order finding no good cause for a late hearing request and dismissing the request as untimely.

DATES: *Effective:* March 14, 2016.

FOR FURTHER INFORMATION CONTACT: Todd Lewellen, Office of the General Counsel, Office of Program Law, Social Security Administration, 6401 Security Boulevard, Baltimore, MD 21235–6401, (410) 965–3309, or TTY 410–966–5609, for information about this notice. For information on eligibility or filing for benefits, call our national toll-free number, 1–800–772–1213 or TTY 1–800–325–0778, or visit our Internet site, Social Security Online, at *http://www.socialsecurity.gov.*

SUPPLEMENTARY INFORMATION: We are publishing this Social Security AR in accordance with 20 CFR 402.35(b)(2), 404.985(a), (b), and 416.1485(a), (b) to explain how we will apply a holding in *Boley* v. *Colvin*, 761 F.3d 803 (7th Cir. 2014), regarding judicial review of an ALJ's order finding no good cause for a late hearing request and dismissing the request as untimely.

An AR explains how we will apply a holding in a decision of a United States Court of Appeals that we determine conflicts with our interpretation of a provision of the Social Security Act (Act) or regulations when the Government has decided not to seek further review of that decision or is unsuccessful on further review.

This AR explains how we will apply the holding in *Boley* v. *Colvin* to claims in which the claimant makes a late request for an ALJ hearing, the ALJ dismisses the hearing request and finds that the claimant lacked good cause for missing the appeal deadline, and then the claimant timely seeks review of the ALJ's dismissal by the Appeals Council (AC). We will apply this AR to all claims in the Seventh Circuit in which the AC denied a request for review of such a dismissal on or after March 14, 2016. If the AC denied a request for review of an ALJ dismissal between August 4, 2014 (the date of the Court of Appeals' decision) and March 14, 2016 (the effective date of this AR), the claimant may request that we apply the AR.

When we received this precedential Court of Appeals' decision and determined that an AR might be required, we began to identify those claims that were pending before the agency that might be subject to readjudication if we subsequently issued an AR. Because we have determined that an AR is required and are publishing this AR, we will send a notice to those individuals whose claims we have identified. In the notice, we will provide information about the AR and the claimant's rights under the AR. However, claimants may request that we apply this AR to their claims even if they did not receive a notice, as provided in 20 CFR 404.985(b)(2) and 416.1485(b)(2).

If we later rescind this AR as obsolete, we will publish a notice in the **Federal Register** to that effect, as provided in 20 CFR 404.985(e) and 416.1485(e). If we decide to relitigate the issue covered by this AR, as provided by 20 CFR 404.985(c) and 416.1485(c), we will publish a notice in the **Federal Register** stating that we will apply our interpretation of the Act or regulations involved and explaining why we have decided to relitigate the issue.

(Catalog of Federal Domestic Assistance, Program Nos. 96.001 Social Security—Disability Insurance; 96.002 Social Security—Retirement Insurance; 96.004 Social Security—Survivors Insurance)

Dated: March 3, 2016.

Carolyn W. Colvin,

Acting Commissioner of Social Security.

ACQUIESCENCE RULING 16–1(7)

Boley v. Colvin, 761 F.3d 803 (7th Cir. 2014): Judicial Review of an Administrative Law Judge's Order Finding No Good Cause for a Late Hearing Request and Dismissing the Request as Untimely—Titles II and XVI of the Social Security Act.

ISSUE: May a claimant obtain judicial review of an administrative law judge (ALJ)'s order finding no good cause for a late hearing request and dismissing the request as untimely?

STATUTE/REGULATION/RULING CITATION: Sections 205(g) and 1631(c)(3) of the Social Security Act (42 U.S.C. 405(g), 1383(c)(3)); 20 CFR 404.900(a), 404.901, 404.903(j), 404.933(b)–(c), 404.955, 404.957, 404.959, 416.1400(a), 416.1401, 416.1403(a)(8), 416.1433(b)–(c), 416.1455, 416.1457, 416.1459.

CIRCUIT: Seventh (Illinois, Indiana, Wisconsin).

APPLICABILITY OF RULING: This ruling applies to claims in which a claimant resides in a State within the Seventh Circuit and in which an ALJ entered an order finding no good cause for a late hearing request, the ALJ dismissed the request as untimely, the claimant requested review by the Appeals Council (AC), and the AC denied review.

DESCRIPTION OF CASE: Marilyn Boley filed a claim for disability insurance benefits. We denied her claim at the initial and reconsideration levels of administrative review. Although she was represented by an attorney at the time we denied her request for reconsideration, we sent notice of the reconsidered determination to Ms. Boley, but not to her attorney. After learning that we had denied Ms. Boley's request for reconsideration, the attorney requested a hearing. An ALJ dismissed that request as untimely because the regulations at 20 CFR 404.933(b) and 416.1433(b) require a claimant to request a hearing within 60 days of the claimant's receipt of a reconsidered

determination. While regulations allow the ALJ to extend the time for requesting a hearing when a claimant has ''good cause'' for the late request, the ALJ ruled that Ms. Boley lacked good cause because she had received the reconsideration notice and could have filed a hearing request herself. Ms. Boley filed a timely request for review of the ALJ's dismissal order with the AC. When the AC denied her request for review of the ALJ's dismissal order, Ms. Boley sought judicial review.

HOLDING: The United States Court of Appeals for the Seventh Circuit concluded that a claimant for Social Security benefits may obtain judicial review of an ALJ's dismissal order finding no good cause for a late hearing request after exhausting all available administrative remedies.

STATEMENT AS TO HOW *BOLEY* DIFFERS FROM THE AGENCY'S POLICY:

Unlike the holding in *Boley*, our policy provides that an ALJ's order finding no good cause for a late hearing request and dismissing the request as untimely is not subject to judicial review. Section 205(g) of the Social Security Act, 42 U.S.C. 405(g), ''clearly limits judicial review to a particular type of agency action, a 'final decision of the [Commissioner of Social Security] made after a hearing.' '' *Califano* v. *Sanders,* 430 U.S. 99, 108 (1977). The Supreme Court has also recognized that ''the term 'final decision' is left undefined by the Act and its meaning is to be fleshed out by the [Commissioner's] regulations.'' *Weinberger* v. *Salfi,* 422 U.S. 749, 751 (1975).

Under our regulations, the claimant must first obtain an ''initial determination'' and then complete an administrative review process consisting of several steps, ''which usually must be requested within certain time periods,'' 20 CFR 404.900(a), 416.1400(a), before obtaining a judicially reviewable ''decision.'' Not all agency actions constitute ''initial determinations'' subject to the administrative review process and, ultimately, judicial review. 20 CFR 404.903, 416.1403(a) (identifying numerous administrative actions that are not initial determinations). For example, although we will extend the time to seek a hearing upon a showing of good cause, 20 CFR 404.933(c), 416.1433(c), an administrative action denying a request to extend a time period is not an initial determination subject to the administrative review process or judicial review. 20 CFR 404.903(j), 416.1403(a)(8).

Further, our regulations provide that a ''decision'' means ''the decision made by the administrative law judge or the Appeals Council.'' 20 CFR 404.901, 416.1401. Of direct relevance here, the regulations distinguish between an ALJ's ''decision'' and an ALJ's dismissal of a claimant's request for a hearing. An ALJ's decision is subject to review by the agency's AC and ultimately may be subject to judicial review. 20 CFR 404.955, 416.1455. An ALJ's dismissal of a hearing request, 20 CFR 404.957, 416.1457, on the other hand, is not a ''decision'' within the meaning of section 205(g) of the Act. Rather, it is binding unless vacated by an ALJ or the AC, and the dismissal of a hearing request is not subject to judicial review. 20 CFR 404.959, 416.1459.

EXPLANATION OF HOW WE WILL APPLY THE *BOLEY* DECISION WITHIN THE CIRCUIT:

This Ruling applies only to claims in which all the following criteria are met:

1. The claimant did not timely request a hearing before an ALJ;
2. The ALJ dismissed the claimant's request for a hearing;
3. The basis for the ALJ's dismissal of the hearing request was that the claimant failed to show good cause for untimely filing of the hearing request;
4. The claimant timely filed a request for the AC to review the ALJ's dismissal of the hearing request;
5. The AC denied the claimant's request for review; *and*
6. The claimant resided in Indiana, Illinois, or Wisconsin at the time the AC denied review.

If a case meets these criteria, we will send notice explaining that the claimant may appeal the dismissal to the Federal district court for the judicial district in Illinois, Indiana, or Wisconsin in which the claimant resides.

[FR Doc. 2016–05663 Filed 3–11–16; 8:45 am]

BILLING CODE 4191–02–P

SOCIAL SECURITY ADMINISTRATION

[Docket No. SSA–2015–0038]

Social Security Ruling, SSR 16–2p; Titles II and XVI: Evaluation of Claims Involving Similar Fault in the Providing of Evidence

AGENCY: Social Security Administration.

ACTION: Notice of Social Security Ruling (SSR).

SUMMARY: In accordance with 20 CFR 402.35(b)(1), the Commissioner of Social Security gives notice of SSR 16–2p. This Ruling supersedes and replaces previously published SSR 00–2p. It provides the definition of fraud, and clarifies the definitions of knowingly and preponderance of the evidence. The Ruling also clarifies that we may find that any individual or entity has committed fraud or similar fault, and that we may disregard evidence submitted by any individual or entity that we find has committed fraud or similar fault. In addition, the Ruling provides examples of such individuals and entities.

DATES: *Effective Date:* March 14, 2016.

FOR FURTHER INFORMATION CONTACT: Dan O'Brien, Director of Office of Vocational Evaluation and Process Policy in the Office of Disability Policy, Social Security Administration, 6401 Security Boulevard, Baltimore, MD 21235–6401, (410) 597–1632 or TTY 410–966–5609, for information about this notice. For information on eligibility or filing for benefits, call our national toll-free number, 1–800–772–1213 or TTY 1–800–325–0778, or visit our Internet site, Social Security Online, at *http://www.socialsecurity.gov.*

SUPPLEMENTARY INFORMATION: Although we are not required to do so pursuant to 5 U.S.C. 552(a)(1) and (a)(2), we are publishing this SSR in accordance with 20 CFR 402.35(b)(1).

Through SSRs, we convey to the public precedential decisions relating to the Federal old-age, survivors, disability, supplemental security income, and special veterans benefits programs. We may base SSRs on determinations or decisions made at all levels of administrative adjudication, Federal court decisions, Commissioner's decisions, opinions of the Office of the General Counsel, or other interpretations of the law and regulations.

Although SSRs do not have the same force and effect as statutes or regulations, they are binding on all components of the Social Security Administration, in accordance with 20 CFR 402.35(b)(1), and are binding as precedents in adjudicating cases.

This SSR will remain in effect until we publish a notice in the **Federal Register** that rescinds it, or we publish a new SSR that replaces or modifies it.

(Catalog of Federal Domestic Assistance, Programs Nos. 96.001, Social Security—Disability Insurance; 96.002, Social Security—Retirement Insurance; 96.004, Social Security—Survivors Insurance; 96.006—Supplemental Security Income.)

Dated: March 7, 2016.

Carolyn W. Colvin,

Acting Commissioner of Social Security.

POLICY INTERPRETATION RULING

Social Security Ruling, SSR 16–2p:

TITLES II AND XVI: EVALUATION OF CLAIMS INVOLVING THE ISSUE OF SIMILAR FAULT IN THE PROVIDING OF EVIDENCE

This SSR rescinds and replaces SSR 00–2p: ''TITLES II AND XVI: EVALUATION OF CLAIMS INVOLVING THE ISSUE OF ''SIMILAR FAULT'' IN THE PROVIDING OF EVIDENCE.''

PURPOSE: To explain the rules that govern the evaluation and adjudication of claims when there is reason to believe similar fault was involved in the providing of evidence in support of the claim.

CITATIONS: Sections 205(u) and 1631(e)(7) of the Social Security Act, 42 U.S.C. 405(u), 1383(e)(7), as amended; 20 CFR 404.704, 404.708, 404.1512, 404.1520, 416.912, 416.920, 416.924, and 422.130(b).

INTRODUCTION:

The Social Security Independence and Program Improvements Act of 1994, Public Law 103–296, amended the Social Security Act (Act) to add provisions addressing fraud or similar fault. These amendments to sections 205 and 1631 of the Act provide that we must immediately redetermine an individual's entitlement to monthly insurance benefits under title II or eligibility for benefits under title XVI if there is reason to believe that fraud or similar fault was involved in the individual's application for such benefits. This statute further provides that, when we redetermine entitlement or eligibility, or when we make an initial determination of entitlement or eligibility, we ''shall disregard any evidence if there is reason to believe that fraud or similar fault was involved in the providing of such evidence.'' If, after redetermining entitlement to or eligibility for benefits, we determine that without the disregarded evidence, the evidence does not support entitlement or eligibility, we may terminate such entitlement or eligibility and may treat benefits paid based on such evidence as overpayments.

This Ruling sets forth the standards we and State agency adjudicators will apply at all levels of the administrative review process in determining whether there is reason to believe that similar fault was involved in providing evidence in connection with a claim for benefits. It also provides guidance for the evaluation of such claims when there is reason to believe that similar fault was involved. It applies to all claims for benefits under title II and title XVI of the Act; *e.g.,* claims for old-age and survivors benefits and disability benefits under title II of the Act, and claims for Supplemental Security Income benefits for the aged, blind, and disabled under title XVI of the Act.

This Ruling does not replace or limit other appropriate standards and criteria for development and evaluation of claims. There may be instances in which evidence will not be disregarded under the statutory provisions discussed in this Ruling, but nevertheless, factors may exist that justify giving the evidence in question less credence than other evidence.

POLICY INTERPRETATION:

A. General

1. Sections 205(u) and 1631(e)(7) of the Act provide that we must disregard evidence if there is reason to believe that fraud or similar fault was involved in the providing of that evidence. These sections explain that similar fault is involved if: ''(A) an incorrect or incomplete statement that is material to the determination is knowingly made; or (B) information that is material to the determination is knowingly concealed.''

2. We may find that any individual or entity whose actions affect an individual's application for monthly benefits, has committed fraud or similar fault. We may disregard evidence based on similar fault of a claimant, a recipient of benefits, or any other individual or entity connected with the claim. Examples of any individual or entity include a claimant, beneficiary, auxiliary, recipient, spouse, representative, medical source, translator, interpreter, and representative payee. Sections 205(u) or 1631(e)(7) of the Act do not require that the individual or entity who committed fraud or similar fault, or the individual or entity providing the evidence that involves fraud or similar fault, have a direct relationship to or act on behalf of the claimant, beneficiary, or recipient, or directly or indirectly benefit from the fraud or similar fault.

3. A finding of similar fault can be made only if there is reason to believe that, based on a preponderance of the evidence, the person committing the fault knew that the evidence provided was false or incomplete. We cannot base a finding of similar fault on speculation or suspicion.

4. A finding of similar fault is sufficient to take the administrative actions described in this Ruling. Although a finding of ''fraud'' made as part of a criminal prosecution can serve as a basis for the administrative actions described below, such a finding is not required.

5. A finding of similar fault concerning a material fact may constitute evidence to be considered in determining whether there is reason to believe that similar fault was involved with respect to other evidence provided by the same source, and may justify disregarding other evidence from that source. Also, the evidence relied on to make a finding of similar fault in one claim may be considered in deciding whether there is similar fault in another claim or in deciding whether to give less weight to evidence in another claim.

6. A finding of similar fault does not constitute complete adjudicative action in any claim. A person may still be found entitled to, or eligible for, monthly benefits despite the fact that some evidence in the case record has been disregarded based on similar fault.

B. Definitions

1. *Fraud.* Fraud exists when a person, with the intent to defraud, either makes or causes to be made, a false statement or misrepresentation of a material fact for use in determining rights under the Social Security Act; or conceals or fails to disclose a material fact for use in determining rights under the Social Security Act.

2. *Similar Fault.* As defined in section 205(u)(2) and 1631(e)(7)(B) of the Act, similar fault is involved with respect to a determination if: ''(A) an incorrect or incomplete statement that is material to the determination is knowingly made; or (B) information that is material to the determination is knowingly concealed.''

3. *Material.* This term describes a statement or information, or an omission from a statement or information that could influence us in determining entitlement to benefits under title II or eligibility for benefits under title XVI of the Act.

4. *Knowingly.* This term describes a person's awareness or understanding regarding the correctness or completeness of the information he or she provides us, or the materiality of the information he or she conceals from us.

5. *Preponderance of Evidence.* This term means such relevant evidence that as a whole shows that the existence of a fact to be proven is more likely than not. Preponderance is established by that piece or body of evidence that, when considered, produces the stronger impression and is more convincing as to its truth when weighed against the evidence in opposition. Thus, preponderance does not require that a

certain number of pieces of evidence (*e.g.*, five or six) must be present. It is possible that just one piece of evidence may be so convincing that it outweighs more than one piece of evidence in opposition.

C. Development and Evaluation

Adjudicators at all levels of the administrative review process are responsible for taking all appropriate steps to resolve similar fault issues in accordance with the standards in this Ruling. Adjudicators must adhere to existing due process and confidentiality requirements during the process of resolving similar fault issues.

In making determinations about whether there is similar fault, all adjudicators must:

1. Consider all evidence in the case record before determining whether specific evidence may be disregarded.

2. Apply the preponderance of evidence standard, as defined in this Ruling.

3. Fully document the record with the evidence that was the basis for the finding that, based on a preponderance of the evidence, there is reason to believe that similar fault was involved in providing the evidence that is being disregarded.

D. Notice of Determination or Decision

In determinations or decisions that involve a finding of similar fault and disregarding evidence, the notice of determination or decision must:

1. *Explain the applicable provision* of the Act that allows the adjudicator to disregard particular evidence due to a similar fault finding.

2. *Identify the documents or other evidence* that is being disregarded.

3. *Provide a discussion of the evidence* that supports a finding to disregard evidence. The discussion must explain that, in accordance with the law, the evidence identified cannot be used as evidence in the claim because, after considering all the information in the case record, the adjudicator has reason to believe that similar fault was involved in providing the evidence and it must be disregarded. Again, a similar fault finding can be made only if there is reason to believe, based on a preponderance of the evidence, the person knew that the evidence provided was false or incomplete. A similar fault finding cannot be based on speculation or suspicion.

4. *Provide a determination or decision based on an evaluation of the remaining evidence* in accordance with other rules and procedures. A similar fault finding does not constitute complete adjudicative action in any claim. A person may still be found entitled to, or eligible for, monthly benefits despite the fact that some evidence in the case record has been disregarded based on similar fault. For example, a person may be found to be under a disability based on impairments that are established by evidence that is not disregarded because of similar fault.

5. *Include standard appeal language.*

EFFECTIVE DATE: This SSR is effective on March 14, 2016.

CROSS-REFERENCES: SSR 85–23, ''Title XVI: Reopening Supplemental Security Income Determinations at Any Time for Similar Fault.''

[FR Doc. 2016–05660 Filed 3–11–16; 8:45 am]

BILLING CODE 4191–02–P

DEPARTMENT OF STATE

[Public Notice: 9476]

Foreign Affairs Policy Board Meeting Notice; Closed Meeting

In accordance with the Federal Advisory Committee Act, 5 U.S.C. App., the Department of State announces a meeting of the Foreign Affairs Policy Board to take place on March 28, 2016, at the Department of State, Washington, DC.

The Foreign Affairs Policy Board reviews and assesses: (1) Global threats and opportunities; (2) trends that implicate core national security interests; (3) tools and capacities of the civilian foreign affairs agencies; and (4) priorities and strategic frameworks for U.S. foreign policy. Pursuant to section 10(d) of the Federal Advisory Committee Act, 5 U.S.C. App 10(d), and 5 U.S.C. 552b(c)(1), it has been determined that this meeting will be closed to the public as the Board will be reviewing and discussing matters properly classified in accordance with Executive Order 13526.

For more information, contact Adam Lusin at (202) 647–4967.

Dated: March 7, 2016.

Adam Lusin,

Designated Federal Officer.

[FR Doc. 2016–05676 Filed 3–11–16; 8:45 am]

BILLING CODE 4710–05–P

DEPARTMENT OF STATE

[Public Notice 9474]

In the Matter of the Designation of Abdul Saboor, aka Engineer Saboor, aka Abdul Saboor Nasratyar as a Specially Designated Global Terrorist

Acting under the authority of and in accordance with section 1(b) of Executive Order 13224 of September 23, 2001, as amended by Executive Order 13268 of July 2, 2002, and Executive Order 13284 of January 23, 2003, I hereby determine that the individual known as Abdul Saboor, also known as Engineer Saboor, also known as Abdul Saboor Nasratyar committed, or poses a significant risk of committing, acts of terrorism that threaten the security of U.S. nationals or the national security, foreign policy, or economy of the United States.

Consistent with the determination in section 10 of Executive Order 13224 that ''prior notice to persons determined to be subject to the Order who might have a constitutional presence in the United States would render ineffectual the blocking and other measures authorized in the Order because of the ability to transfer funds instantaneously,'' I determine that no prior notice needs to be provided to any person subject to this determination who might have a constitutional presence in the United States, because to do so would render ineffectual the measures authorized in the Order.

This notice shall be published in the **Federal Register**.

Dated: March 4, 2016.

John F. Kerry,

Secretary of State.

[FR Doc. 2016–05673 Filed 3–11–16; 8:45 am]

BILLING CODE 4710–AD–P

DEPARTMENT OF STATE

[Public Notice: 9459]

Notice of Meeting of the Cultural Property Advisory Committee

There will be a meeting of the Cultural Property Advisory Committee (''the Committee'') May 24–26, 2016, at the United States Department of State, Harry S Truman Building, 2201 C Street NW., and State Annex 5, 2200 C Street NW., Washington, DC. The Committee's responsibilities are carried out in accordance with provisions of the Convention on Cultural Property Implementation Act (19 U.S.C. 2601 *et seq.*) (''the Act''). A portion of this meeting will be closed to the public

pursuant to 5 U.S.C. 552b(c)(9)(B) and 19 U.S.C. 2605(h).

During the closed portion of the meeting, the Committee will review the proposal to extend the Memorandum of Understanding between the Government of the United States of America and the Government of the Republic of Bolivia Concerning the Imposition of Import Restrictions on Archaeological Material from the Pre-Columbian Cultures and Certain Ethnological Material from the Colonial and Republican Periods of Bolivia (''Bolivia MOU'') [Docket No. DOS–2016–0008]. Also, during the closed portion of the meeting, the Committee will review the proposal to extend the Memorandum of Understanding between the Government of the United States of America and the Government of the Hellenic Republic Concerning the Imposition of Import Restrictions on Categories of Archaeological and Byzantine Ecclesiastical Ethnological Material through the 15th Century A.D. of the Hellenic Republic (''Greece MOU'') [Docket No. DOS–2016–0009].

An open portion of the meeting to receive oral public comments on the proposals to extend the Bolivia MOU and the Greece MOU will be held on Tuesday, May 24, 2016, beginning at 9:30 a.m. EDT. The text of the Act and the MOUs, as well as related information, may be found at *http://culturalheritage.state.gov.*

If you wish to attend the open portion of the meeting of the Committee on May 24, 2016, please notify the Cultural Heritage Center of the U.S. Department of State at (202) 632–6301 no later than 5:00 p.m. (EDT) May 9, 2016, to arrange for admission. Seating is limited. When calling, please request reasonable accommodation if needed. The open portion will be held at the U.S. Department of State, Harry S Truman Building, 2201 C St. NW., Room 1107, Washington, DC 20037. Please plan to arrive 30 minutes before the beginning of the open session.

Personal information regarding attendees is requested pursuant to the Omnibus Diplomatic Security and Antiterrorism Act of 1986, as amended (Pub. L. 99–399), the USA PATRIOT Act (Pub. L.107–56), and Executive Order 13356. The purpose of this collection is to validate the identity of individuals who enter U.S. Department of State facilities. The data will be entered into the Visitor Access Control System (VACS–D) database. Please see the Security Records System of Records Notice (State–36) at *https://foia.state.gov/_docs/SORN/State-36.pdf* for additional information.

If you wish to make an oral presentation at the open portion of the meeting, you must request to be scheduled by the above-mentioned date and time, and you must submit a written summary of your oral presentation, ensuring that it is received no later than May 9, 2016, at 11:59 p.m. (EDT), via the eRulemaking Portal (see below), to allow time for distribution to members of the Committee prior to the meeting. Oral comments will be limited to five (5) minutes to allow time for questions from members of the Committee. All oral comments must relate specifically to matters referred to in 19 U.S.C. 2602(a)(1), with respect to which the Committee makes its findings and recommendations.

If you do not wish to make oral comments but still wish to make your views known, you may submit written comments for the Committee to consider. Your written comments should relate specifically to the matters referred to in 19 U.S.C. 2602(a)(1). Please submit written comments electronically through the eRulemaking Portal (see below), ensuring that they are received no later than May 9, 2016, at 11:59 p.m. (EDT). Our adoption of this procedure facilitates public participation; implements Section 206 of the E-Government Act of 2002, Pub. L. 107–347, 116 Stat. 2915; and supports the Department of State's ''Greening Diplomacy'' initiative that aims to reduce the State Department's environmental footprint and reduce costs. The Department requests that any party soliciting or aggregating written comments received from other persons for submission to the Department inform those persons that the Department will not edit their comments to remove any identifying or contact information, and that they therefore should not include any such information in their comments that they do not want publicly disclosed.

Please submit written comments or a written summary of your oral presentation only once using one of these methods:

- *Electronic Delivery.* To submit written comments electronically, go to the Federal eRulemaking Portal (*http://www.regulations.gov*), enter either Docket No. DOS–2016–0008 for Bolivia or Docket No. DOS–2016–0009 for Greece, and follow the prompts to submit comments. Written comments submitted in electronic form are not private. They will be posted at *http://www.regulations.gov.* Because written comments cannot be edited to remove any personally identifying or contact information, the U.S. Department of State cautions against including any information in an electronic submission that one does not want publicly disclosed (including trade secrets and commercial or financial information that are privileged or confidential within the meaning of 19 U.S.C. 2605(i)(1)). Written comments submitted by fax or email are not accepted.
- *Regular Mail or Delivery.* If you wish to submit information that you believe to be privileged or confidential within the meaning of 19 U.S.C. 2605(i)(1), you may do so via regular mail, commercial delivery, or personal hand delivery to the following address: Cultural Heritage Center (ECA/P/C), SA–5, Floor C2, U.S. Department of State, 2200 C Street NW., Washington, DC 20522–05C2. Only written comments containing information that you believe to be privileged or confidential will be accepted via regular mail or delivery. Such comments must be received by May 9, 2016.

For further information, contact Isabella Strohmeyer, Program Coordinator, at 202–632–6198.

Dated: March 2, 2016.

Evan Ryan,

Assistant Secretary, Bureau of Educational and Cultural Affairs, U.S. Department of State.

[FR Doc. 2016–05671 Filed 3–11–16; 8:45 am]

BILLING CODE 4710–05–P

DEPARTMENT OF STATE

[Public Notice: 9477]

Notice of Proposal To Extend the Memorandum of Understanding Between the Government of the United States of America and the Government of the Hellenic Republic Concerning the Imposition of Import Restrictions on Categories of Archaeological and Byzantine Ecclesiastical Ethnological Material Through the 15th Century A.D. of the Hellenic Republic

The Government of the Hellenic Republic has informed the Government of the United States of America of its interest in an extension of the Memorandum of Understanding between the Government of the United States of America and the Government of the Hellenic Republic Concerning the Imposition of Import Restrictions on Categories of Archaeological and Byzantine Ecclesiastical Ethnological Material through the 15th Century A.D. of the Hellenic Republic (''the MOU'').

Pursuant to the authority vested in the Assistant Secretary of State for Educational and Cultural Affairs, and pursuant to 19 U.S.C. 2602(f)(1), an

extension of this MOU is hereby proposed.

A copy of the MOU, the Designated List of restricted categories of material, and related information can be found at the following Web site: *http://culturalheritage.state.gov.*

Dated: March 2, 2016.

Evan Ryan,

Assistant Secretary, Bureau of Educational and Cultural Affairs, U.S. Department of State.

[FR Doc. 2016–05674 Filed 3–11–16; 8:45 am]

BILLING CODE 4710–05–P

DEPARTMENT OF STATE

[Public Notice: 9473]

Shipping Coordinating Committee; Notice of Public Meeting.

The Shipping Coordinating Committee (SHC) will conduct an open meeting at 9:00 a.m. on April 13, 2016, in Room 9–12 of the United States Department of Transportation building, located at 1200 New Jersey Ave SE., Washington, DC 20590. The primary purpose of the meeting is to prepare for the Sixty Ninth Session of the International Maritime Organization's (IMO) Marine Environment Protection Committee to be held at the IMO Headquarters, United Kingdom, from April 18–22, 2016.

The agenda items to be considered include:

—Adoption of the agenda
—Decisions of other bodies
—Consideration and adoption of amendments to mandatory instruments
—Harmful aquatic organisms in ballast water
—Air pollution and energy efficiency
—Further technical and operational measures for enhancing the energy efficiency of international shipping
—Reduction of GHG emissions from ships
—Amendments to MARPOL Annex V, Form of Garbage Record Book
—Use of electronic record books
—Identification and protection of Special Areas and PSSAs
—Inadequacy of reception facilities
—Pollution prevention and response (urgent matters emanating from the third session of the Sub-Committee)
—Reports of other sub-committees
—Promotion of implementation and enforcement of MARPOL and related instruments
—Technical cooperation activities for the protection of the marine environment
—Capacity building for the implementation of new measures
—Analysis and consideration of recommendations to reduce administrative burdens in IMO instruments as identified by SG–RAR
—Application of the Committees' Guidelines
—Work programme of the Committee and subsidiary bodies
—Any other business
—Consideration of the report of the Committee

Members of the public may attend this meeting up to the seating capacity of the room. To facilitate the building security process, and to request reasonable accommodation, those who plan to attend should contact the meeting coordinator, LCDR Tiffany Duffy, by email at *tiffany.a.duffy@uscg.mil,* by phone at (202) 372–1376, by fax at (202) 372–8382, or in writing at Commandant (CG–5PS), U.S. Coast Guard, 2703 Martin Luther King Jr. Ave. SE., Stop 7509, Washington, DC 20593–7509 not later than April 6, 2016. Requests made after April 6, 2016 might not be able to be accommodated. Please note that due to security considerations, two valid, government issued photo identifications must be presented to gain entrance to the Department of Transportation building. Department of Transportation building is accessible by taxi, privately owned conveyance and public transportation. However, parking in the vicinity of the building is extremely limited.

In the case of inclement weather where the U.S. Government is closed or delayed, a public meeting may be conducted virtually by calling (202) 475–4000 or 1–855–475–2447, Participant code: 887 809 72. The meeting coordinator will confirm whether the virtual public meeting will be utilized. Members of the public can find out whether the U.S. Government is delayed or closed by visiting *www.opm.gov/status/.* Additional information regarding this and other SHC public meetings may be found at: *www.uscg.mil/imo.*

Dated: March 7, 2016.

Jonathan W. Burby,

Executive Secretary, Shipping Coordinating Committee, Department of State.

[FR Doc. 2016–05677 Filed 3–11–16; 8:45 am]

BILLING CODE 4710–09–P

DEPARTMENT OF STATE

[Public Notice: 9475]

In the Matter of the Designation of Abdullah Nowbahar as a Specially Designated Global Terrorist Pursuant to Section 1(b) of Executive Order 13224, as Amended

Acting under the authority of and in accordance with section 1(b) of Executive Order 13224 of September 23, 2001, as amended by Executive Order 13268 of July 2, 2002, and Executive Order 13284 of January 23, 2003, I hereby determine that the individual known as Abdullah Nowbahar committed, or poses a significant risk of committing, acts of terrorism that threaten the security of U.S. nationals or the national security, foreign policy, or economy of the United States.

Consistent with the determination in section 10 of Executive Order 13224 that ''prior notice to persons determined to be subject to the Order who might have a constitutional presence in the United States would render ineffectual the blocking and other measures authorized in the Order because of the ability to transfer funds instantaneously,'' I determine that no prior notice needs to be provided to any person subject to this determination who might have a constitutional presence in the United States, because to do so would render ineffectual the measures authorized in the Order.

This notice shall be published in the **Federal Register**.

Dated: March 4, 2016.

John F. Kerry,

Secretary of State.

[FR Doc. 2016–05672 Filed 3–11–16; 8:45 am]

BILLING CODE 4710–AD–P

DEPARTMENT OF STATE

[Public Notice: 9478]

Notice of Proposal To Extend the Memorandum of Understanding Between the Government of the United States of America and the Government of the Republic of Bolivia Concerning the Imposition of Import Restrictions on Archaeological Material From the Pre-Columbian Cultures and Certain Ethnological Material From the Colonial and Republican Periods of Bolivia

The Government of the Plurinational State of Bolivia has informed the Government of the United States of America of its interest in an extension of the *Memorandum of Understanding Between the Government of the United*

States of America and the Government of the Republic of Bolivia Concerning the Imposition of Import Restrictions on Archaeological Material from the Pre-Columbian Cultures and Certain Ethnological Material from the Colonial and Republican Periods of Bolivia (''the MOU'').

Pursuant to the authority vested in the Assistant Secretary of State for Educational and Cultural Affairs, and pursuant to 19 U.S.C. 2602(f)(1), an extension of this MOU is hereby proposed.

A copy of the MOU, the Designated List of restricted categories of material, and related information can be found at the following Web site: *http://culturalheritage.state.gov.*

Dated: March 2, 2016.

Evan Ryan,

Assistant Secretary, Bureau of Educational and Cultural Affairs, U.S. Department of State.

[FR Doc. 2016–05675 Filed 3–11–16; 8:45 am]

BILLING CODE 4710–05–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

[Policy Statement No. PS–ANM111–2001–99–01]

Improving Flightcrew Awareness During Autopilot Operation

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of cancellation of policy statement.

SUMMARY: The Federal Aviation Administration (FAA) announces the cancellation of Policy Statement Number PS–ANM111–2001–99–01 (ANM–99–01). The policy statement is cancelled because it was superseded by an advisory circular (AC) and is no longer necessary.

DATES: This policy statement is cancelled on March 14, 2016.

FOR FURTHER INFORMATION CONTACT: Marie Hogestad, Federal Aviation Administration, Transport Airplane Directorate, Transport Standards Staff, Airplane and Flight Crew Interface Branch, 1601 Lind Avenue SW., Renton, WA 98057–3356; telephone (425) 227–2674; fax (425) 227–1320; email: *marie.hogestad@faa.gov.*

SUPPLEMENTARY INFORMATION:

Background

On February 22, 2001, the Manager, Transport Airplane Directorate, Aircraft Certification Service, issued Policy Statement Number ANM–99–01, *Improving Flightcrew Awareness During Autopilot Operations.* The policy statement advised the public that the FAA would be evaluating various items for improving the flightcrew's awareness during autopilot operations when certifying automatic pilot installations. The FAA intended that the policy statement would serve as interim guidance until the issuance of AC 25.1329–1B.

The FAA issued AC 25.1329–1B, *Approval of Flight Guidance Systems,* on July 17, 2006, and more recently issued the updated AC 25.1329–1C on October 27, 2014. The AC incorporates the same guidance as the older policy statement. The FAA intended to cancel the policy when AC 25.1329–1B was released but overlooked it.

Cancellation of Policy Statement

As a result of the issuance of AC 25.1329–1B (now 25.1329–1C), Policy Statement Number ANM–99–01 is no longer in effect and is herewith cancelled.

Issued in Renton, Washington, on March 1, 2016.

Michael Kaszycki,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 2016–05530 Filed 3–11–16; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Transit Administration

FY 2016 Competitive Funding Opportunity: Public Transportation on Indian Reservations Program; Tribal Transit Program

AGENCY: Federal Transit Administration (FTA), DOT.

ACTION: Notice of Funding Opportunity (NOFO) and Request for Proposals (RFP).

SUMMARY: The Federal Transit Administration (FTA) announces the availability of approximately $5 million in funding provided by the Public Transportation on Indian Reservations Program (Tribal Transit Program (TTP)), as authorized by 49 U.S.C. 5311(j), as amended by the Fixing America's Surface Transportation Act (FAST), Public Law 114–94 (December 4, 2015). This notice is a national solicitation for project proposals and includes the selection criteria and program eligibility information for Fiscal Year 2016 projects. FTA may choose to fund the program for more or less than the announcement amount, including applying other funding toward projects proposed in response to this Notice of Funding Opportunity (NOFO).

This announcement is available on the FTA Web site at: *http://www.fta.dot.gov/grants/15926_3553.html.* Additionally, a synopsis of the funding opportunity will be posted in the FIND module of the government-wide electronic grants Web site at *http://www.grants.gov.*

DATES: Complete proposals for the Tribal Transit Program announced in this Notice must be submitted by 11:59 p.m. EDT on May 13, 2016. All proposals must be submitted electronically through the GRANTS.GOV APPLY function. Any tribe intending to apply should initiate the process of registering on the GRANTS.GOV site immediately to ensure completion of registration before the submission deadline. Instructions for applying can be found on FTA's Web site at *http://www.fta.dot.gov/grants/15926_3553.html* and in the ''FIND'' module of GRANTS.GOV.

FOR FURTHER INFORMATION CONTACT: Contact the appropriate FTA Regional Office at *http://www.fta.dot.gov* for proposal-specific information and issues. For general program information, contact Élan Flippin, Office of Program Management, (202) 366–3800, email: *elan.flippin@dot.gov.* A TDD is available at 1–800–877–8339 (TDD/FIRS).

SUPPLEMENTARY INFORMATION:

Table of Contents

A. Program Description

The Tribal Transit Program was established by the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA–LU) as a competitive program from FY 2006–FY2012. The Moving Ahead for Progress in the 21st Century (MAP–21) Act modified the program to include a $25 million formula component and a $5 million competitive program, totaling $30 million. The FAST Act increased the Tribal Transit formula program to $30 million and continued the $5 million competitive program. The program authorizes direct grants ''under such terms and conditions as may be established by the Secretary'' to Indian tribes for any purpose eligible under FTA's Formula Grants for Rural Areas Program, 49 U.S.C. 5311. The program

can be located in the Catalog of Federal Domestic Assistance under 20.509.

The primary purpose of these competitively selected grants is to support planning, capital, and, in limited circumstances, operating assistance for tribal public transit services. Funds distributed to Indian tribes under the TTP should NOT replace or reduce funds that Indian tribes receive from States through FTA's Formula Grants for Rural Areas Program. Specific project eligibility under this competitive allocation is described in Section C below. Priority consideration will be given to eligible projects that support one or more of the following elements of the Secretary of Transportation's Ladders of Opportunity initiative:

- Enhancing access to work for tribal members lacking ready access to transportation, especially in low-income communities;
- Supporting economic opportunities by offering transit access to employment centers, educational and training opportunities, and other basic needs; and
- Supporting partnerships and coordinated planning that link tribal communities to other governmental, health, medical, education, social, human service, and transportation providers to improve coordinated planning and delivery of workforce development, training, and basic services that enhance employment outcomes.

B. Federal Award Information

The FAST makes approximately $5 million available for the Tribal Transit competitive allocation in FY 2016 to projects selected pursuant to the process described in the following sections.

C. Eligibility Information

1. Eligible Applicants

Eligible applicants include federally recognized Indian tribes or Alaska Native villages, groups, or communities as identified by the U.S. Department of Interior (DOI) Bureau of Indian Affairs (BIA). As evidence of Federal recognition, an Indian tribe may submit a copy of the most up-to-date **Federal Register** Notice published by BIA: Entities Recognized and Eligible to Receive Service from the United States Bureau of Indian Affairs (81 FR 5019, January 29, 2016). To be an eligible recipient, an Indian tribe must have the requisite legal, financial and technical capabilities to receive and administer Federal funds under this program. Applicants must be registered in the System for Award Management (SAM) database and maintain an active SAM registration with current information at all times during which it has an active Federal award or an application or plan under consideration by FTA.

2. Eligible Projects

Eligible projects include public transportation planning, capital and operating projects, in limited circumstances. Public transportation includes regular, continuing shared-ride surface transportation services open to the public or open to a segment of the public defined by age, disability, or low income. FTA will award grants to eligible Indian tribes located in rural areas. Specific types of projects include: capital projects for start-ups, replacement or expansion needs; operating assistance for start-ups; and planning projects up to $25,000. Indian tribes applying for capital replacement or expansion needs must demonstrate a sustainable source of operating funds for existing or expanded services. In FY 2016, FTA will only consider operating assistance requests from tribes without existing transit service, or those tribes who received a TTP formula allocation of less than $20,000.

3. Cost Sharing or Matching

There is a 90 percent federal share for projects selected under the TTP competitive program, unless the Indian tribe can demonstrate a financial hardship in its application. FTA is interested in the Indian tribe's financial commitment to the proposed project, thus the proposal should include a description of the Indian tribe's financial commitment.

D. Application and Submission Information

1. Address to Request Application Package

A complete proposal submission will consist of at least two files: (1) The SF 424 Mandatory form (downloaded from GRANTS.GOV) and (2) the Tribal Transit supplemental form found on the FTA Web site at *http://www.fta.dot.gov/grants/15926_3553.html*. The Tribal Transit supplemental form provides guidance and a consistent format for applicants to respond to the criteria outlined in this NOFO.

2. Content and Form of Application Submission

(i) Proposal Submission

A complete proposal submission will consist of at least two files: (1) The SF 424 Mandatory form (downloaded from GRANTS.GOV) and (2) the Tribal Transit supplemental form. The applicant must place the supplemental form in the attachments section of the SF–424 Mandatory form. Applicants must use the supplemental form designated for TTP and attach the form to their submission in GRANTS.GOV to complete the application process. A proposal submission may contain additional supporting documentation as attachments.

Within 24–48 hours after submitting an electronic application, the applicant should receive three email messages from GRANTS.GOV: (1) Confirmation of successful transmission to GRANTS.GOV; (2) confirmation of successful validation by GRANTS.GOV; and (3) confirmation of successful validation by FTA. If the applicant does not receive confirmations of successful validation and instead receives a notice of failed validation or incomplete materials, the applicant must address the reason for the failed validation or incomplete materials, as described in the notice, and resubmit the proposal before the submission deadline. If making a resubmission for any reason, the applicant must include all original attachments regardless of which attachments are updated and check the box on the supplemental form indicating this is a resubmission. Complete instructions on the application process can be found at *http://www.fta.dot.gov/grants/15926_3553.html*.

Important: FTA urges applicants to submit their project proposals at least 72 hours prior to the due date to allow time to receive the validation message and to correct any problems that may have caused a rejection notification. FTA will not accept submissions after the stated submission deadline. GRANTS.GOV scheduled maintenance and outage times are announced on the GRANTS.GOV Web site *http://www.GRANTS.GOV*. The deadline will not be extended due to scheduled maintenance or outages.

Applicants may submit one proposal for each project or one proposal containing multiple projects. Applicants submitting multiple projects in one proposal must be sure to clearly define each project by completing a supplemental form for each project. Additional supplemental forms must be added within the proposal by clicking the ''add project'' button in Section II of the supplemental form.

Information such as applicant name, Federal amount requested, description of areas served, and other information may be requested in varying degrees of detail on both the SF 424 form and supplemental form. Applicants must fill in all fields unless stated otherwise on

the forms. Applicants should use both the ''Check Package for Errors'' and the ''Validate Form'' validation buttons on both forms to check all required fields on the forms, and ensure that the Federal and local amounts specified are consistent.

(*ii*). Application Content

The SF424 Mandatory Form and the Supplemental Form will prompt applicants for the required information, including:

a. Name of federally recognized tribe and, if appropriate, the specific tribal agency submitting the application.

b. Dun and Bradstreet (D&B) Data Universal Numbering System (DUNS) number if available. (Note: If selected, applicant will be required to provide DUNS number prior to grant award).

c. Contact information including: Contact name, title, address, fax and phone number, email address if available.

d. Description of public transportation services including areas currently served by the tribe, if any.

e. Name of person(s) authorized to apply on behalf of the tribe (attach a signed transmittal letter) must accompany the proposal.

f. Project Description. Indicate the category for which funding is requested; *i.e.,* project type: capital, operating or planning, and then indicate the project purpose; *i.e.,* start-up, expansion or replacement. Describe the proposed project and what it will accomplish (*e.g.,* number and type of vehicles, routes, service area, schedules, type of services, fixed route or demand responsive, safety aspects), route miles (if fixed route), ridership numbers expected (actual if an existing system, estimated if a new system), major origins and destinations, population served, and whether the tribe provides the service directly, contracts for services, and note vehicle maintenance plans.

g. Project Timeline. Include significant milestones such as date of contract for purchase of vehicle(s), actual or expected delivery date of vehicles; facility project phases (*e.g.* NEPA compliance, design, construction); or dates for completion of planning studies. If applying for operational funding for new services, indicate the period of time funds are used to operate the system (*e.g.* one year). This section should also include any needed timelines for tribal council project approvals, if applicable.

h. Budget. Provide a detailed budget for each proposed purpose noting the federal amount requested and any additional funds that will be used. An Indian tribe may use up to fifteen percent of a grant award for capital projects for specific project-related planning and administration, and the indirect costs rate may not exceed ten percent (if necessary add as an attachment) of the total amount requested/awarded. Indian tribes should also provide their annual operating budget as an attachment or under the *Financial Commitment and Operating Capacity* of the supplemental form.

i. Technical, Legal, Financial Capacity. Indian tribes must be able to demonstrate adequate technical, legal and financial capacity to be considered for funding. Every proposal MUST describe this capacity to implement the proposed project.

1. Technical Capacity: Provide examples of the Indian tribe's management of other Federal projects, including previously funded FTA projects and/or similar types of projects for which funding is being requested. Describe the resources the Indian tribe has to implement the proposed transit project.

2. Legal Capacity: Provide documentation or other evidence to show that the applicant is a federally recognized Indian tribe and has an authorized representative to execute legal agreements with FTA on behalf of the Indian tribe. If applying for capital or operating funds, identify whether the Indian tribe has appropriate Federal or State operating authority.

3. Financial Capacity: Provide documentation or other evidence to show that the Indian tribe has adequate financial systems in place to receive and manage a Federal grant. Describe the Indian tribe's financial systems and controls. Describe other sources of funds the Indian tribe manages and describe the long-term financial capacity to maintain the proposed or existing transit services.

3. Unique Entity Identifier and System for Award Management (SAM)

Registration takes approximately 3–5 business days, please allow 4 weeks for completion of all steps. FTA recommends allowing ample time, up to several weeks, for completion of all steps.

STEP 1: Obtain DUNS Number

Same day. If requested by phone (1–866–705–5711) DUNS is provided immediately. If your organization does not have one, you will need to go to the Dun & Bradstreet Web site at *http://fedgov.dnb.com/webform* to obtain the number.

STEP 2: Register with SAM

Three to five business days or up to two weeks. If you already have a TIN, your SAM registration will take 3–5 business days to process. If you are applying for an EIN please allow up to 2 weeks. Ensure that your organization is registered with the System for Award Management (SAM) at System for Award Management (SAM). If your organization is not, an authorizing official of your organization must register.

STEP 3: Establish an Account in Grants.gov—Username & Password

Same day. Complete your AOR (Authorized Organization Representative) profile on Grants.gov and create your username and password. You will need to use your organization's DUNS Number to complete this step. *https://apply07.grants.gov/apply/OrcRegister.*

STEP 4: Grants.gov—AOR Authorization

* Same day. The E-Business Point of Contact (E-Biz POC) at your organization must login to Grants.gov to confirm you as an Authorized Organization Representative (AOR). Please note that there can be more than one AOR for your organization. In some cases the E-Biz POC is also the AOR for an organization. *Time depends on responsiveness of your E-Biz POC.

STEP 5: TRACK AOR STATUS

At any time, you can track your AOR status by logging in with your username and password. Login as an Applicant (enter your username & password you obtained in Step 3) using the following link: applicant_profile.jsp.

4. Submission Dates and Times

Project proposals must be submitted electronically through GRANTS.GOV by May 13, 2016. Mail and fax submissions will not be accepted.

5. Funding Restrictions

Funds must be used only for the specific purposes requested in the Indian tribe's application. Funds under this NOFO cannot be used to reimburse projects for otherwise eligible expenses incurred prior to FTA award.

6. Other Submission Requirements

FTA requires that all project proposals be submitted electronically through *http://www.GRANTS.GOV* by 11:59 p.m. EDT on May 13, 2016. Mail and fax submissions will not be accepted.

E. Application Review

1. Selection Criteria

The FTA will use the following primary selection criteria when evaluating competing capital and operating assistance projects eligible under this program:

i. Planning and Local/Regional Prioritization

In this section, the applicant should describe how the proposed project was developed and demonstrate that there is a sound basis for the project and that the applicant is ready to implement the project if funded. Information may vary depending upon how the planning process for the project was conducted and what is being requested. Planning and local/regional prioritization should consider and address the following areas:

a. Describe the planning document and/or the planning process conducted to identify the proposed project.

b. Provide a detailed project description including the proposed service, vehicle and facility needs, and other pertinent characteristics of the proposed or existing service implementation.

c. Identify existing transportation services in and near the proposed service area and document in detail, whether the proposed project will provide opportunities to coordinate service with existing transit services, including human service agencies, intercity bus services, or other public transit providers.

d. Discuss the level of support by the community and/or tribal government for the proposed project.

e. Describe how the mobility and client-access needs of tribal human service agencies were considered in the planning process.

f. Describe what opportunities for public participation were provided in the planning process and how the proposed transit service or existing service has been coordinated with transportation provided for the clients of human service agencies, with intercity bus transportation in the area, or with any other rural public transit providers.

g. Describe how the proposed service complements rather than duplicates any currently available services.

h. Describe the implementation schedule for the proposed project, including time period, staffing, and procurement.

i. Describe any other planning or coordination efforts not mentioned above.

ii. Project Readiness

In this section, the applicant should describe readiness to implement the project. This involves assessing whether:

a. Project is a Categorical Exclusion (CE) or the required environmental work has been initiated or completed for construction projects requiring an Environmental Assessment (EA) or Environmental Impact Statement (EIS) under, among others, the National Environmental Policy Act of 1969, as amended.

b. Project implementation plans are complete, including initial design of facilities projects.

c. Project funds can be obligated and the project can be implemented quickly, if selected.

d. Applicant demonstrates the ability to carry out the proposed project successfully.

iii. Demonstration of Need

FTA will evaluate each project to determine the need for resources. In addition to the project-specific criteria, this will include evaluating the project's impact on service delivery and whether the project represents a one-time or periodic need that cannot reasonably be funded from the FTA program formula allocations or State and/or local resources. In this section, the proposal should demonstrate the transit needs of the Indian tribe and discuss how the proposed transit improvements or the new service will address the identified transit needs. Proposals should include information such as destinations and services not currently accessible by transit, needs for access to jobs or health care, safety enhancements or special needs of elders, individuals with disabilities, behavioral health care needs of youth, income-based community needs, or other mobility needs. If an applicant received a planning grant in previous fiscal years, it should indicate the status of the planning study and how the proposed project relates to that study.

Capital expansion or replacement projects should also address the following in the proposal. If the proposal is for capital funding associated with an expansion or expanded service, the applicant should describe how current or growing demand for the service necessitates the expansion (and therefore, more capital) and/or the degree to how the project is addressing a current capacity constraint. Capital replacement projects should include information about the age, condition, and performance of the asset to be replaced by the proposed project and/or how the replacement may be necessary to maintain the transit system in a state of good repair.

iv. Demonstration of Benefits

In this section, proposals should identify expected or, in the case of existing service, achieved, project benefits. FTA is particularly interested in how these investments will improve the quality of life for the tribe and surrounding communities in which it is located. Applicants should describe how the transportation service or capital investment will provide greater access to employment opportunities, educational centers, healthcare, or other needs that profoundly impact the quality of life for the community, as described in the program purpose above. Possible examples include increased or sustained ridership and daily trips, improved service, elimination of gaps in service, improved operations and coordination, increased reliability, health care, education, and economic benefits to the community. Benefits can be demonstrated by identifying the population of tribal members and non-tribal members in the proposed project service area and estimating the number of daily one-way trips the proposed transit service will provide or the actual number of individual riders served. Applicants are encouraged to consider qualitative and quantitative benefits to the Indian tribe and to the surrounding communities that are meaningful to them.

Based on the information provided under the demonstration of benefits, proposals will be rated based on four factors:

a. Will the project improve transit efficiency or increase ridership?

b. Will the project improve or maintain mobility, or eliminate gaps in service for the Indian tribe?

c. Will the project improve or maintain access to important destinations and services?

d. Are there other qualitative benefits, such as greater access to jobs, education and health care?

v. Financial Commitment and Operating Capacity

In this section, the proposal should identify the source of local match (10 percent is required for all operating and capital projects), and any other funding sources used by the Indian tribe to support proposed transit services, including human service transportation funding, FHWA's Tribal Transportation Program funding, or other FTA programs. If requesting that FTA waive the local match based on financial hardship, the applicant must submit

budgets and sources of other revenue to demonstrate hardship. FTA will review this information and notify tribes at the time of award if the waiver is approved. If applicable, the applicant also should describe how prior year TTP funds were spent to date to support the service. Additionally, Indian tribes applying for operating of new services should provide a sustainable funding plan that demonstrates how it intends to maintain operations.

The proposal should describe any other resources the Indian tribe will contribute to the project, including in-kind contributions, commitments of support from local businesses, donations of land or equipment, and human resources, and describe to what extent the new project or funding for existing service leverages other funding. Based upon the information provided, the proposals will be rated on the extent to which the proposal demonstrates that:

a. TTP Funding does not replace existing funding;

b. The Indian tribe will provide non-financial support to the project;

c. The Indian tribe is able to demonstrate a sustainable funding plan; and

d. Project funds are used in coordination with other services for efficient utilization of funds.

vi. Evaluation Criteria for Planning Proposals

For planning grants, the proposal should describe, in no more than three pages, the need for and a general scope of the proposed study. The proposal should also address the following:

1. What is the tribes' long-term commitment to transit?

2. How will the proposed study be implemented and/or further tribal transit.

2. Review and Selection Process

A technical evaluation committee will review proposals under the project evaluation criteria. Members of the technical evaluation committee and other involved FTA staff reserve the right to screen, rate the applications, and seek clarification about any statement in an application. After consideration of the findings of the technical evaluation committee, the FTA Acting Administrator will determine the final selection and amount of funding for each project. Geographic diversity and the applicant's receipt and management of other federal transit funds may be considered in FTA's award decisions. FTA expects to announce the selected projects and notify successful applicants in the early summer of 2016.

F. Federal Award Administration

1. Federal Award Notice

Subsequent to an announcement by the FTA Administrator of the final project selections posted on the FTA Web site, FTA will publish a list of the selected projects, including Federal dollar amounts and recipients in the **Federal Register**. Project recipients should contact their FTA Regional Offices and tribal liaison for information about setting up grants in FTA's Transit Award Management System (TrAMS).

2. Award Administration

Successful proposals will be awarded through TrAMS as Grant Agreements. The appropriate FTA Regional Office and tribal liaison will manage project agreements.

3. Administrative and National Policy Requirements

Except as otherwise provided in this NOFO, TTP grants are subject to the requirements of 49 U.S.C. 5311(j) as described in the latest FTA Circular 9040.1G for the Formula Grants for Rural Areas Program.

4. Reporting

The post award reporting requirements include submission of the Federal Financial Report (FFR) and Milestone Progress Report in TrAMs, and National Transit Database (NTD) reporting as appropriate (see FTA Circular 9040.1G).

G. Federal Awarding Agency Contacts

For further information concerning this notice, please contact Élan Flippin, Office of Program Management, (202) 366–3800, email: *elan.flippin@dot.gov*. A TDD is available at 1–800–877–8339 (TDD/FIRS).This program is not subject to Executive Order 12372,

H. Other Information

This program is not subject to Executive Order 12372, ''Intergovernmental Review of Federal Programs.'' FTA will consider applications for funding only from eligible recipients for eligible projects listed in Section C–2. Due to funding limitations, applicants that are selected for funding may receive less than the amount requested.

Additionally, to assist tribes with understanding requirements under the TTP, FTA has conducted approximately nine Tribal Transit Technical Assistance Workshops, and expects to offer a workshop in FY2016. FTA also has expanded its technical assistance to tribes receiving funds under this program. In FY15, FTA implemented the Tribal Transit Technical Assistance Assessments initiative. Through these assessments, FTA collaborates with tribal transit leaders to review processes and identify areas in need of improvement and then assist with solutions to address these needs—all in a supportive and mutually beneficial and technical assistance manner. FTA completed fifteen assessments in FY15, and expects to do a similar number in FY16. These assessments include discussions of compliance areas pursuant to the Master Agreement, a site visit, promising practices reviews, and technical assistance from FTA and its contractors. These workshops and assessments received exemplary feedback from Tribal Transit Leaders, and provided FTA with invaluable opportunities to learn more about tribal transit leaders' perspectives, and honor the sovereignty of tribal nations.

FTA will post information about upcoming workshops to its Web site and will disseminate information about the assessments through its Regional offices. Contact information for FTA's regional offices can be found on FTA's Web site at *www.fta.dot.gov.* Applicants may also receive technical assistance by contacting their FTA regional tribal liaison. A list of Tribal Liaisons is available on FTA's Web site at *http://www.fta.dot.gov/grants/15926_3553.html*. Contact information for FTA's regional offices can be found on FTA's Web site at *www.fta.dot.gov*.

Therese W. McMillan,

Acting Administrator.

Appendix A

Registering in SAM and Grants.gov

Registration in Brief:

Registration takes approximately 3–5 business days, please allow 4 weeks for completion of all steps.

In order to apply for a grant, you and/or your organization must first complete the registration process in Grants.gov. The registration process for an Organization or an Individual can take between three to five business days or as long as four weeks if all steps are not completed in a timely manner. So please register in Grants.gov early.

The Grants.gov registration process ensures that applicants for Federal Funds have the basic prerequisites to apply for and to receive federal funds. Applicants for FTA competitive funds must:

- Have a valid DUNS number
- Have a current registration in SAM (formerly CCR)
- Register and apply in Grants.gov

The required registration steps are described in greater detail on Grants.gov Web site. The following is a link to a helpful checklist and explanations published by

Grants.gov to assist applicants: Organization Registration Checklist. If you have not recently applied for federal funds, we recommend that you initiate your search, registration, and application process with Grants.gov. Visiting the Grants.gov site will inform you of how to apply for grant opportunities, as well as assist you in linking to the other required registrations, *i.e.,* Dun & Bradstreet to obtain a DUNS Number, and System for Award Management (SAM).

Summary of steps (these steps are available in Grants.gov during registration):

Step 1: Obtain DUNS Number

Same day. If requested by phone (1–866–705–5711) DUNS is provided immediately. If your organization does not have one, you will need to go to the Dun & Bradstreet Web site at *http://fedgov.dnb.com/webform* to obtain the number.

Step 2: Register With SAM

Three to five business days or up to two weeks. If you already have a TIN, your SAM registration will take 3–5 business days to process. If you are applying for an EIN please allow up to 2 weeks. Ensure that your organization is registered with the System for Award Management (SAM) at System for Award Management (SAM). If your organization is not, an authorizing official of your organization must register.

Step 3: Establish an Account in Grants.gov—Username & Password

Same day. Complete your AOR (Authorized Organization Representative) profile on Grants.gov and create your username and password. You will need to use your organization's DUNS Number to complete this step. *https://apply07.grants.gov/apply/OrcRegister.*

Step 4: Grants.gov—AOR Authorization

*Same day. The E-Business Point of Contact (E-Biz POC) at your organization must login to Grants.gov to confirm you as an Authorized Organization Representative (AOR). Please note that there can be more than one AOR for your organization. In some cases the E-Biz POC is also the AOR for an organization. *Time depends on responsiveness of your E-Biz POC.

*Please Note: Grants.gov gives you the option of registering as an ''individual'' or as an ''organization.'' If you register in Grants.gov as an as an ''Individual,'' your ''Organization'' will not be allowed to use the Grants.gov username and password. To apply for grants as an Organization you must register as an Organization and use that specific username and password issued during the ''organization'' registration process.

[FR Doc. 2016–05579 Filed 3–11–16; 8:45 am]

BILLING CODE P

DEPARTMENT OF THE TREASURY

Office of Foreign Assets Control

Additional Designations, Foreign Narcotics Kingpin Designation Act

AGENCY: Office of Foreign Assets Control, Treasury.

ACTION: Notice.

SUMMARY: The U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) is publishing the names of an individual and entity whose property and interests in property have been blocked pursuant to the Foreign Narcotics Kingpin Designation Act (Kingpin Act) (21 U.S.C. 1901–1908, 8 U.S.C. 1182).

DATES: The identification by the Acting Director of OFAC of the individual and entity identified in this notice pursuant to section 805(b) of the Kingpin Act is effective on March 9, 2016.

FOR FURTHER INFORMATION CONTACT: Assistant Director, Sanctions Compliance & Evaluation, Office of Foreign Assets Control, U.S. Department of the Treasury, Washington, DC 20220, Tel: (202) 622–2490.

SUPPLEMENTARY INFORMATION:

Electronic and Facsimile Availability

This document and additional information concerning OFAC are available on OFAC's Web site at *http://www.treasury.gov/ofac* or via facsimile through a 24-hour fax-on-demand service at (202) 622–0077.

Background

The Kingpin Act became law on December 3, 1999. The Kingpin Act provides a statutory framework for the imposition of sanctions against significant foreign narcotics traffickers and their organizations on a worldwide basis, with the objective of denying their businesses and agents access to the U.S. financial system and the benefits of trade and transactions involving U.S. companies and individuals.

The Kingpin Act blocks all property and interests in property, subject to U.S. jurisdiction, owned or controlled by significant foreign narcotics traffickers as identified by the President. In addition, the Act separately provides that the Secretary of the Treasury, in consultation with the Attorney General, the Director of the Central Intelligence Agency, the Director of the Federal Bureau of Investigation, the Administrator of the Drug Enforcement Administration, the Secretary of Defense, the Secretary of State, and the Secretary of Homeland Security, may designate and block the property and interests in property, subject to U.S. jurisdiction, of persons who are found to be: (1) Materially assisting in, or providing financial or technological support for or to, or providing goods or services in support of, the international narcotics trafficking activities of a person designated pursuant to the Kingpin Act; (2) owned, controlled, or directed by, or acting for or on behalf of, a person designated pursuant to the Kingpin Act; or (3) playing a significant role in international narcotics trafficking. The authority to identify, designate, and block the property and interests in property of persons under the Kingpin Act is delegated to the Director of OFAC pursuant to 31 CFR 598.803.

On March 9, 2016, the Acting Director of OFAC identified the following individual and entity whose property and interests in property are blocked pursuant to section 805(b) of the Kingpin Act.

1. HASSAN, Ali Khatib Haji (a.k.a. ALEX, Maiko Joseph; a.k.a. HAJI, Ali Khatib; a.k.a. HAJI, Ali Khatibu; a.k.a. SHAKUR, Abdallah; a.k.a. ''SHIKUBA''; a.k.a. ''SHKUBA''); DOB 05 Jun 1970; alt. DOB 01 Jan 1963; alt. DOB 08 Jun 1970; POB Zanzibar, Tanzania; alt. POB Dar es Salaam, Tanzania; nationality Tanzania; citizen Tanzania; Gender Male; Passport AB269600 (Tanzania); alt. Passport AB360821 (Tanzania); alt. Passport AB564505 (Tanzania); alt. Passport A0389018 (Tanzania); alt. Passport AB179561 (Tanzania); alt. Passport A0010167 (Tanzania) (individual) [SDNTK].

2. HASSAN DRUG TRAFFICKING ORGANIZATION (a.k.a. HASSAN DTO; a.k.a. SHKUBA DTO), Tanzania; South Africa [SDNTK].

Dated: March 9, 2016.

John E. Smith,

Acting Director, Office of Foreign Assets Control.

[FR Doc. 2016–05633 Filed 3–11–16; 8:45 am]

BILLING CODE 4810–AL–P

DEPARTMENT OF THE TREASURY

Office of Foreign Assets Control

Unblocking of One Entity Pursuant to Executive Order 13067

AGENCY: Office of Foreign Assets Control, Treasury.

ACTION: Notice.

SUMMARY: The U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) is publishing the name of one entity whose property and interests in property are no longer

subject to blocking pursuant to Executive Order (E.O.) 13067 of November 3, 1997.

DATES: OFAC's action described in this notice is effective as of March 9, 2016.

FOR FURTHER INFORMATION CONTACT: Associate Director for Global Targeting, tel.: 202/622–2420, Assistant Director for Sanctions Compliance & Evaluation, tel.: 202/622–2490, Assistant Director for Licensing, tel.: 202/622–2480, or Department of the Treasury's Chief Counsel (Foreign Assets Control), Office of the General Counsel, tel.: 202/622–2410 (not toll free numbers).

SUPPLEMENTARY INFORMATION:

Electronic and Facsimile Availability

The List of Specially Designated Nationals and Blocked Persons (SDN List) and additional information concerning OFAC sanctions programs are available from OFAC's Web site (*www.treasury.gov/ofac*). Certain general information pertaining to OFAC's sanctions programs is also available via facsimile through a 24-hour fax-on-demand service, tel.: 202/622–0077.

Notice of OFAC Actions

On March 9, 2016, the Acting Director of OFAC, in consultation with the State Department, determined that circumstances no longer warrant the inclusion of the following entity on OFAC's SDN List, and that this entity is no longer subject to the blocking provisions of Section 1 of E.O. 13067.

Entity

ATBARA CEMENT COMPANY LIMITED, P.O. Box 36, Atbara, Sudan [SUDAN].

Dated: March 9, 2016.

John E. Smith,

Acting Director, Office of Foreign Assets Control.

[FR Doc. 2016–05659 Filed 3–11–16; 8:45 am]

BILLING CODE 4810–AL–P

FEDERAL REGISTER

Vol. 81 Monday,
No. 49 March 14, 2016

Part II

Department of Transportation

Federal Aviation Administration

14 CFR Parts 21, 23, 35, et al.
Revision of Airworthiness Standards for Normal, Utility, Acrobatic, and Commuter Category Airplanes; Proposed Rule

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Parts 21, 23, 35, 43, 91, 121, and 135

[Docket No.: FAA–2015–1621; Notice No. 16–01]

RIN 2120–AK65

Revision of Airworthiness Standards for Normal, Utility, Acrobatic, and Commuter Category Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: The FAA proposes to amend its airworthiness standards for normal, utility, acrobatic, and commuter category airplanes by removing current prescriptive design requirements and replacing them with performance-based airworthiness standards. The proposed standards would also replace the current weight and propulsion divisions in small airplane regulations with performance- and risk-based divisions for airplanes with a maximum seating capacity of 19 passengers or less and a maximum takeoff weight of 19,000 pounds or less. The proposed airworthiness standards are based on, and would maintain, the level of safety of the current small airplane regulations. Finally, the FAA proposes to adopt additional airworthiness standards to address certification for flight in icing conditions, enhanced stall characteristics, and minimum control speed to prevent departure from controlled flight for multiengine airplanes. This notice of proposed rulemaking addresses the Congressional mandate set forth in the Small Airplane Revitalization Act of 2013.

DATES: Send comments on or before May 13, 2016.

ADDRESSES: Send comments identified by docket number FAA–2015–1621 using any of the following methods:

- *Federal eRulemaking Portal:* Go to *http://www.regulations.gov* and follow the online instructions for sending your comments electronically.
- *Mail:* Send comments to Docket Operations, M–30; U.S. Department of Transportation (DOT), 1200 New Jersey Avenue SE., Room W12–140, West Building Ground Floor, Washington, DC 20590–0001.
- *Hand Delivery or Courier:* Take comments to Docket Operations in Room W12–140 of the West Building Ground Floor at 1200 New Jersey Avenue SE., Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.
- *Fax:* Fax comments to Docket Operations at 202–493–2251.

Privacy: In accordance with 5 U.S.C. 553(c), DOT solicits comments from the public to better inform its rulemaking process. DOT posts these comments, without edit, including any personal information the commenter provides, to *www.regulations.gov*, as described in the system of records notice (DOT/ALL–14 FDMS), which can be reviewed at *http://www.dot.gov/privacy*.

Docket: Background documents or comments received may be read at *http://www.regulations.gov* at any time. Follow the online instructions for accessing the docket or go to the Docket Operations in Room W12–140 of the West Building Ground Floor at 1200 New Jersey Avenue SE., Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

FOR FURTHER INFORMATION CONTACT: For technical questions concerning this action, contact Lowell Foster, Regulations and Policy, ACE–111, Federal Aviation Administration, 901 Locust St., Kansas City, MO 64106; telephone (816) 329–4125; email *lowell.foster@faa.gov*.

SUPPLEMENTARY INFORMATION: Later in this preamble, under the Additional Information section, we discuss how you can comment on this proposal and how we will handle your comments. This discussion includes related information about the docket, privacy, and the handling of proprietary or confidential business information. We also discuss how you can get a copy of this proposal and related rulemaking documents.

All sections of part 23 would contain proposed revisions, except the FAA would not make any substantive changes to the following sections: §§ 23.1457, Cockpit Voice Recorders, and 23.1459, Flight Data Recorders. The only proposed changes to § 23.1459 would be for the purpose of aligning part 23 references. These sections are nevertheless included in this proposed revision for context.

Table of Contents

I. Executive Summary

A. Purpose and History of the Proposed Performance-Based Standards

Part 23 of Title 14 of the Code of Federal Regulations (14 CFR) prescribes airworthiness standards for issuance and amendment of type certificates for airplanes with a passenger-seating configuration of 19 or less and a maximum certificated takeoff weight of 19,000 pounds or less. Airplanes certificated under part 23 are typically used for recreation, training, personal travel, and limited commercial applications.

The current part 23 airworthiness standards are largely prescriptive, meaning that they describe detailed design requirements, and are based on airplane designs from the 1950's and 1960's. As a result of this prescriptive framework, the FAA often requires a design approval applicant seeking to incorporate new or innovative technology to provide additional documentation that typically results in the FAA's issuance of special conditions, exemptions, or equivalent level of safety (ELOS) findings.[1] The FAA recognizes that these additional procedures and requirements are costly to the FAA and industry, act as barriers to certification, and discourage innovation. Therefore, to encourage the installation of new safety-enhancing technology and streamline the certification process, the FAA proposes replacing the prescriptive requirements found in the current part 23 with performance-based standards.

The FAA believes this proposed rulemaking would maintain the level of safety associated with current part 23, while providing greater flexibility to applicants seeking certification of their airplane designs. By doing so, this proposed rulemaking would hasten the adoption of safety enhancing technology in type-certificated products while reducing regulatory time and cost burdens for the aviation industry and FAA. This proposed rulemaking would also reflect the FAA's safety continuum philosophy,[2] which balances the need for an acceptable level of safety with the societal burden of achieving that level safety, across the broad range of airplane types certificated under part 23.

This proposed rulemaking is the result of an effort the FAA began in 2008 to re-evaluate the way it sets standards for different types of airplanes. Through this effort, a joint FAA and industry team produced the Part 23 Certification Process Study[3] (CPS), which reviewed the life cycle of part 23 airplanes to evaluate certification processes and develop recommendations. Two key recommendations were to (1) reorganize part 23 based on airplane performance and complexity rather than the existing weight and propulsion divisions, and (2) permit the use of consensus standards as a means to keep pace with rapidly increasing design complexity in the aviation industry.

In 2010, with the CPS as a foundation, the FAA conducted a Part 23 Regulatory Review and held meetings with the public and industry to gain input on revising part 23. These meetings confirmed strong public and industry support for the CPS recommendations to revise part 23.

In 2011, the FAA formed the Part 23 Reorganization ARC to consider further the CPS recommendation to reorganize part 23 based on airplane performance and complexity and to investigate the use of consensus standards. The ARC recommendations,[4] published in 2013, echo the CPS recommendations.

On January 7, 2013, Congress passed the Federal Aviation Modernization and Reform Act of 2012[5] (Public Law 112–95; 49 U.S.C. 40101 note) (FAMRA), which requires the Administrator, in consultation with the aviation industry, to assess the aircraft certification and approval process. Based on the ARC recommendations and in response to FAMRA, the FAA began work on this proposed rulemaking on September 24, 2013. Subsequently, on November 27, 2013, Congress passed the Small Airplane Revitalization Act of 2013 (Public Law 113–53, 49 U.S.C. 44704 note) (SARA), which requires the FAA to issue a final rule revising the certification requirements for small airplanes by—

- Creating a regulatory regime that will improve safety and decrease certification costs;
- Setting safety objectives that will spur innovation and technology adoption;
- Replacing prescriptive rules with performance-based regulations; and
- Using consensus standards to clarify how safety objectives may be met by specific designs and technologies.

The FAA believes that the performance-based-standards component of this proposal complies with the FAMRA and the SARA because it would improve safety, reduce regulatory compliance costs, and spur innovation and the adoption of new technology. This proposal would replace the weight-and propulsion-based prescriptive airworthiness standards in part 23 with performance- and risk-based airworthiness standards for airplanes with a maximum seating capacity of 19 passengers or less and a maximum takeoff weight of 19,000 pounds or less. The proposed standards would maintain the level of safety associated with the current part 23, while also facilitating the adoption of new and innovative technology in general aviation (GA) airplanes.

B. Summary of Major Provisions

This proposal to revise part 23 has two principal components: Establishing a performance-based regulatory regime and adding new certification standards for loss of control (LOC) and icing. Where the FAA proposes to establish new certification requirements, these requirements would be adopted within the same performance-based framework proposed for part 23 as a whole.

[1] Special conditions give the manufacturer permission to build the aircraft, engine or propeller with additional capabilities not addressed in the regulations. A petition for exemption is a request to the FAA by an individual or entity asking for relief from the requirements of a regulation. Equivalent level of safety findings are made when literal compliance with a certification regulation cannot be shown and compensating factors exist which can be shown to provide an equivalent level of safety. 14 CFR parts 11 and 21 provides information on special conditions and exemptions. FAA Order 8110–112A provides standard procedures for issue paper and equivalent level of safety memoranda.

[2] The FAA's safety continuum philosophy is that one level of safety may not be appropriate for all aviation. The FAA accepts higher levels of risk, with correspondingly fewer requirements for the demonstration of compliance, when aircraft are used for personal transportation.

[3] See *www.regulations.gov* (Docket # FAA–2015–1621).

[4] See *www.regulations.gov* (Docket # FAA–2015–1621).

[5] *http://www.gpo.gov/fdsys/pkg/CRPT-112hrpt381/pdf/CRPT-112hrpt381.pdf.*

1. Performance Standards and Airplane Crashworthiness

Airplane crashworthiness and occupant safety is an example of how moving towards performance-based standards and providing greater flexibility to industry would increase aviation safety. Although the FAA has over the years incrementally amended part 23 to enhance occupant safety, these amendments have focused on individual system components, rather than the safety of the system as a whole. By building greater flexibility into FAA regulations governing crash testing, this proposal would allow the aviation industry to develop and implement novel solutions.

2. Loss of Control

One proposed revision to part 23 would improve general aviation safety by creating additional certification standards to reduce LOC accidents. Inadvertent stalls resulting in airplane LOC are the most common cause of small airplane fatal accidents. These LOC accidents frequently occur in the traffic pattern or at low altitudes, where the airplane is too low for a pilot to recover control before impacting the ground. The proposed revisions would require applicants to use new design approaches and technologies to improve airplane stall characteristics and pilot situational awareness to prevent such accidents.

3. Icing Certification Standards

Another proposed revision to part 23 would improve GA safety by addressing severe icing conditions. In the 1990s, the FAA became aware of the need to expand the icing conditions considered during the certification of airplanes and turbine aircraft engines. In particular, the FAA determined that revised icing certification standards should include Supercooled Large Drops (SLD),[6] mixed phase, and ice crystals.

This proposed rule would require manufacturers that choose to certify an airplane for flight in SLD to demonstrate safe operations in SLD conditions. For those manufacturers who choose instead to certify an airplane with a prohibition against flight in SLD conditions, this proposed rule would require a means for detecting SLD conditions and showing the airplane can safely exit such conditions. Industry has indicated that these requirements would not impose significant additional cost burden on industry because many manufacturers already have equipped recent airplanes with technology to meet the standards for detecting and exiting SLD conditions in accordance with current FAA guidance.

C. Cost and Benefits

The goal of this proposal is to create a cost-effective approach to certification that facilitates the adoption of new safety enhancing technologies and allows for alternative means of compliance. The FAA has analyzed the benefits and costs associated with this NPRM. If the proposed rule saves only one human life, for example, by improving stall characteristics and stall warnings, that alone would result in benefits outweighing the costs. The following table shows these results.

ESTIMATED BENEFITS AND COSTS FROM 2017 TO 2036

[2014 $ millions]

	Costs	Safety benefits + cost savings = total benefits
Total	$3.9	$19.6 + $12.6 = $32.2.
Present value	3.9	$6.2 + $5.8 = $12.0.

Accordingly, the FAA has determined that the proposed rule would be cost beneficial.

II. Authority for This Rulemaking

The FAA's authority to issue rules on 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 III, Section 44701. Under that section, the FAA is charged with promoting safe flight of civil airplanes in air commerce by prescribing minimum standards required in the interest of safety for the design and performance of airplanes. This regulation is within the scope of that authority because it prescribes new performance-based safety standards for the design of normal, utility, acrobatic, and commuter category airplanes.

Additionally, this rulemaking addresses the Congressional mandate set forth in the Small Airplane Revitalization Act of 2013 (Public Law 113–53; 49 U.S.C. 44704 note) (SARA). Section 3 of SARA requires the Administrator to issue a final rule to advance the safety and continued development of small airplanes by reorganizing the certification requirements for such airplanes under part 23 to streamline the approval of safety advancements. SARA directs that the rule address specific recommendations of the 2013 Part 23 Reorganization Aviation Rulemaking Committee (ARC).

III. Background

The range of airplanes certificated under part 23 is diverse in terms of performance capability, number of passengers, design complexity, technology, and intended use. Currently, each part 23 airplane's certification requirements are determined by reference to a combination of factors, including weight, number of passengers, and propulsion type. The resulting divisions (*i.e.,* normal, utility, acrobatic, and commuter categories) historically were appropriate because there was a clear relationship between the propulsion and weight of the airplane and its associated performance and complexity.

Technological developments have altered the dynamics of that relationship. For example, high-performance and complex airplanes now exist within the weight range that historically was occupied by only light and simple airplanes. The introduction of high-performance, lightweight airplanes required subsequent amendments of part 23 to include more stringent and demanding standards—often based on the part 25 requirements for larger transport category airplanes—to ensure an adequate level of safety for airplanes under part 23. The unintended result is that some of the more stringent and demanding standards for high-performance airplanes now apply to the

[6] SLD conditions include freezing drizzle and freezing rain, which contain drops larger than those specified in appendix C to part 25, and can accrete aft of wing leading edge ice protection systems.

certification of simple and low-performance airplanes.

A. Part 23 History

Part 23 originated from performance-based requirements developed by the Bureau of Air Commerce and the Civil Aeronautics Administration in the 1930s. These regulations were contained in specific Civil Air Regulations (CAR) for the certification of aircraft (*i.e.,* CAR 3, 4, and 4a). These requirements, along with various bulletins and related documents, were subsequently revised and first published as 14 CFR part 23 in 1964 (29 FR 17955, December 18, 1964). Over the past five decades and after numerous amendments, part 23 has evolved into a body of highly complex and prescriptive requirements attempting to codify specific design requirements, address specific problems encountered during prior certification projects, and respond to specific recommendations from the National Transportation Safety Board (NTSB).

Although the intent of the prescriptive language contained in current part 23 was to increase the level of safety, prevent confusion, and clarify ambiguities, the current regulations have also restrained manufacturers' ability to employ new designs and testing methodologies. The FAA believes moving towards performance-based standards should significantly reduce or eliminate barriers to innovation and facilitate the introduction of new safety-enhancing technologies.

In 2008, the FAA conducted a review of part 23 by initiating the Part 23 CPS. Collaborating with industry, the team's challenge was to determine the future of part 23, given today's current products and anticipated future products. The team identified opportunities for improvements by examining the entire life cycle of a part 23 airplane. The CPS recommended reorganizing part 23 using criteria focused on performance and design complexity. The CPS also recommended that the FAA implement general airworthiness requirements, with the means of compliance defined in industry consensus standards standards. In 2010, following the publication of the Part 23 CPS, the FAA held a series of public meetings to seek feedback concerning the findings and recommendations. Overall, the feedback was supportive of and in some cases augmented the CPS recommendations.

One notable difference between the CPS findings and the public feedback was the public's request that the FAA revise part 23 certification requirements for simple, entry-level airplanes. Over the past two decades, part 23 standards have become more complex as industry has generally shifted towards correspondingly complex, high-performance airplanes. This transition has placed an increased burden on applicants seeking to certificate smaller, simpler airplanes. Public comments requested that the FAA focus on reducing the costs and time burden associated with certificating small airplanes by restructuring the requirements based on perceived risk. The safety risk for most simple airplane designs is typically low.

On August 15, 2011, the Administrator chartered the Part 23 Reorganization ARC to consider the following CPS recommendations—

- Recommendation 1.1.1—Reorganize part 23 based on airplane performance and complexity, rather than the existing weight and propulsion divisions; and
- Recommendation 1.1.2—Certification requirements for part 23 airplanes should be written on a broad, general, and progressive level, segmented into tiers based on complexity and performance.

The ARC's recommendations took into account the FAMRA, which requires the Administrator, in consultation with the aviation industry, to assess the aircraft certification and approval process. The purpose of the ARC's assessment was to develop recommendations for streamlining and reengineering the certification process to improve efficiency, reduce costs, and ensure that the Administrator can conduct certifications and approvals in a manner that supports and enables the development of new products and technologies and the global competitiveness of the United States aviation industry.[7] FAMRA also directs the Administrator to consider the recommendations from the Part 23 Certification Process Study.[8]

ARC membership represented a broad range of of stakeholder perspectives, including U.S. and international manufacturers, trade associations, and foreign civil aviation authorities. The ARC was supported by FAA subject matter experts from all affected lines of business, from design and production certification to continued airworthiness and alterations. The following table identifies ARC participants:

U.S. Manufacturers		
Avidyne	Bendix-King	Cessna.
Cirrus	Continental Motors	Cub Crafters.
GAMI	Garmin	Hawker Beechcraft.
Honda	Honeywell	Kestrel.
Lockheed Martin	Rockwell-Collins	Quest.
Sensenich Propellers	Tamarack Aero	TruTrak.
U.S. Organizations		
Aircraft Electronics Association (AEA)	Aircraft Owners and Pilots Association (AOPA).	ASTM.
Experimental Aircraft Association (EAA)	General Aviation Manufacturers Association (GAMA).	National Air Traffic Controllers Association (NATCA).
RTCA	SAE.	
International Manufacturers		
Dassault Falcon	Diamond	Flight Design.
Rotax	Socata.	

[7] Section 312(c)

[8] Section 312 (b)(6)

International Civil Aviation Authorities		
European Aviation Safety Agency (EASA)	Transport Canada Civil Aviation (TCCA)	National Civil Aviation Agency of Brazil (ANAC).
Civil Aviation Administration of China (CAAC) ...	Civil Aviation Authority of New Zealand.	

Each member or participant on the committee represented an identified segment of the aviation community, with the authority to speak for that segment. The ARC also invited subject matter experts to support specialized working groups and subgroups, as necessary. These working groups developed recommendations and briefed the ARC as a whole. The ARC then collectively discussed and voted to accept or reject the recommendations. All of the recommendations included in the ARC's report had overwhelming majority agreement.

The ARC noted the prevailing view within industry was that the only way to reduce the program risk, or business risk, associated with the certification of new airplane designs was to avoid novel design approaches and testing methodologies. The certification of new and innovative products today frequently requires the FAA's use of ELOS findings, special conditions, and exemptions. These take time, resulting in uncertainty and high project costs. The ARC emphasized that although industry needs from the outset to develop new airplanes designed to use new technology, current certification costs inhibit the introduction of new technology. The ARC identified prescriptive certification requirements as a major barrier to installing safety-enhancing modifications in the existing fleet and to producing newer, safer airplanes.

The ARC also examined the harmonization of certification requirements among the FAA and foreign civil aviation authorities (CAAs), and the potential for such harmonization to improve safety while reducing costs. Adopting performance-based safety regulations that facilitate international harmonization, coupled with internationally accepted means of compliance, could result in both significant cost savings and the enabling of safety-enhancing equipment installations. The ARC recommended that internationally accepted means of compliance should be reviewed and voluntarily accepted by the appropriate aviation authorities, in accordance with a process established by those authorities. Although each CAA would be capable of rejecting all or part of any particular means of compliance, the intent would be to have full civil authority participation in the creation of the means of compliance to ease acceptance of the means of compliance.

B. New Safety Requirements

The performance-based standards proposed in this NPRM are designed to maintain the level of safety provided by current part 23 requirements. The current part 23 weight and propulsion divisions were based on assumptions that do not reflect the diversity of performance capabilities, design complexity, technology, intended use, and seating capacity of today's new airplane designs, or the future airplane designs that will become possible as technology continues to evolve. The FAA would therefore replace the current divisions with certification levels 1 thru 4, low performance, high performance, and simple. Furthermore, this would replace the current divisions within the individual sections with technical and operational capabilities focused on the technical drivers (*e.g.,* stall speed, Visual Flight Rules (VFR) and Instrument Flight Rules (IFR) operations, pressurization). These types of technical and operational criteria would apply a more appropriate set of standards to each airplane, and continue to accommodate the wide range of airplane designs within part 23.

To begin, the FAA proposes to eliminate commuter, utility, and acrobatic airplane categories from part 23, retaining only a normal category for all new part 23 type certificated airplane design approvals. The differences between normal, utility, and acrobatic categories are currently very limited and primarily affect airframe structure requirements. Proposed part 23 would continue to allow a normal category airplane to be approved for aerobatics, provided the airplane is certificated for the safety factors and defined limits of aerobatic operations.

In addition, the FAA proposes that airplanes approved for spins be certificated to aerobatic standards. Under the current § 23.3(b), the utility category provides airplanes additional margin for the more stringent inertial structural loads resulting from intended spins and other maneuvers. An airplane designed with traditional handling qualities and designed to allow spin training is more susceptible to inadvertent departure from controlled flight. The FAA therefore believes that maintaining the current utility category for spin and limited aerobatic maneuver capable airplanes would negate the largest, single safety gain expected from this rulemaking action—the significant reduction in inadvertent stall-related departures from controlled flight.

Under this proposal, airplanes already certificated in the commuter, utility, and acrobatic categories would continue to fall within those categories. Each new airplane design, however, would be subject to varying levels of analysis, based on the potential risk and performance of the airplane's design. A more rigorous standard, such as currently applied to commuter category airplanes, would apply to higher risk and higher performance airplanes.

The proposed requirements would also include new enhanced standards for resistance to departure from controlled flight. Recognizing that the largest number of fatal accidents for part 23 airplanes results from LOC in flight, the FAA proposes to update certification standards to address these risks. LOC happens when an airplane enters a flight regime outside its normal flight envelope or performance capabilities and develops into a stall or spin, an event that can surprise the pilot. A pilot's lack of awareness of the state of the airplane in flight and the airplane's low-speed handling characteristics are the main causal factors of LOC accidents. Furthermore, stall and departure accidents are generally fatal because an airplane is often too low to the ground for the pilot to recover. Improving safety that reduces stall and LOC accidents would save lives. The FAA is therefore proposing new rules for stall characteristics and stall warnings that would result in airplane designs more resistant to inadvertently departing controlled flight.

Another type of low-speed LOC accident that occurs in significant numbers involves minimum control speed (V_{MC}) in light twin-engine airplanes. Virtually all twin-engine airplanes have a V_{MC} that allows directional control to be maintained after one engine fails. This speed is usually above the stall speed of the airplane. However, light twin-engine airplanes typically have limited climb capability on one engine. In the accidents reviewed by the ARC and FAA, often in these situations, pilots attempted to maintain a climb or

maintain altitude, which slowed the airplane down, rather than looking for the best landing site immediately, maintaining control the whole way. If the airplane's speed drops below V_{MC}, the pilot can lose control. In tying the minimum control speed to the stall speed of the airplane, pilots, rather than attempting to maintain climb and lose directional control, would instead react appropriately with stall training techniques, resulting in a controlled descent rather than a loss of directional control. This requirement will be on new airplanes and should add little or no cost because it can be designed in from the start.

The FAA also has identified a need for improved certification standards related to operations in severe icing conditions. More specifically, in the 1990's, the FAA became aware of the need to expand the icing conditions considered during the certification of airplanes and turbine aircraft engines, to increase flight safety during some severe icing conditions. The 1994 accident in Roselawn, Indiana, involving an Avions de Transport Regional ATR 72 series airplane in SLD conditions, brought to public and governmental attention safety concerns about the adequacy of the existing icing certification standards.

As a result of the 1994 accident, and consistent with related NTSB recommendations, in 1997 the Administrator tasked the Aviation Rulemaking Advisory Committee (ARAC) (62 FR 64621, December 8, 1997) with defining SLD, mixed phase, and ice crystal icing environments, and designing corresponding safety requirements for those conditions. In June 2000, the ARAC's task was revised to address only transport category airplanes. More recent events, such as an Air France Airbus model A330–203 AF447 [9] accident, in 2009, highlighted the negative effects of ice crystals on airspeed indication systems and turbojet engines.

The FAA ultimately published amendments 25–140 (79 FR 65507, November 4, 2014) and 33–34 (79 FR 65507, November 4, 2014), Airplane and Engine Certification Requirements in Supercooled Large Drop, Mixed Phase, and Ice Crystal Icing Conditions that expanded parts 25 and 33 icing requirements, but did not amend part 23 requirements. On February 19, 2010, the Administrator chartered a Part 23 Icing ARC to review and recommend SLD, mixed phase, and ice crystal icing conditions regulations and guidance for part 23. In February 2012, the Part 23 Icing ARC formally identified a need to improve the part 23 regulations to ensure safe operation of airplanes and engines in SLD and ice crystal conditions.[10] In particular, the Part 23 Icing ARC recommended adopting most of the part 25 icing rules, including the requirement to show either that an airplane can safely fly in SLD conditions, or that it can detect and safely exit SLD. The proposals in this NPRM incorporate the recommendations of the Part 23 Icing ARC.

C. Benefits for the Existing Fleet

The proposed revisions would benefit owners and modifiers of existing part 23 airplanes, as well as airplane designers and manufacturers. Both currently and under this proposal, airplanes may be modified by: (1) An alteration to an individual airplane; (2) a supplemental type certificate (STC) for multiple airplanes, or (3) an amendment to an original type design via an amended type certificate (TC). This proposal would streamline each of these methods for modifying airplanes.

The proposed change to § 21.9 would facilitate FAA approval of low-risk equipment produced for installation in type-certificated airplanes, thereby streamlining the process for owners to upgrade equipment on their individual airplanes. An example of how this change would facilitate safety improvements is the installation of inexpensive weather display systems in the cockpits of small airplanes. These systems allow a pilot to view current weather conditions along the planned flight route and at the destination airport, avoiding unexpected or deteriorating weather conditions. Since these systems are not required and because they represent low safety risk from failure, the FAA believes streamlining its approval process to produce them for use in existing airplanes could lower costs and increase availability of these systems.

The proposed changes in the rules would also streamline the process for design approval holders applying for a type design change, or for a third party modifier applying for an STC, to incorporate new and improved equipment in a model or several models of airplanes. Since the revised part 23 standards would be much less prescriptive, the certification process for modifications would be simplified. Certification of an amended TC or STC under the proposed part 23 standards would require fewer special conditions or exemptions, lowering costs and causing fewer project delays.

D. Conforming Amendments and Other Minor Amendments

References to part 23 appear throughout the FAA's current regulations. Accordingly, the FAA proposes to amend the following parts for consistency with the proposed revisions to part 23: Part 21, part 35, part 43, part 91, part 121, and part 135.

The FAA also proposes to revise part 21 to simplify the approval process for low-risk articles. Specifically, the FAA proposes amending § 21.9 to allow FAA-approved production of replacement and modification articles using methods not listed in § 21.9(a). This proposed change is intended to reduce constraints on the use of non-required, low risk articles, such as carbon monoxide detectors and weather display systems.

E. Public Policy Implementation

The intent of this NPRM is to reduce regulatory barriers by establishing a system based on safety-focused performance requirements and FAA acceptance—as a means of compliance—of consensus standards. FAA-accepted consensus standards would add clarity to the certification process and streamline FAA involvement in the development of means of compliance. Additionally, adopting performance standards would significantly reduce the complexity of part 23. Furthermore, the introduction of airplane certification levels based on risk (*i.e.,* number of passengers) and performance (*i.e.,* speed) would advance the FAA's effort to introduce risk-based decision-making and better align with the FAA's safety continuum philosophy. Together, the FAA believes these changes would allow the FAA to provide appropriate oversight based on the safety continuum and would restore a simple and cost effective certification process based on proven engineering practices.

1. Regulatory Planning and Review

In accordance with applicable executive orders, the FAA has determined that the proposed revisions to part 23 are the most cost-beneficial way of achieving the agency's regulatory objectives. This is because the proposal would relieve industry of a significant regulatory burden while maintaining or improving the level of safety under the regulations. In particular, Executive Order 12866, Regulatory Planning and Review (58 FR 51735, October 4, 1993), and Executive Order 13563, Improving

[9] See *www.regulations.gov* (Docket #FAA–2015–1621), Air France A330–203, Flight AF 447 Final Accident Report

[10] See *www.regulations.gov* (Docket #FAA–2015–1621)

Regulation and Regulatory Review (76 FR 3821, January 21, 2011), direct each Federal agency to propose or adopt a regulation only upon a reasoned determination that the benefits of the intended regulation justify its costs. This proposal is not an economically ''significant regulatory action'' as defined in section 3(f) of Executive Order 12866 [11] and it satisfies Executive Order 13563 by protecting public health, welfare, safety, while promoting economic growth, innovation, competitiveness, and job creation.

Under the above-referenced executive orders, when an agency determines that a regulation is the best available method of achieving its regulatory objective, the agency must design the regulation or regulations in the most cost-effective manner. In doing so, each agency must consider incentives for innovation, consistency, predictability, enforcement and compliance costs (to the government, regulated entities, and the public), flexibility, distributive impacts, and equity. Each agency must identify and assess alternative forms of regulation and shall specify, to the extent feasible, performance objectives, rather than specifying the behavior or manner of compliance that regulated entities must adopt. This proposal meets these requirements because it would implement performance objectives rather than a prescriptive methodology, thereby reducing time and cost burdens on industry and increasing opportunities for innovation.

Executive Order 13610, Identifying and Reducing Regulatory Burdens (77 FR 28469, May 10, 2012) reiterates the direction from Executive Order 13563 in stating that our regulatory system must measure, and seek to improve, the actual results of regulatory requirements. To promote this goal, agencies are to engage in periodic review of existing regulations, and are required to develop retrospective review plans to examine existing regulations in order to determine whether any such regulations should be modified, streamlined, expanded, or repealed. The purpose of this requirement is to make the agency's regulatory program more effective or less burdensome in achieving the regulatory objectives. In response to Executive Orders13563 and 13610, agencies have developed and made available for public comment retrospective review plans. Both the Part 23 Reorganization ARC and this Part 23 Rulemaking Project are on the Department of Transportation's retrospective review plans.

2. Consensus Standards

Section 3(c) of SARA requires the Administrator, when developing regulations, to comply with the requirements of the National Technology Transfer and Advancement Act of 1995 [12] (Pub. L. 104–113; 15 U.S.C. 272 note) (NTTAA) and to use consensus standards to the extent practicable while maintaining traditional methods for meeting part 23. Section 12(d) of the NTTAA directs Federal agencies to use, either by reference or by inclusion, voluntary consensus standards in lieu of government-mandated standards, except where inconsistent with law or otherwise impractical. The Office of Management and Budget (OMB) Circular A–119,[13] Federal Participation in the Development and Use of Voluntary Consensus Standards and Conformity Assessment Activities, provides guidance to Executive agencies in implementing the requirements of the NTTAA.

Accordingly, the FAA proposes to accept consensus standards as a means of compliance with the proposed part 23 performance-based regulations. The use of consensus standards would be one means of compliance with the performance-based standards of the proposed part 23. Compliance with the current prescriptive provisions within current part 23 would be yet another means of compliance available under this proposal. Applicants would still have the option to propose their own means of compliance as they do today. The process for reviewing new means of compliance would not change substantially from the process in place today.

Although a consensus standard works in some cases, the Part 23 Reorganization ARC expressed concerns that a consensus standard could be biased in favor of a few large manufacturers and thereby create an unfair competitive advantage. OMB Circular A–119 also cautions regulators to avoid such potential biases. The FAA notes that industry groups associated with the Part 23 Reorganization ARC identified ASTM International (ASTM) as the appropriate organization to initiate the development of consensus standards, and that ASTM permits any interested party to participate in the committees developing consensus standards. The FAA expects other consensus standards bodies to allow similar opportunities for interested parties to participate in their standards-development work. In addition to consensus standards and the current prescriptive design standards in part 23, any individual or organization may develop its own proposed means of compliance that may be submitted to the FAA for acceptance.

3. International Cooperation Efforts for Reorganizing Part 23

Executive Order 13609, Promoting International Regulatory Cooperation (77 FR 26413, May 4, 2012), promotes international regulatory cooperation to meet shared challenges and reduce, eliminate, or prevent unnecessary differences in regulatory requirements. Consistent with this Order, the FAA's proposal would address unnecessary differences in regulatory requirements between the United States and its major trading partners. The U.S. GA industry has repeatedly informed the FAA of the high costs to address differences between the airworthiness requirements of the FAA and foreign CAAs. The FAA believes this proposal has the potential to achieve long-term harmonization at an unprecedented level, and should result in a significant savings for both U.S. manufacturers exporting products abroad and foreign manufacturers exporting products to the U.S. The FAA requests comments regarding the potential cost savings.

The work of the Part 23 Reorganization ARC forms the foundation of the proposed changes to part 23. From the onset, the ARC was a cooperative, international effort. Representatives from several foreign CAAs [14] and international members from almost every GA manufacturer of airplanes and avionics participated in the Part 23 Reorganization ARC. Several international light-sport aircraft manufacturers, who were interested in certificating their products using part 23 airworthiness standards, also participated. In addition to recommending changes to part 23, the ARC developed proposals to help reduce certification costs through more international standardization of certification processes and reducing or eliminating redundant certification activities associated with foreign certification.

After the ARC issued its report, the FAA, foreign CAAs, and industry continued to work together to refine the ARC rule language until the FAA began drafting the NPRM in December 2014. This included formal meetings in July and November of 2014. EASA,

[12] *http://www.gpo.gov/fdsys/pkg/PLAW-104publ113/pdf/PLAW-104publ113.pdf.*

[13] *https://www.whitehouse.gov/omb/circulars_a119/.*

[14] CAAs included participants from Brazil, Canada, China, Europe, and New Zealand.

Transport Canada, other foreign authorities, and industry offered significant contributions to these efforts.

In addition, the CAAs from Europe, Canada, Brazil, China, and New Zealand are working to produce rules similar to those contained in this proposal. EASA, for example, published an Advance Notice of Proposed Amendment (A–NPA) 2015–06 on March 27, 2015, which sets forth EASA's concept for its proposed reorganization of CS–23, and on which the FAA provided comments. Like the FAA's current proposal, EASA's A–NPA was also based on the proposed ARC language with the goal of harmonization. Both proposals would adopt performance-based standards that facilitate the use of consensus standards as a means of compliance.

F. Means of Compliance

This proposal would allow type certificate applicants to use FAA-accepted means of compliance to streamline the certification process. This proposal, however, is shaped by two concerns raised in the Part 23 Reorganization ARC. First, the rule needs to clearly state that any applicant must use a means of compliance accepted by the Administrator when showing compliance with part 23. The FAA emphasizes that any means of compliance would require FAA review and acceptance by the Administrator. Second, although a means of compliance developed by a consensus standards body (*i.e.,* ASTM, SAE, RTCA, etc.) may be available, any individual or organization would also be able to submit its own means of compliance documentation to the Administrator for consideration and potential acceptance.

The FAA anticipates that both individuals and organizations would develop acceptable means of complying with the proposed performance standards. The industry groups associated with the ARC discussed the development of consensus-based standards and selected ASTM as the appropriate organization to initiate the effort. A standards organization such as ASTM could, for example, generate a series of consensus-based standards for review, acceptance, and public notice of acceptance by the FAA. The ASTM standards would be one way, but not the only way, to demonstrate compliance with part 23.

Using means of compliance documents to satisfy compliance with the proposed performance-based rules would diminish the need for special conditions, ELOS findings, and exemptions to address new technology advancements. Once the Administrator accepted a means of compliance, it could be used in future certification applications unless formally rescinded. Incorporating the use of consensus standards as a means of compliance with performance-based regulations would provide the FAA with the agility to more rapidly accept new technology as it develops, leverage industry experience and expectations to develop of new means of compliance documents, and encourage the use of harmonized means of compliance among the FAA, industry, and foreign CAAs. Although an applicant would not be required to use previously accepted means of compliance documents, doing so would streamline the certification process by eliminating the need for the FAA to develop an issue paper to address the certification of new technology. Proposed Advisory Circular 23.10, Accepted Means of Compliance, would describe a process for applicants to submit proposed means of compliance to the FAA for acceptance by the Administrator.

The Part 23 Reorganization ARC was also concerned that specialists in the industry could argue for complex means of compliance when the FAA would accept a simpler or more cost effective approach. To address these concerns, the FAA would continue to allow applicants to propose their own means of compliance when the larger industry standard may be the appropriate level of safety for one but not all certification levels, consistent with the guidance in OMB Circular A–119, which reminds the regulator that the government is responsible to the public for setting the appropriate level of safety and avoiding any unfair competitive advantage. Additionally, the FAA proposes to continue to allow the use of the prescriptive means of compliance currently codified in part 23 as yet another alternative means of compliance with proposed part 23. This would not apply, however, to the proposed new requirements, such as §§ 23.200, 23.215, and 23.230.

G. FAA Strategic Initiatives

The FAA's Strategic Initiatives 2014–2018 communicates FAA goals for addressing the challenges presented by the changing aviation industry and how the FAA intends to make the U.S. aviation system safer and smarter, and raise the bar on safety. Specifically, one strategic initiative is for the FAA to embrace and implement risk-based decision making approaches, which build on safety management principles to address emerging safety risks using consistent, data-informed approaches to make smarter, quicker system-level decisions. By establishing performance-based regulations, coupled with industry standards, this proposed rulemaking would provide a calibrated and globally competitive regulatory structure. This new approach would increase safety in general aviation by enabling and facilitating innovation and the implementation of safety enhancing designs in newly certificated products.

This rulemaking effort also directly supports the FAA's Global Leadership Initiative, by encouraging global harmonization and the consistent use of regulations, standards, and practices for general aviation airplanes.

IV. Discussion of Proposal

A. Reorganization of Airworthiness Standards Based on Risk and Performance

The FAA proposes replacing the current weight and propulsion-based airplane certification divisions with airplane certification and performance levels based on the number of potential passengers and the performance of the airplane. The FAA believes this proposed regulatory change would better accommodate the wide range of airplanes certificated under part 23, thereby reducing certification risk, time, and costs.

Historically, turbine-powered airplanes were assumed to fly at or above 18,000 feet (5,486 meters) and at high speeds, whereas piston engine airplanes were assumed to fly below 18,000 feet (5,486 meters) and at lower speeds. Today, with advancements in aviation technology, these general design and performance assumptions may not be valid. Furthermore, the current regulations do not account for airplanes equipped with new technologies, such as electric propulsion systems, which may have features that are entirely different from piston and turbine engines. For these reasons, the FAA is proposing regulations based on airplane performance and potential risk rather than on assumptions about specific technologies. These proposed standards would be appropriate to each specific airplane design.

Certification of airplanes under part 23 would either be conducted using airplane certification levels based on maximum passenger seating configuration and airplane performance levels based on speed, or occur as so-called ''simple airplanes'' that are low-speed airplanes with a stalling speed (V_{SO}) ≤ 45 Knots Calibrated Airspeed (KCAS) approved only for VFR operations. The FAA proposes the following airplane certification levels:

- Level 1—for airplanes with a maximum seating configuration of 0 to 1 passengers, including simple airplanes.
- Level 2—for airplanes with a maximum seating configuration of 2 to 6 passengers.
- Level 3—for airplanes with a maximum seating configuration of 7 to 9 passengers.
- Level 4—for airplanes with a maximum seating configuration of 10 to 19 passengers.

B. Introduction of Simple Airplanes

The regulations contained in part 23 have gradually become more focused on high-performance, turbine-powered airplanes, and this emphasis has become a barrier to the efficient certification and introduction to market of new entry-level, simple airplanes. The Part 23 Reorganization ARC specifically noted that current part 23 does not have appropriate standards for the certification of entry-level airplanes.

The FAA proposes to define ''simple airplanes'' in § 23.5 to recognize the entry-level airplane. Simple airplanes would be limited to airplane designs that allow transport of no more than one passenger (in addition to the pilot), are limited to VFR operations, and have both a low top speed and a low stall speed. These airplanes are similar to EASA's Certification Specification—Very Light Aeroplanes (CS–VLA), which are currently imported to the U.S. and certificated as special class airplanes in accordance with 14 CFR 21.17(b). The proposed change would allow these airplanes to be certified as normal category airplanes under part 23.

The FAA believes that permitting certification of simple airplanes would allow more certified entry-level airplanes to enter the marketplace. The FAA expects simple airplanes to be a more basic sublevel within proposed certification level 1, but recognizes that because of similarities between simple and non-simple airplanes within certification level 1, creating this category may be unnecessary. For this reason, the FAA is specifically asking for comments concerning the utility of creating a separate, simple airplane sublevel.

C. Establishing Performance-Based Standards and the Use of Means of Compliance

The Part 23 Reorganization ARC was aware the Administrator has accepted as evidence of compliance various manufacturers' internal design standards in the past, and the ARC recommended expressly stating that option in the proposal. Proposed § 23.10, Accepted Means of Compliance, would allow individual persons or companies to submit their internal standards as means of compliance for consideration by the Administrator. Proposed § 23.10 would also require an applicant to show the FAA how it would demonstrate compliance with this part using a means of compliance, which may include consensus standards accepted by the Administrator. It would further require an applicant requesting acceptance of a means of compliance to provide the means of compliance to the FAA in a form and manner specified by the Administrator. In addition, proposed § 23.10 specifically recognizes the use of consensus standards as a means of compliance that could be acceptable to the Administrator. If this information is proprietary in nature, it would be afforded the same protections as are applied today in certification applications submitted under 14 CFR part 21.

The phrase ''means of compliance'' may have different connotations depending on its context. Historically, the FAA has treated an applicant's demonstration of compliance as a means of compliance. Alternatively, as indicated by sec. 3(b)(4) of the *SARA,* consensus standards may constitute a means of compliance that can address new and novel designs and technologies. In other words, as suggested by the SARA, an applicant would develop a design to satisfy a performance-based standard, and the design is the means of complying with the standard.

Currently, an applicant for a type certificate must show the FAA how it satisfies the applicable airworthiness standards. The applicant submits the type design, test reports, and computations necessary to show compliance. The applicant approaches the FAA and enters into negotiations regarding what constitutes an adequate demonstration—testing or analysis. The FAA anticipates that, under the proposed framework, standards developed by consensus standards bodies would provide a pre-existing means by which any applicant may demonstrate compliance with the corresponding performance-based requirements. For example, the proposed fuel system requirements would be broad enough to certificate airplanes with electric propulsion systems in which batteries and fuel cells are used as fuel. Airplanes incorporating these systems cannot currently be certificated without applying for special conditions or exemptions.

Elements of this proposal are already in place today. Industry standards bodies like RTCA, SAE, ASTM, and the European Organization for Civil Aviation Equipment (EUROCAE) have already developed detailed means of compliance documents that an applicant for a type certificate may use to demonstrate compliance with our regulatory requirements in 14 CFR parts 23, 25, 27, and 29. For decades, the FAA has identified these means of compliance documents as an acceptable means of complying with our regulatory requirements. This proposal would build on and expand this aspect of our regulations by also transitioning part 23 towards a regulatory framework based on performance standards.

D. Crashworthiness as an Illustration of the Benefits of Performance-Based Regulations

One area where the implications of a change from prescriptive to performance-based requirements are most evident is in the demonstration of crashworthiness. The current part 23 crashworthiness and occupant safety requirements are based on seat and restraint technology used in the 1980's. Currently, an applicant demonstrates crashworthiness by a sled test. Under the proposed standards, an applicant would not necessarily have to perform a sled test, but could instead employ a different method accounting for many other factors, several of which are described below. The FAA is imposing no new requirements, but would, under this proposal, provide greater flexibility to adopt new safety-testing methodologies and, ultimately, more advanced safety technologies.

The FAA proposes to allow greater flexibility with respect to the testing and demonstration, similar to advancements made in the automotive industry over the past 30 years. The proposed regulations would facilitate evaluation of the entirety of a crashworthiness system—namely, the interaction of all crashworthiness features—rather than requiring an evaluation of discrete, individual parameters. A system's ability to protect occupants can be better understood by evaluating it as a complete system, and using that greater understanding to develop and implement new technologies. Such an evaluation could include analyses of important survivability factors identified by the NTSB, including occupant restraints, survivable volume, energy-absorbing seats, and seat retention. These proposed crashworthiness standards would not necessarily prevent accidents, but should improve survivability.

The NTSB produced a series of reports in the 1980s that evaluated over 21,000 GA airplane crashes between 1972 and 1981. The NTSB General

Aviation Crashworthiness Project [15] evaluated airplane orientation, impact magnitudes, and survival rates and factors to provide information supporting changes in crashworthiness design standards for GA seating and restraint systems. The NTSB reports also established conditions approximating survivable accidents and identified factors that would have the largest impact on safety. Amendment 23–36 (53 FR 30802, August 15, 1988) to part 23 referenced these reports for dynamic seats but did not adopt a systems-evaluation approach.

The NTSB reports identified several factors that, working together as a system, should result in a safer airplane. The assessment also indicated, however, that shoulder harnesses offer the most immediate individual improvement for safety. The FAA codified the shoulder harnesses requirement in amendments 23–19 (42 FR 20601, June 16, 1977) and 23–32 (50 FR 46872, November 13, 1985) for newly manufactured airplanes. The FAA also issued policy statement ACE–00–23.561–01, Methods of Approval of Retrofit Shoulder Harness Installations in Small Airplanes,[16] dated September 19, 2000, to streamline the process for retrofitting older airplanes. Current part 23 requires occupant restraints to maintain integrity, stay in place on the occupant throughout an event, properly distribute loads on the occupant, and restrain the occupant by mitigating interaction with other items in the cabin. Newer technologies that enhance or supplement the performance of these restraints, such as airbags, are now being considered for inclusion in designs. The use of airbags has greatly increased passenger safety in automobiles, by offering protection in much more severe impacts and in impacts from multiple directions. The proposed performance standards would enable the use of these technologies.

Survivable volume is another critical factor in crashworthiness. Survivable volume is the ability of the airframe to protect the occupants from external intrusion, or the airplane cabin crushing during and after an accident. There were several observed accidents in the NTSB study where conventional airplane construction simply crushed an otherwise restrained occupant. Crashworthiness regulations have never included survivable volume as a factor, except in some instances in which an airplane turns over. Airplane designs should provide the space needed for the protection and restraint of the occupants. This is one of the first steps in the analysis of airplane crashworthiness.

Data from the NTSB General Aviation Crashworthiness Project suggested that energy-absorbing seats that protect the occupant from vertical impact loads could enhance occupant survivability and prevent serious injury, thereby enhancing odds for exiting the airplane and preventing many debilitating long-term injuries. The FAA established dynamic seat testing requirements in amendment 23–36 for airplanes certificated under part 23. Energy absorbing seats have a smaller impact than some other safety factors because accident impacts with large vertical components tend to have lower odds of survival. Nevertheless, energy attenuation from vertical forces, both static and dynamic, has been important to crashworthiness regulations for the past 25 years. Seats may crush or collapse, but must remain attached to the body of the airplane. Coupling the seat performance to the rest of the airframe response is important to the enhancement and understanding of occupant survivability. The FAA believes allowing designers to consider airframe deformation would result in more accurate floor impulses, which relate to simulated crash impact, and may allow for evaluation for crash impulses in multiple directions.

The NTSB also identified seat retention as another basic building block for airplane crashworthiness. The NTSB reports show more than a quarter of otherwise-survivable accidents included instances where the seats broke free at the attachment to the airplane, resulting in fatalities or serious injuries. Dynamic seat testing requirements address the ability of seat assemblies to remain attached to the floor, even when the floor shifts during impact. Pitching and yawing of the seat tracks during dynamic seat tests demonstrates the gimbaling and flexibility of the seat.

The FAA believes that, under this proposal, all of these crashworthiness factors could be incorporated into future testing methodologies and thereby increase the survivability of accidents in part 23 certificated airplanes. This proposed part 23 amendment would authorize design approval applicants to use these technologies and testing methodologies to enhance occupant safety.

E. Additional Requirements To Prevent LOC

LOC continues to be the leading cause of fatal GA accidents. The FAA identified 74 accidents caused by stall or LOC between January 2008 and December 2013. These accidents, which are listed in Appendix IV of the Part 23 Regulatory Evaluation,[17] represent the type of accidents that could be prevented by the proposed new stall and LOC requirements.

The FAA proposes to add requirements in §§ 23.200 and 23.215 to prevent LOC accidents. Inadvertent stalls resulting in airplane LOC cause a large number of small airplane fatal accidents. These LOC accidents in the traffic pattern or at low altitudes often result in fatalities because the airplane is too low to the ground for the pilot to recover control. The FAA therefore believes it can improve safety by requiring applicants to use new approaches to improve airplane stall characteristics to prevent such accidents.

Another type of low-speed LOC accident that occurs in significant numbers involves V_{MC} in light twin-engine airplanes. Virtually all twin-engine airplanes have a V_{MC} that allows directional control to be maintained after one engine fails. This speed is typically above the stall speed of the airplane. However, light twin-engine airplanes also typically have limited climb capability on one engine. Moreover, after the failure of one engine, pilots often instinctively tend to try to maintain a climb or maintain altitude, which slows the airplane down. If the speed drops below V_{MC}, the pilot can lose control of the airplane. Because pilots tend to be more aware of the airplane's stall speed, the FAA proposes in § 23.200 that certification levels 1 and 2 multiengine airplanes would be required to have a V_{MC} that does not exceed the stall speed of the airplane for each configuration. The FAA believes this proposed requirement would provide a higher level of safety than current § 23.149. The FAA requests comments on this proposal.

The FAA also proposes new requirements in § 23.215 for airplane stall characteristics and stall warning that would result in airplane designs more resistant to inadvertently stalling and departing controlled flight. These proposed requirements would increase the level of safety over the current requirements. At the same time, the FAA proposes to eliminate the spin recovery requirement in the current rules for normal category airplanes. The FAA believes the spin recovery requirement is unnecessary for normal category airplanes because the vast

[15] See *www.regulations.gov* (Docket # FAA–2015–1621).

[16] See *www.regulations.gov* (Docket # FAA–2015–1621).

[17] See *www.regulations.gov* (Docket # FAA–2015–1621).

majority of inadvertent stalls leading to spin entry occur below a safe altitude for spin recovery. However, airplanes certificated for aerobatics would still have to meet spin recovery requirements.

The FAA also proposes to address pilot stall awareness by requiring warnings that are more effective and by allowing new approaches to improve pilot awareness of stall margins. These warnings could be as simple as angle of attack or energy awareness presentations, or sophisticated envelope protection systems that add a forward force to the pilot's controls as the airplane speed and attitude approach stall.

F. Additional Requirements for Flight in Icing Conditions

The FAA proposes to implement the Part 23 Icing ARC's recommendations in §§ 23.230, 23.940 and 23.1405, to allow an applicant the option of certifying an airplane to operate in SLD icing conditions. To do so, an applicant would be required to meet the same safety standards in SLD icing conditions as currently demonstrated for part 23 airplanes in the icing conditions defined in appendix C to part 25.

Currently, the FAA does not certify part 23 airplanes to operate in SLD icing conditions, also known as freezing drizzle and freezing rain. Instead, current part 23 icing regulations require airplane performance, flight characteristics, systems, and engine operation to be demonstrated in the icing conditions defined in appendix C to part 25, which does not contain SLD icing conditions. In 2012, prior to the Part 23 Reorganization ARC, the Part 23 Icing ARC recommended revising part 23 to include SLD icing requirements in subparts B, E, and F (Flight, Powerplant, and Equipment, respectively).

If an applicant chooses not to certify an airplane in SLD icing conditions, proposed § 23.230 would require the applicant to demonstrate that SLD icing conditions could be detected and safely exited. A means of compliance for SLD detection and exit may be found in FAA Advisory Circular 23.1419–2D, Certification of Part 23 Airplanes for Flight in Icing Conditions.[18] The service history of airplanes certificated under part 23 and certified to the latest icing standards has shown that AC 23.1419–2D provides an adequate level of safety for detecting and safely exiting SLD icing conditions. Industry has indicated that these requirements would not impose an additional burden because many manufacturers have already equipped recent airplanes to meet the standards for detecting and exiting SLD in accordance with current FAA guidance. Proposed § 23.230, along with proposed § 23.940, Powerplant ice protection, and § 23.1405, Flight in icing conditions, and their respective means of compliance, address NTSB safety recommendations A–96–54 and A–96–56. The following table provides a summary of the proposed icing regulations.

PROPOSED ICING REGULATIONS

Part 23 type certificate limitations	Engine protection (§ 23.940)	Airframe and system protection, performance and flight characteristics requirements (§§ 23.230, 23.1300, and 23.1405)
Not certified for flight in icing conditions	Safe in part 25, App C conditions, ground ice fog, and falling/blowing snow.	None, except pitot heat required if airplane certified for flight in instrument meteorological conditions (IMC).
Certified for flight in icing conditions, but prohibited for flight in SLD.	Safe in part 25, App C conditions, ground ice fog, and falling/blowing snow.	Safe in part 25, App C conditions. Can detect SLD and safely exit.
Certified for flight in icing conditions and SLD	Safe in part 25, App C conditions, ground ice fog, and falling/blowing snow, and SLD.	Safe in part 25, App C conditions and SLD.

G. Production of Replacement and Modification Articles

The Part 23 Reorganization ARC recommended simplifying certification requirements for non-required systems and equipment, with an emphasis on improvement in overall fleet safety from the prevailing level. In the past, the FAA has not established different production requirements for required and non-required equipment that may enhance safety, or for articles whose improper operation or failure would not cause a hazard. The current requirements for producing articles and representing those articles as suitable for installation on type-certificated products are well suited for articles manufactured in accordance with a product's TC or STC, as well as for TSO and PMA parts. However, they may unnecessarily constrain the production of non-required, low risk articles.

Current standards for the production approval of these articles can create a barrier for their installation in the existing fleet of aircraft. Examples of such articles include carbon monoxide detectors, weather display systems, clocks, small hand-held fire extinguishers, and flashlights. In many cases, these articles are ''off-the-shelf'' products. It is frequently difficult for a person to install these articles on a type-certificated aircraft because the level of design and production details necessary for these articles to meet the provisions of current § 21.9, as expected for more critical articles, are frequently unavailable.

The FAA is therefore proposing to revise § 21.9, Replacement and Modification Articles, to provide applicants with an alternative method to obtain FAA approval to produce replacement and modification articles. This proposed change would allow a production approval applicant to submit production information for a specific article, without requiring the producer of the article to obtain approval of the article's design or approval of its quality system. The FAA intends to use the flexibility provided by this proposal to streamline the approval process for non-required safety enhancing equipment and other articles that pose little or no risk to aircraft occupants and the public. The FAA requests comments on this proposal, and particularly is interested in comments regarding whether the proposed change would safely facilitate retrofit of low risk articles and whether there are alternative methods to address the perceived retrofit barrier.

V. Key Terms and Concepts Used in This Document

The proposal includes a number of terms introduced into the regulations for the first time. These terms may be used

[18] See *www.regulations.gov* (Docket # FAA–2015–1621).

to replace existing prescriptive requirements or may explain other terms that have had longstanding use in the aircraft certification process, but in context of this rulemaking proposal, the FAA wants to specify its meaning. These terms are intended to set forth and clarify the safety intent of the proposed rules. Although certain terms may differ from those currently in use, these differences are not intended to increase the regulatory burden on an applicant unless specifically stated. The FAA's intent is that the proposed requirements incorporating these new terms not change the intent, understanding, or implementation of the original rule unless that requirement has been specifically revised in the proposal, such as is the case for requirements governing stall characteristics. To assist applicants in understanding the intent of the proposal, these terms are discussed below:

Airplane Certification Level—A division used for the certification of airplanes that is associated directly with the number of passengers on the airplane. Airplane certification levels would be established to implement the agency's concept of certificating airplanes using a process that recognizes a safety continuum.

Airplane Performance Level—Maximum airspeed divisions that are intended, along with airplane certification levels, to replace current weight and propulsion divisions used for the certification of airplanes. Current propulsion-based divisions assume that piston engine airplanes are slower than turbine-powered airplanes. Current weight-based divisions assume that heavier airplanes are more complex and would be more likely to be used in commercial passenger carriage than lighter airplanes. These assumptions are no longer valid. Airplane certification based on performance levels would apply regulatory standards appropriate to airplane's performance and complexity.

Departure Resistant—For the purposes of this NPRM, departure resistant refers to stall characteristics that make it very difficult for the airplane to depart controlled flight. Most fatal stall or spin accidents start below 1000 feet above ground level and do not actually spin, but start a yawing and rolling maneuver to enter the spin called a post stall gyration. In these low-altitude accidents, the airplane typically hits the ground before completing one turn. Therefore, the important safety criterion is preventing the airplane from exhibiting stall characteristics that could result in a departure from controlled flight.

Entry-Level Airplane—A two or four-place airplane typically used for training, rental, and by flying clubs. Historically, most of these airplanes have four cylinder engines with less than 200 horsepower. These airplanes typically have fixed-gear and fixed-pitch propellers, but may also have retractable landing gear and constant speed propellers. Entry-level airplanes typically cannot be used to train pilots to meet the requirements to operate a complex aircraft, as that term is defined for airman certification purposes.

Equivalent Level of Safety (ELOS) Finding—A finding made by the accountable aircraft certification directorate when literal compliance with a certification requirement cannot be shown and compensating factors in the design can be shown to provide a level of safety equivalent to that established by the applicable airworthiness standard.

Fuel—Any source used by the powerplant to generate its power.

Hazard—Any existing or potential condition that can lead to injury, illness or death; damage to or loss of a system, equipment, or property; or damage to the environment. A hazard is a condition that is a prerequisite to an accident or an incident. (Cf. Order VS 8000.367, Appendix A)

Issue Paper—A structured means for describing and tracking the resolution of significant technical, regulatory, and administrative issues that occur during a certification project. The issue paper process constitutes a formal communication vehicle for addressing significant issues among an applicant, the FAA, and if applicable, the validating authority (VA) or certificating authority (CA) for type validation programs. An issue paper may also be used to address novel or controversial technical issues.

Means of Compliance—A documented procedure used by an applicant to demonstrate compliance to a performance or outcome-based standard. Similar to an Advisory Circular (AC), a means of compliance is one method, but not the only method, to show compliance with a regulatory requirement. Additionally, if a procedure is used as a means of compliance, it must be followed completely to maintain the integrity of the means of compliance.

Performance- or Outcome-Based Standard—A standard that states requirements in terms of required results, but does not prescribe any specific method for achieving the required results. A performance-based standard may define the functional requirements for an item, operational requirements, or interface and interchangeability characteristics.

Pilot or Flightcrew—This is used generically throughout the proposed part 23 because part 23 has airplanes approved for single pilot operations as well as and two flightcrew members. For most airplanes certificated under part 23 that are single pilot, applicants should consider pilot and flightcrew to be interchangeable.

Prescriptive Design Standard—Specifies a particular design requirement, such as materials to be used, how to perform a test, or how an item is to be fabricated or constructed. (Cf. OMB Circular A–119 Section 5.f.)

Safety Continuum—The concept that one level of safety is not appropriate for all aviation activities. Accordingly, higher levels of risk, with corresponding requirements for less rigorous safety demonstrations for products, are accepted as aircraft are utilized for more personal forms of transportation.

Survivable Volume—The airplane cabin's ability to resist external intrusion or structural collapse during and after impact. The ability to resist is usually represented as a stiffer design around the cabin (not unlike a racecar roll cage) that is generally stronger than the surrounding structure. While the airframe may deform or disintegrate and attenuate impact energy, the cabin of the airplane will still maintain its integrity and protect the occupants restrained within. During otherwise survivable accident scenarios, including rollover, this structure should maintain its shape under static and dynamic loading conditions.

VI. Discussion of the Proposed Regulatory Amendments

A. Part 23, Airworthiness Standards

1. Subpart A—General

a. General Discussion

The FAA proposes eliminating the utility, acrobatic, and commuter categories for future airplanes certificated under part 23. The FAA also proposes to change from weight and propulsion divisions to performance and risk divisions. This would address the wide range of airplanes to be certificated under part 23 and enhance application of the safety continuum approach. Appendix 1 of this preamble contains a cross-reference table detailing how the current regulations are addressed in the proposed part 23 regulations.

b. Specific Discussion of Changes

i. Proposed § 23.1, Applicability and Definition

Proposed § 23.1 would prescribe airworthiness standards for the issuance of type certificates, and changes to those certificates, for airplanes in the normal category. Current § 23.3, Airplane categories, defines normal category as airplanes that have a seating configuration, excluding pilot seats, of nine or less, a maximum certificated takeoff weight of 12,500 pounds or less, and intended for nonacrobatic operation. Proposed § 23.1 would delete references to utility, acrobatic, and commuter category airplanes, and paragraph (b) would not include the current reference to procedural requirements for showing compliance. The reference to procedural requirements for showing compliance is redundant with the requirement in § 21.21, Issue of type certificate: Normal, utility, acrobatic, commuter, and transport category aircraft; manned free balloons; special classes of aircraft; aircraft engines; propellers, to show compliance. Proposed § 23.1 would also add three definitions specific to part 23: (1) Continued safe flight and landing, (2) designated fire zone, and (3) empty weight.

ii. Proposed § 23.5, Certification of Normal Category Airplanes

Proposed § 23.5 would apply certification in the normal category to airplanes with a passenger-seating configuration of 19 or less and a maximum certificated takeoff weight of 19,000 pounds or less. Proposed § 23.5 would also establish certification levels based on the passenger seating configuration and airplane performance levels based on speed.

The diversity of airplanes certificated under part 23 is large relative to performance, numbers of passengers, complexity, technology, and intended use. Airplane certification requirements under part 23 are currently determined using a combination of weight, numbers of passengers, and propulsion type. These divisions historically were appropriate because there was a clear relationship between the propulsion and weight of the airplane and its associated performance and complexity. Recent technological developments have altered the dynamics of this relationship. High-performance and complex airplanes now exist within the weight range that was typical for light and simple airplanes. Furthermore, current part 23 has evolved to meet the additional regulatory requirements resulting from the introduction of high-performance airplanes. This has resulted in the introduction of more stringent and demanding requirements in the lower weight airplanes such as the use of 14 CFR part 25 based requirements for simple, single-engine turbine airplanes. The result is that some of the current requirements have become more demanding for simple and low-performance airplanes.

The FAA proposes replacing the current part 23 weight and propulsion divisions because they were based on assumptions that do not always fit the large diversity of airplane performance, complexity, technology, intended use, and seating capacity encompassed in today's new airplane designs. Also, the current divisions may not be appropriate to address unforeseen designs of the future. The commuter category, originally intended for the certification of airplanes over 12,500 pounds and up to 19 passengers, is currently used for larger business jets with less than ten passengers. The proposed certification and performance level approach, while different from the current divisions, would capture the safety intent of part 23 more appropriately than the current propulsion and weight divisions.

The FAA proposes replacing the current divisions with specific technical and operational capabilities by addressing, for example, stall speed, VFR/IFR operation, pressurization, etc., that represent the actual technical drivers for current prescriptive requirements. These types of design specific technical and operational criteria would be more appropriate for a means of compliance document where a complete range of airplane designs could be addressed. The FAA proposes that high-speed, multiengine airplanes and multiengine airplanes over 12,500 pounds should continue meeting the equivalent commuter category performance-based requirements. The proposed performance requirements would be based on number of passengers (certification level) and airplane performance (performance level); not weight or propulsion type.

The FAA proposes to eliminate commuter, utility, and acrobatic airplane categories in part 23, retaining only normal category for all new part 23 type certificated airplane design approvals. The FAA believes this action would not affect the existing fleet of small airplanes. For example, the commuter category was originally introduced into part 23 to apply to a 10 to 19 passenger, multiengine airplane, operated in scheduled service under 14 CFR parts 121 and 135. However, new airplanes certified under part 23 can no longer be used in scheduled service under part 121 because § 121.157, Aircraft certification and equipment requirements, paragraph (h), requires a part 25 certification for newly type certificated airplanes. The majority of airplanes recently certified in the commuter category are multiengine business jets. Additionally, the certification category of commuter can be confused with the same term in the operating rules because the term is defined differently in the certification and operation rules. The FAA recognizes that moving away from weight and propulsion divisions would result in changes for the criteria used to determine when to apply the existing commuter category certification requirements using the numbers of passenger seats (excluding crewmember seats), performance, and technical divisions proposed in this NPRM. The FAA proposes the following airplane certification levels:

- Level 1—for airplanes with a maximum seating configuration of 0 to 1 passengers.
- Level 2—for airplanes with a maximum seating configuration of 2 to 6 passengers.
- Level 3—for airplanes with a maximum seating configuration of 7 to 9 passengers.
- Level 4—for airplanes with a maximum seating configuration of 10 to 19 passengers.

The differences between normal, utility, and acrobatic categories are currently very limited and primarily affect airframe structure requirements. Proposed part 23 would still allow a normal category airplane to be approved for aerobatics provided the airplane was certified to address the factors affecting safety for the defined limits for that kind of operation. Currently, the utility category provides airplanes additional margin for the more stringent inertial structural loads resulting from intended spins and the additional maneuvers stated in the requirements of the utility category in § 23.3(b). The FAA proposes that airplanes approved for spins be certificated to aerobatic standards. An airplane designed with traditional handling qualities and designed to allow spin training is more susceptible to inadvertent departure from controlled flight. The FAA believes that maintaining the current utility category for airplanes approved for spins and limited aerobatic maneuvers would negate the single largest safety gain expected from this rulemaking action—the significant reduction in inadvertent stall-related departures from controlled flight.

Proposed § 23.5(c) would categorize the performance level of an airplane as low speed or high speed. The combination of certification levels and performance levels is intended to

provide divisions that address the actual safety concern of occupant numbers and performance, for example, future designs using novel propulsion methods. The FAA proposes the following airplane performance levels:

- Low speed—for airplanes with a design cruising speed (V_C) or maximum operating limit speed (V_{MO}) ≤ 250 KCAS (or M_{MO} ≤ 0.6).
- High speed—for airplanes with a V_C or V_{MO} > 250 KCAS (or M_{MO} > 0.6).

Proposed § 23.5(d) would identify a simple airplane as one with a certification level 1, a V_C or V_{MO} ≤ 250 KCAS (and M_{MO} ≤ 0.6), and a V_{SO} ≤ 45 KCAS, and approved only for VFR operations. The FAA proposes a simple airplane as equivalent to airplanes certificated under EASA's current CS–VLA. In most cases, EASA's CS–VLA requirements are identical to the proposed corresponding part 23 requirements and have been proposed in the requirements for certification level 1 airplanes. The FAA considered using the CS–VLA standards in combination with the proposed part 23 certification standards for all certification level 1, low-speed airplanes. However, the FAA believes that there are several requirements in CS–VLA that are not appropriate for all certification level 1, low-speed airplanes, such as no requirement for a type certified engine in CS–VLA. Therefore, the FAA proposes creating a limited certification and performance level for simple airplanes. Simple airplanes would be a subset of certification level 1, low-speed airplanes and would have a V_{SO} ≤ 45 KCAS and would only be approved for VFR operations.

In accordance with the FAA's objective to remove weight and propulsion divisions from the rules and use performance and certification divisions, the proposed requirements applicable to the certification of simple airplanes would not completely conform to the criteria EASA uses to certificate very light airplanes. The FAA proposes that simple airplanes would constitute a subset of certification level 1, low-speed airplanes that would be required to have a low stall speed limit and a VFR limitation in order to maintain a level of safety appropriate for these airplanes. The FAA believes that creating the simple certification level would encourage manufacturers of light-sport and experimental aircraft kits to pursue type certificates for their airplane designs without encountering the administrative, procedural or regulatory barriers existing in current part 23, while allowing innovative technology in those designs.

The FAA considered allowing airplanes that meet the consensus standards applicable to the certification of special light-sport aircraft to be included in proposed part 23. However, the FAA decided that this would not be in the best interest of the GA community because it could result in the elimination of the special light-sport aircraft category. There are advantages in the certification of special light-sport aircraft, such as self-certification, that would not be available if the aircraft were type certificated under part 23. This proposal would instead enable a simpler path to part 23 certification for airplanes that meet the definition of a light-sport aircraft and wish to pursue a type of certificate for business reasons.

The FAA expects simple airplanes to be more basic than the proposed certification level 1, low-speed airplanes. A simple airplane is a certification level 1, low-speed airplane with a stall speed limit of 45 KCAS that would be limited to VFR operations. The FAA recognizes that a simple airplane level would have characteristics very similar to certification level 1, low-speed airplanes, and that creating this category may be unnecessary. For this reason, the FAA is specifically asking for comments concerning the value of creating a separate, simple airplane level.

iii. Proposed § 23.10, Accepted Means of Compliance

Proposed § 23.10 would require an applicant to show the FAA how it would demonstrate compliance with this part using a means of compliance, which may include consensus standards, accepted by the Administrator. Proposed § 23.10 would also require an applicant requesting acceptance of a means of compliance to provide the means of compliance to the FAA in a form and manner specified by the Administrator.

Proposed § 23.10 would create flexibility for applicants in developing means of compliance and also specifically identify consensus standards as a means of compliance the Administratory may find acceptable. The Part 23 Reorganization ARC proposed using consensus standards for the detailed means of compliance to the fundamental safety requirements in proposed part 23. As discussed in the International Harmonization Efforts section of this NPRM, the intent of this proposal is to create a regulatory architecture for part 23 that is agile enough to keep up with innovation. Allowing the use of consensus standards would accomplish this goal.

The Part 23 Reorganization ARC recommended creating this proposed section to identify specifically the means of compliance documents developed by industry, users such as large flight schools, the interested public, and the FAA, that an applicant could use in developing a certification application. The ARC expressed two concerns that led to the creation of the proposed requirement. First, applicants need to use a means of compliance accepted by the Administrator when showing compliance to part 23. Second, while a consensus standards body (*i.e.,* ASTM, SAE, RTCA, etc.) developed means of compliance document may be available, individuals or organizations may also submit their own means of compliance documentation to the Administrator for consideration and potential acceptance. Additionally, the FAA wants to ensure applicants understand that an applicant-developed means of compliance document would require FAA review and acceptance by the Administrator.

The FAA anticipates that individuals or organizations would develop acceptable means for complying with the proposed performance standards. A standards organization such as ASTM, for example, could generate a series of consensus-based standards for review, acceptance, and public notice of acceptance by the FAA. The ASTM standards could be one way, but not the only way, to demonstrate compliance with part 23. Other consensus standard bodies such as RTCA and SAE are currently focused on developing standards for aircraft components and appliances.

The proposed airworthiness standards would allow airplanes to be certificated at different airplane certification levels. For example, software integrity levels appropriate for a certification level 1 airplane may not be appropriate for a certification level 4 airplane. Additionally, the takeoff performance of an airplane might be evaluated differently for an airplane intended to be certificated at different airplane certification levels. An applicant seeking certification of a certification level 1 airplane with a takeoff distance of 200 feet, for example, would not need to establish the takeoff distance with the same degree of accuracy as would an applicant seeking certification of a certification level 4 high-speed airplane with a takeoff distance of 4,000 feet.

By using means of compliance documents to show compliance with the proposed performance-based rules, the need for special conditions, ELOS

findings, and exemptions to address new technology advancements would diminish. Once the Administrator accepted a means of compliance, it may be used for future applications for certification unless formally rescinded. Allowing the use of consensus standards as a means of compliance to performance-based regulations would provide the FAA with the agility necessary to more rapidly accept new technology, leverage industry expectations in the development of new means of compliance documents, and provide for the use of harmonized means of compliance among the FAA, industry, and foreign CAAs. While an applicant would not be required to use previously accepted means of compliance documents, their use would streamline the certification process by eliminating the need to develop an issue paper to address the certification of new technology. Proposed AC 23.10,[19] Accepted Means of Compliance, would provide guidance for applicants on the process applicants would follow to submit proposed means of compliance to the FAA for consideration by the Administrator.

The Part 23 Reorganization ARC expressed concerns that a consensus standard could be biased in favor of a few large manufacturers and would create an unfair competitive advantage. The FAA notes that any interested party may participate in the ASTM committees developing consensus standards thereby, mitigating this concern. The FAA expects that other consensus standards bodies would allow similar opportunities for interested parties to participate in their standards development work. Additionally, any individual or organization could develop its own means of compliance and submit it to the FAA for acceptance by the Administrator. The other risk identified by the Part 23 Reorganization ARC was that specialists in the industry could argue for complex means of compliance when the FAA would accept a simpler or more cost effective approach. However, the FAA would continue to allow applicants to propose their own means of compliance when the larger industry standard may be the appropriate level of safety for one, but not all certification levels. Lastly, the FAA intends to continue to allow the use of the current prescriptive means of compliance contained in current part 23 requirements as one obvious alternative to showing compliance with proposed part 23. This would not apply to the proposed sections that contain new requirements, such as §§ 23.200, 23.215, and 23.230.

The Part 23 Reorganization ARC also was aware the Administrator has accepted various manufacturers' internal standards in the past and recommended having that option stated in the proposal. Proposed § 23.10 would allow applicants to submit their internal standards as means of compliance for consideration by the Administrator.

iv. Removal of Subpart A Current Regulations

The FAA proposes removing current § 23.2, Special retroactive requirements, from part 23 because the operational rules currently address these requirements. The current retroactive rule is more appropriate in the operating rules. The FAA proposes amending 14 CFR part 91, as discussed later in the Discussion of the Proposed Regulatory Amendments to ensure removing the current § 23.2 requirement would not affect the existing fleet.

2. Subpart B—Flight

a. General Discussion

The FAA proposes moving away from the current stall characteristics and spin testing approach to address the largest cause of fatal accidents in small airplanes. Proposed § 23.215 in subpart B would omit the one turn/three second spin requirement for normal category airplanes, but it would increase the stall handling characteristics and stall warning requirements so the airplane would be substantially more resistant to stall-based departures than the current rules require.

The FAA also proposes eliminating the utility, acrobatic, and commuter categories in part 23. Accordingly, a new airplane would have to be approved for aerobatic loads as the normal category, even if an applicant only wanted to spin the airplane. Therefore, the FAA proposes to restrict certification of new airplanes for dual use, which can be done today using both the normal and utility categories. The FAA believes that if the airplane can spin for spin training, then the airplane can inadvertently stall and depart into a spin during normal operations. One of the FAA's goals is to prevent inadvertent stalls, so allowing airplanes that are commonly used as rental airplanes to spin would defeat the goal. However, the FAA would consider accepting a dual-purpose airplane if the airplane manufacturer provided a system that could be changed mechanically or electronically from normal to aerobatic as a maintenance function rather than controlled by the pilot.

The FAA proposes consolidating the performance requirements for high-speed multiengine airplanes and multiengine airplanes that weigh over 12,500 pounds. These airplanes are currently required to meet a series of one-engine-inoperative climb gradients. These climb gradients were based on part 25 requirements and intended for commuter category airplanes used in scheduled air service under parts 135 and 121. New airplanes certificated under part 23 are not eligible for operation in scheduled service under part 121, diminishing the utility of the commuter category for these airplanes.

More recently, part 23 multiengine jets intended to be used under parts 91 or 135 have been certificated in the commuter category, using part 25 based climb gradient requirements. In the spirit of the proposed rule change, the FAA has decided that the one-engine-inoperative climb requirements would be independent of the number of engines and some of the original requirements would be consolidated into a single requirement that would require performance very close to what is required today. This action intends to maintain the performance capabilities expected in 14 CFR part 135 operations.

The FAA proposes changes in the flight characteristics rules to keep the safety intent of the existing requirements consistent with the other proposed part 23 sections. The current part 23 requirements are based on small airplanes, designed with reversible controls, which include some accommodations for stability augmentation and autopilots. The FAA believes the proposed language would capture the current requirements for flight characteristics and allows for varying degrees of automated flight control systems in the future.

Finally, the FAA proposes adding a requirement to require certification levels 1 and 2 multiengine airplanes, not capable of climbing after a critical loss of thrust, to stall prior to reaching the minimum directional control speed (V_{MC}).

b. Specific Discussion of Changes

i. Proposed § 23.100, Weight and Center of Gravity

Proposed § 23.100 would require an applicant to determine weights and centers of gravity that provide limits for the safe operation of the airplane. Additionally, it would require an applicant to show compliance with each requirement of this subpart at each combination of weight and center of

[19] See *www.regulations.gov* (Docket # FAA–2015–1621).

gravity within the airplane's range of loading conditions using tolerances acceptable to the Administrator. Proposed § 23.100 would also require the condition of the airplane at the time of determining its empty weight and center of gravity to be well defined and easily repeatable.

Proposed § 23.100 would capture the safety intent of current §§ 23.21, Proof of compliance; 23.23, Load distribution limits; 23.25, Weight limits; 23.29, Empty weight and corresponding center of gravity; and 23.31, Removable ballast. This proposed section would ensure an applicant considers the important weight and balance configurations that influence performance, stability, and control when showing compliance with the flight requirements. The main safety requirements of current §§ 23.21–23.31 are located in current §§ 23.21 and 23.23. Current § 23.21 allows for a range of loading conditions shown by test or systematic investigation. The proposed rule would still allow for this flexibility, including the tolerances for flight test. Sections 23.25–23.31 provide definitions and directions for determining weights and centers of gravity and provides directions for informing the pilot. For these reasons, the information in these sections is more appropriate as a means of compliance.

ii. Proposed § 23.105, Performance

Proposed § 23.105 would require an airplane to meet the performance requirements of this subpart in various conditions based on the airplane's certification and performance levels for which certification is requested. Proposed § 23.105 also would require an applicant to develop the performance data required by this subpart for various conditions, while also accounting for losses due to atmospheric conditions, cooling needs, and other demands on power sources. Finally, proposed § 23.105 would require the procedures used for determining takeoff and landing distances to be executed consistently by pilots of average skill in atmospheric conditions expected to be encountered in service.

Proposed § 23.105 would capture the safety intent of current § 23.45, Performance—General. The safety intent of § 23.45(a) is captured in proposed § 23.105(a) and is essentially unchanged from the current rule, except to incorporate the proposed certification levels and speed divisions.

Proposed § 23.105(b) would capture the safety intent of § 23.45(b) by retaining § 23.45(b)(1) requirements and combining § 23.45(b)(2) and (b)(3) and allowing all airplanes to use the cooling climb limits as their upper temperature. The level of safety remains the same as the current part 23 because part 23 airplane pilots only have the limitations identified in the airplane flight manual, including engine temperature limits.

Proposed § 23.105(c) would also capture the safety intent of § 23.45(f). The safety intent of the current rule is to ensure an average pilot can consistently get the same results as published in the Airplane Flight Manual (AFM). The FAA believes this requirement would ensure applicants either perform their performance tests in a conservative manner or add margins and procedures to the AFM performance section so an average pilot can achieve the same performance.

Proposed § 23.105(d) would require performance data to account for losses due to atmospheric conditions, cooling needs, and other demands. The current rule specifies the position of cowl flaps or other means for controlling the engine air supply. The proposed language accounts for airplane performance, if affected by the cooling needs of the propulsion system, which is the safety intent of § 23.45, but would omit the details because they are more appropriate as a means of compliance.

Proposed § 23.105(d) would also capture the safety intent § 23.45(d) and (e). The safety intent of the current rule is to ensure the airplane performance accounts for minimum power available from the propulsion system, considering atmospheric and cooling conditions and accessories requiring power.

iii. Proposed § 23.110, Stall Speed

Proposed § 23.110 would require an applicant to determine the airplane stall speed or the minimum steady flight speed for each flight configuration used in normal operations, accounting for the most adverse conditions for each flight configuration, with power set at idle or zero thrust.

Proposed § 23.110 would capture the safety intent of current § 23.49, Stalling speed. Stall speeds are necessary to define operating and limiting speeds used to determine airplane performance. They also provide a basis for determining kinetic energy in emergency landing conditions. Therefore, determining stall speeds is required in the configurations used in the operation of the airplane.

The FAA proposes removing the 61-knot stall speed division for single-engine airplanes from the rules because this speed has not been a limitation since 1992 with the addition of the options for stall speeds in excess of 61 knots in § 23.562, Emergency landing dynamic conditions. Therefore, the 61-knot stall speed is a technical division rather than a limitation and would be more appropriate as a means of compliance.

The FAA is changing its approach to crashworthiness. Instead of constraining the connection between stall speed and crashworthiness to a single fixed speed, the FAA proposes allowing alternative approaches to crashworthiness. The intent is to encourage incorporation of innovations from other industries to provide more occupant protection in the airframe. This approach would base occupant protection on the actual stall speed rather than a single mandated stall speed.

iv. Proposed § 23.115, Takeoff Performance

Proposed § 23.115 would require an applicant to determine airplane takeoff performance, which includes the determination of ground roll and initial climb distance to 50 feet, accounting for stall speed safety margins, minimum control speeds; and climb gradients. Proposed § 23.115 would also require the takeoff performance determination to include accelerate-stop, ground roll and initial climb to 50 feet, and net takeoff flight path, after a sudden critical loss of thrust for certification levels 1, 2, and 3 high-speed multiengine airplanes, multiengine airplanes with a maximum takeoff weight greater than 12,500 pounds, and certification level 4 multiengine airplanes.

Proposed § 23.115 would capture the safety intent of current §§ 23.51, Takeoff speeds; and 23.61, Takeoff flight path. Takeoff distance information and the associated procedures for achieving those distances are necessary for the safe operation of all airplanes certified under part 23. Proposed § 23.115 would require applicants to determine, develop, and publish distance and procedure data for the pilot to use. The effects of airplane weight, field temperature and elevation, winds, runway gradient, and runway surface also need to be available to the pilot because they affect airplane performance. For proposed simple entry-level airplanes, conservative analysis may supplement flight test while data for larger, higher performance airplanes are expected to provide the level of precision that is accepted today.

Additionally, proposed § 23.115 would require applicants to determine critical thrust loss cases for multiengine airplanes. Today, the loss of one engine on a two-engine airplane is the standard model. The future possibilities for the functions of engines, if different from

thrust, and how the engines are controlled, may determine critical thrust loss. For example, a large number of engines along the leading edge of a wing could function as a high-lift device as well as provide thrust.

Historically, limited propulsion options and the need for inherent stability from reversible, mechanical control systems have restrained airplane configurations. The FAA anticipates that new propulsion systems and affordable electronic flight control systems will challenge these traditional designs and need alternative means of compliance. Speed multiples and factors used in current part 23 prescriptive requirements are based on traditional airplane configurations. Part 23 mandates these details of design for compliance. The FAA believes removing these details would provide applicants with the agility and flexibility to address these new airplane configurations. The current factors will still apply for traditional configurations, but proposed performance-based requirements should allow rapid adoption of new means of compliance for future airplane configurations.

The FAA proposes removing airplane categories and weight and propulsion certification divisions for multiengine jets over 6,000 pounds and replacing them with divisions based on risk and performance. The commuter category, originally intended for the certification of airplanes over 12,500 pounds and up to 19 passengers, is currently used for larger business jets with less than ten passengers. The FAA proposes that high-speed, multiengine and multiengine airplanes over 12,500 pounds should continue meeting the equivalent commuter category performance-based requirements. The historical assumption applied to jets was that they were fast, had high wing loadings, and used significant runway distances for takeoff and landing. Therefore, all jets were required to have guaranteed climb performance with one engine inoperative. This requirement does not currently apply to single engine jets. The proposed performance requirements would be based on number of passengers (certification level) and airplane performance (performance level), not weight or propulsion type. The proposed certification and performance levels approach would not offer a one-to-one relationship with the current requirements. A low-speed turbine-powered airplane may be more appropriately addressed by regulations currently applicable to piston-powered airplanes, while a piston-powered or a high-speed electric airplane may be more appropriately addressed by regulations currently used for the certification of turbine-powered airplanes. The proposed certification and performance level approach, while different from the current divisions, would capture the safety intent of part 23 more appropriately than the current propulsion and weight divisions.

v. Proposed § 23.120, Climb Requirements

Proposed § 23.120 would require an applicant to demonstrate various minimum climb performances out of ground effect, depending on the airplane's certification level, engines, and performance capability. This new provision would capture the safety intent of current §§ 23.65, Climb: All engines operating; 23.67, Climb: One engine inoperative; and 23.77, Balked landing. Minimum climb performance information is necessary so pilots can determine if they have adequate clearance from obstacles beyond the end of the runway. New engine technologies, especially electric, would allow for alternative configurations that would invalidate many of the detailed test configuration and power assumptions that are in the current requirements.

Part 23 currently has a large matrix for all the climb requirements that includes category, weight, and number of engines, resulting in over 20 different climb gradient requirements. This reflects the growth in the variety of different airplane types that has occurred since the certification regulations were first adopted in CAR 3. Because the FAA proposes simplifying these divisions using certification levels and airplane performance levels, it can eliminate required climb gradients for three and four engines. The FAA proposes basing multiengine climb gradients on critical loss for thrust and using the gradient for the current twin-engine airplanes because it has resulted in a safe service history. The FAA proposes replacing the term ''failure of the critical engine'' (which addresses a twin engine airplane) with ''critical loss of thrust'' for airplanes certificated under those provisions. The reason for replacing this term is that with configurations utilizing large numbers of engines, the failure modes may not follow the traditional failure modes as with the loss of one engine on a two-engine airplane. Furthermore, the FAA proposes retaining and consolidating the climb gradients from current § 23.67 because these gradients are important minimum performance requirements for maintaining the current level of safety.

Proposed § 23.120(a) would capture the safety intent of current § 23.65. It would retain the existing climb gradients and atmospheric conditions required for pilot planning.

Proposed § 23.120(b) would capture the safety intent of current § 23.67, and consolidates the weight and propulsion divisions into all engines operating, critical loss of thrust, and balked landing groups. Furthermore, for high-speed airplanes, after a critical loss of thrust, the FAA proposes reducing the number of required climb conditions for certification to one gradient at 400 feet (122 meters) above the takeoff surface. For the typical part 23 certified twin-engine airplane, the required climb gradient at 400 feet (122 meters) above the takeoff surface is generally the most challenging. Airplanes that have the performance to meet this one requirement typically can meet all the current requirements. For certification levels 3 and 4, high-speed multiengine airplanes, the FAA proposes consolidating the configurations currently prescribed for the second segment climb and a discontinued approach. The climb gradient difference between these segments is 0.1 percent and uses the takeoff flap configuration rather than the approach flap configuration. Requiring only one climb gradient at 400 feet (122 meters) above the takeoff surface with the landing gear retracted and flaps in the approach position would maintain the current level of safety while reducing the requirements by eliminating initial, final, and discontinued approach climb tests. Because the proposed requirements would reduce the amount of climb testing for designs intended for use under part 91, applicants would also need to provide the traditional operational performance data, as is currently done, if the design is intended to be used for commercial operations under part 135 operating rules.

The FAA also proposes to normalize the initial climb height to 50 feet (15 meters) above the takeoff surface. The regulations for the certification of commuter category airplanes essentially adopted many of the part 25 climb requirements, including an initial climb height of 35 feet (11 meters) above the takeoff surface. When the commuter category was adopted, the expectation was that these airplanes would be used in part 121 service. This expectation allowed the FAA to accept the part 25 assumption that takeoff distances would be factored; thus, providing a safety margin to offset the lower initial climb height. Part 23 requirements provide minimum safe operations for part 91, which does not require factored takeoff

distances. Therefore, allowing a 35 foot (11 meters) height above the takeoff surface is a lower safety margin than used for smaller airplanes and, for this reason, the FAA proposes to make all airplanes certificated under part 23 use 50 feet (15 meters) above the takeoff surface.

vi. Proposed § 23.125, Climb Information

Proposed § 23.125 would require an applicant to determine the climb performance for—

- All single engine airplanes;
- Certification level 3 multiengine airplanes after a critical loss of thrust on takeoff in the initial climb configuration; and
- All multiengine airplanes during the enroute phase of flight with all engines operating and after a critical loss of thrust in the cruise configuration.

Proposed § 23.125 would also require an applicant to determine the glide performance of the airplane after a complete loss of thrust for single engine airplanes.

Proposed § 23.125 would capture the safety intent of current §§ 23.63, Climb: General; 23.66, Takeoff climb: One-engine inoperative; 23.69, Enroute climb/descent; and 23.71, Glide: Single-engine airplanes. The intent of these requirements is to provide pilots with climb and glide performance data that is important for safety, especially in conditions near the performance limits of the airplane. Sections 23.63, 23.66, and 23.69 are not minimum performance sections, but contain information used in the development of the AFM. Proposed § 23.125 would require an applicant to determine climb performance. The performance data determination provides a good example of how the use of certification levels can allow simplified approaches to meet applicable airworthiness requirements for simple, and levels 1 and 2 airplanes.

vii. Proposed § 23.130, Landing

Proposed § 23.130 would require an applicant to determine the landing distance for standard temperatures at each weight and altitude within the operational limits for landing. The landing distance determination would start from a height of 50 feet (15 meters) above the landing surface, require the airplane to land and come to a stop (or for water operations, reach a speed of 3 knots) using approach and landing speeds, configurations, and procedures, which allow a pilot of average skill to meet the landing distance consistently and without causing damage or injury. Proposed § 23.130 would require these determinations for standard temperatures at each weight and altitude within the operational limits for landing.

Proposed § 23.130 would capture the safety intent of current § 23.73, Reference landing approach speed, and § 23.75, Landing Distance. Landing distance information and the associated procedures for achieving those distances are necessary to prevent runway overruns. Applicants would be required to determine, develop, and publish distance and procedures data for use in pilot planning. Proposed § 23.130 would combine the current requirements to determine approach speed and landing distance because a determination of both is required for a landing distance determination.

viii. Proposed § 23.200, Controllability

Proposed § 23.200 would require the airplane to be controllable and maneuverable, without requiring exceptional piloting skill, alertness, or strength, within the operating envelope, at all loading conditions for which certification is requested. This would would include during low-speed operations, including stalls, with any probable flight control or propulsion system failure, and during configuration changes. Proposed § 23.200 would require the airplane to be able to complete a landing without causing damage or serious injury, in the landing configuration at a speed of V_{REF} minus 5 knots using the approach gradient equal to the steepest used in the landing distance determination. Proposed § 23.200 would require V_{MC} not to exceed V_{S1} or V_{S0} for all practical weights and configurations within the operating envelope of the airplane for certification levels 1 and 2 multiengine airplanes that cannot climb after a critical loss of thrust. Proposed § 23.200 would also require an applicant to demonstrate those aerobatic maneuvers for which certification is requested and determine entry speeds.

Proposed § 23.200 would capture the safety intent of §§ 23.141, Flight Characteristics—General, 23.143, Controllability and Maneuverability—General; 23.145, Longitudinal control; 23.147 Directional and lateral control; 23.149, Minimum control speed; 23.151, Acrobatic maneuvers; 23.153, Control during landing; 23.155, Elevator control force in maneuvers; 23.157, Rate of roll; 23.697(b) and (c), Wing flap controls. Proposed § 23.200 would ensure the maneuvering flight characteristics of the airplane are safe and predictable throughout the flight envelope and result in repeatable, smooth transitions between turns, climbs, descents, and level flight. Configuration changes, such as flap extension and retraction, landing gear extension and retraction, and spoiler extension and retraction, along with probable failures resulting in asymmetric thrust, would also have to result in safe, controllable, and predictable characteristics.

Proposed § 23.200(a) and (b) would capture the safety intent of §§ 23.143, Controllability and Maneuverability—General; 23.145, Longitudinal control; 23.147, Directional and lateral control; 23.149, Minimum control speed; 23.151, Acrobatic maneuvers; 23.153, Control during landings; 23.155, Elevator control force in maneuvers; and 23.157, Rate of roll. The FAA proposes limiting the requirements for practical loadings and operating altitudes without the use of exceptional piloting skill, alertness, or strength.

Current part 23 provides prescriptive and detailed test requirements based on specific airplane configurations. Additionally, the current rules include flight test procedures that are based on traditional reversible controls and engine locations that are, in some cases, derived from airplanes designed in the 1930's. The FAA proposes performance-based requirements that would remain applicable to traditionally designed airplanes, but allow alternative approaches to showing compliance based on new configurations, flight control systems, engine locations, and number of engines.

Proposed § 23.200(c) would require all certification levels 1 and 2 multiengine airplanes that lack the performance to climb after a critical loss of thrust to stall before loss of directional control. This is a new requirement and it targets the high number of fatal accidents that occur after an engine failure in this class of airplane. Light multiengine airplanes that lack the performance to climb after the critical loss of thrust are especially susceptible to this type of accident. The Part 23 Reorganization ARC discussed and several members proposed that all multiengine airplanes have guaranteed climb performance after a critical loss of thrust. Ultimately, this approach was rejected, as it could impose a significant cost on the production of training airplanes. Furthermore, several members pointed out that the safety concern was not that the airplane could not climb on one engine, but rather that the airplane would depart controlled flight at low speeds above stall as a result of asymmetric thrust. The FAA agrees that loss of control caused by asymmetric thrust is the critical safety issue that should be addressed and the FAA believes that the proposed rule responds to this concern.

The FAA recognizes concerns regarding the proposed requirement—if the airplane is allowed to stall, the asymmetric thrust will still cause the airplane to lose directional control and likely depart controlled flight. The FAA agrees, but believes that pilots are typically more aware of their stall speeds than minimum control speed, especially during turns. Furthermore, these airplanes would be required to meet the proposed stall warning and stall characteristic requirements, which the FAA expects would provide additional safety margins beyond current requirements. Finally, the system that provides stall warning could also be designed to provide V_{MC} warning.

ix. Proposed § 23.205, Trim

Proposed § 23.205 would require the airplane to maintain longitudinal, lateral, and directional trim under various conditions, depending on the airplane's certification level, without allowing residual forces to fatigue or distract the pilot during likely emergency operations, including a critical loss of thrust on multiengine airplanes.

Proposed § 23.205 would capture the safety intent of current § 23.161, Trim. Section 23.161(a) addresses the safety intent while paragraphs (b), (c), (d), and (e) provide prescriptive details on how to do flight testing for traditionally configured airplanes and are more appropriate for inclusion in means of compliance.

x. Proposed § 23.210, Stability

Proposed § 23.210 would require airplanes not certified for aerobatics to have static and dynamic longitudinal, lateral, and directional stability in normal operations, and provide stable control force feedback throughout the operating envelope. Proposed § 23.210 would also preclude any airplane from exhibiting any divergent stability characteristic so unstable as to increase the pilot's workload or otherwise endanger the airplane and its occupants.

Proposed § 23.210 would capture the safety intent of the current §§ 23.171, Stability—General; 23.173, Static longitudinal stability; 23.175, demonstration of static longitudinal stability; 23.177, Static directional and lateral stability; 23.179, Instrumented stick force measurements; and 23.181, Dynamic stability. The current requirements have their origins in Aeronautics Bulletin 7, amendment 7a, effective October 1, 1934, which predates CAR 3. These airplane handling quality and stability requirements were based on the technology associated with simple mechanical control systems and what was considered acceptable on existing airplanes of the time. Although many of these requirements are still appropriate for traditional flight control systems, they do not take into account the capabilities of new computer-based flight control systems. The FAA recognizes the availability of hybrid reversible and automated flight control systems and proposes performance-based language that would allow their installation in part 23 certificated airplanes without the use of special conditions, while still maintaining adequate requirements for reversible controls. The intent is to facilitate the use of systems that may enhance safety while reducing pilot workload.

xi. Proposed § 23.215, Stall Characteristics, Stall Warning, and Spins

Proposed § 23.215 would require an airplane to have controllable stall characteristics in straight flight, turning flight, and accelerated turning flight with a clear and distinctive stall warning that would provide sufficient margin to prevent inadvertent stalling. Proposed § 23.215 would allow for alternative approaches to meeting this requirement for certification levels 1 and 2 airplanes and certification level 3 single-engine airplanes, not certified for aerobatics, in order to avoid a tendency to inadvertently depart controlled flight. Proposed § 23.215 would require airplanes certified for aerobatics to have controllable stall characteristics and the ability to recover within one and one-half additional turns after initiation of the first control action from any point in a spin. Additionally, the airplane would not be allowed to exceed six turns or any greater number of turns for which certification is requested while remaining within the operating limitations of the airplane. Proposed § 23.215 would preclude airplanes certified for aerobatics from having spin characteristics that would result in unrecoverable spins due to pilot disorientation or incapacitation or any use of the flight or engine power controls.

Proposed § 23.215 would capture the safety intent of current §§ 23.201, Wings level stall; 23.203, Turning flight and accelerated turning stalls; 23.207, Stall warning; and 23.221, Spinning. Historically, the FAA focused its requirements on the ability of the airplane to recover from a one-turn or three-second spin more than on the stall characteristics of the airplane. From the first fatal stall accident in the Wright Flyer airplane to today's fatal stall accidents, the number one cause in small airplanes is a departure from controlled flight following an inadvertent stall.

Except for accidental departures from controlled flight during stall training, most of these inadvertent departures occur in close proximity to the ground, and because of this, the current requirement to recover from a one-turn or three-second spin may not be the best method to assess the safety of the airplane. Even an experienced pilot may not have enough altitude to recover from the spin before impacting the ground. For this reason, the FAA proposes to delete the one-turn/three-second spin recovery requirement for normal category airplanes. Instead, the FAA proposes to increase the stall characteristics requirements by requiring that all certification levels 1 and 2 airplanes and certification level 3 single-engine airplanes provide substantial departure resistance to prevent inadvertent stalls from resulting in a departure from controlled flight and becoming fatal accidents.

Accident studies show that even hitting the ground as a result of a stall can be survivable if the airplane is still in controlled flight. Conversely, impacting the ground out of control is typically fatal. The FAA envisions numerous alternative approaches to meeting the proposed requirements, ranging from one extreme of spin resistance to the other extreme of a total systems-based approach such as stick pusher. Furthermore, there are envelope protection systems and stall warning concepts that could also be considered when assessing departure resistance. The possible approaches to meeting the proposed requirements are so broad that these alternatives would be better addressed in means of compliance. This level of protection may vary based on the characteristics of the airplane, but the FAA expects this change in design philosophy would increase the level of protection designed into airplanes under this proposed rule. Certification level 3 multiengine airplanes and certification level 4 airplanes historically have not had a large number of departure-related accidents. While the FAA encourages manufacturers to consider designing departure resistance into these airplanes, the FAA does not propose adding a new requirement for certification level 3 multiengine airplanes and certification level 4 airplanes.

The FAA also proposes revising stall warning requirements by removing prescriptive speed based stall warning requirements and requiring a clear and distinctive warning with sufficient

warning margin for the pilot to prevent a stall. Historically, stall warning systems in part 23 airplanes have been simple, mechanical vanes that may or may not provide reasonable lead-time to prevent a stall. These systems also can provide false alerts when they are not needed, creating a nuisance. Furthermore, similar sounding warning horns that alert the pilot of other situations can result in the pilot either becoming used to the warning sounds or mistaking the stall warning for another warning such as the autopilot disconnect horn. The FAA believes removing the current prescriptive speed based stall warning from the rules would encourage the installation of better, more effective low speed awareness systems that may use angle of attack, a speed decay rate, or clear voice commands to alert the pilot.

xii. Proposed § 23.220, Ground and Water Handling Characteristics

Proposed § 23.220 would require airplanes intended for operation on land or water to have controllable longitudinal, and directional handling characteristics during taxi, takeoff, and landing operations. Proposed § 23.220 would also require an applicant to establish a maximum wave height shown to provide for controllable longitudinal, and directional handling characteristics and any necessary water handling procedures for those airplanes intended for operation on water.

Proposed § 23.220 would capture the safety intent of §§ 23.231, Longitudinal stability and control; 23.233, Directional stability and control; 23.235, Operation on unpaved surfaces; 23.237, Operation on water; and 23.239, Spray characteristics.

xiii. Proposed § 23.225, Vibration, Buffeting, and High-Speed Characteristics

Proposed § 23.225 would preclude vibration and buffeting from interfering with the control of the airplane or causing fatigue to the flightcrew, for operations up to V_D/M_D. Proposed § 23.225 would allow stall warning buffet within these limits. Proposed § 23.225 would preclude perceptible buffeting in cruise configuration at 1g and at any speed up to V_{MO}/M_{MO}, except stall buffeting for high-speed airplanes and all airplanes with a maximum operating altitude greater than 25,000 feet (7,620 meters) pressure altitude. Proposed § 23.225 would require an applicant seeking certification of a high-speed airplane to determine the positive maneuvering load factors at which the onset of perceptible buffet occurs in the cruise configuration within the operational envelope and preclude likely inadvertent excursions beyond this boundary from resulting in structural damage. Proposed § 23.225 would also require high-speed airplanes to have recovery characteristics that do not result in structural damage or loss of control, beginning at any likely speed up to V_{MO}/M_{MO}, following an inadvertent speed increase and a high-speed trim upset.

Proposed § 23.225 would capture the safety intent of current §§ 23.251, Vibration and buffeting; 23.253, High speed characteristics; and 23.255, Out of trim characteristics. Proposed § 23.225(a), (b), and (c) would capture the safety of current § 23.251(a), (b), and (c). The current safety intent of §§ 23.253 and 23.255 are incorporated in proposed § 23.225(d).

Proposed § 23.225(d)(1) addresses the current language in § 23.253, which indirectly divides the airplanes by engine type rather than performance. These requirements have typically been applied automatically to turbine-powered airplanes with the assumption that all turbine-powered airplanes flew fast and high. Piston or electric airplanes were not required to meet these requirements even if they were faster than many turboprops, because of propulsion assumptions in the past. For this reason, the FAA is amending this requirement to be based on performance instead of propulsion type using the same high-speed criteria from other subpart B sections. The existing details would be removed from the rules, as they are more appropriate as means of compliance because it would allow for alternatives for non-traditional airplanes, such as very fast piston airplanes.

Proposed § 23.225(d)(2) would address the current safety intent in § 23.255 by relying on performance and design characteristics without discriminating based on propulsion type. The specific design details are more appropriate as means of compliance.

xiv. Proposed § 23.230, Performance and Flight Characteristics Requirements for Flight in Icing Conditions

Proposed § 23.230 would require an applicant requesting certification for flight in icing conditions to demonstrate compliance with each requirement of this subpart. Exceptions to this rule would be those applicable to spins and any requirement that would have to be demonstrated at speeds in excess of 250 KCAS, V_{MO} or M_{MO}, or a speed that an applicant demonstrates the airframe would be free of ice accretion. Proposed § 23.230 would require the stall warning for flight in icing conditions and non-icing conditions to be the same. Proposed § 23.230 would require an applicant requesting certification for flight in icing conditions to provide a means to detect any icing conditions for which certification is not requested and demonstrate the airplane's ability to avoid or exit those conditions. Proposed § 23.230 would also require an applicant to develop an operating limitation to prohibit intentional flight, including takeoff and landing, into icing conditions for which the airplane is not certified to operate. Proposed § 23.230 would also increase safety by adding optional icing conditions a manufacturer may demonstrate its airplane can either safely operate in, detect and safely exit, or avoid. Proposed § 23.230 would only apply to applicants seeking certification for flight in icing.

Proposed § 23.230 would capture the safety intent of the performance and flight characteristics requirements in current § 23.1419(a) and along with proposed §§ 23.940, Powerplant ice protection, and 23.1405, Flight in icing conditions, and their respective means of compliance would address NTSB safety recommendations A–96–54 and A–96–56. Section 23.1419 specifies that airplanes must be able to operate safely in the icing conditions identified in appendix C to part 25, which encompass cloud size drops of less than 100 microns in diameter. Freezing drizzle (*i.e.,* drops up to 500 microns in diameter) and freezing rain (*i.e.,* drops greater than 500 microns in diameter) icing conditions, which can result in ice accretion aft of leading edge ice protection systems, are not included in appendix C to part 25. Amendment 25–140 (79 FR 65507, November 4, 2014) added these icing conditions to appendix O to part 25 and are not being defined in proposed § 23.230. The FAA believes that the definitions of these optional icing conditions would be more appropriate as a means of compliance. The standards for ''capable of operating safely'' in these conditions would be the same as cloud icing with additional icing conditions in the takeoff phase.

If certification for flight in the optional freezing drizzle or freezing rain conditions is not sought, proposed § 23.230 would require these conditions be avoided or detected and exited safely. The means of compliance for the latter, detect and exit the situation, would be similar to current guidance in AC 23.1419–2D, Certification of Part 23 Airplanes for Flight in Icing Conditions, and is currently applied during part 23

airplane icing certifications. These criteria are not as extensive as recommended by the Part 23 Icing ARC, but the FAA did not want to impose an additional burden on industry because the service history of airplanes certified under part 23 and the latest icing regulations at amendment 23–43 (58 FR 18958, April 9, 1993) show no SLD related accidents. The FAA believes the safety of the existing fleet can be greatly increased by improving the freezing drizzle and freezing rain capability of automated surface weather observation systems and pilot education and training of the limits of icing certification.

Proposed § 23.230(b) would provide an option to avoid, in lieu of detecting and exiting, the freezing drizzle or freezing rain icing conditions for which the airplane is not certified. This option is not in current guidance and such technology currently does not exist. The rule would provide an option in the event the technology is developed. The FAA believes avoiding rather than detecting and exiting would provide for safer airplane operations and reduce certification costs.

Proposed § 23.230(c) would require an AFM limitation to prohibit flight in icing conditions for which the airplane is not certified. This reflects current guidance in AC 23.1419–2D, which most manufacturers of new part 23 icing certified airplanes follow today. A minority of new manufacturers are not using AC 23.1419–2D guidance and have inserted AFM limitation language that reflects Airworthiness Directives (AD) that were issued globally to pneumatic boot-equipped airplanes between 1996 and 1998. The ADs in the below table require immediate exit from severe icing and warn that freezing drizzle and freezing rain may be conducive to severe icing. The proposed new limitation is intended to prohibit flight in known icing conditions, not forecast conditions.

Airplane model	Docket	Final rule
Aerostar Aircraft Corporation Models PA–60–600, PA–60–601, PA–60–601P, PA–60–602P, and PA–60–700P Airplanes	97–CE–56–AD	98–04–23
Pilatus Britten-Norman Ltd., Models BN–2A, BN–2B, and BN–2T Airplanes	97–CE–54–AD	98–04–21
Pilatus Aircraft Ltd., Models PC–12 and PC–12/45 Airplanes	97–CE–53–AD	98–20–28
Partenavia Costruzioni Aeronauticas, S.p.A. Model P68, AP68TP 300, AP68TP 600 Airplanes	97–CE–51–AD	98–04–20
Mitsubishi Heavy Industries, Ltd., MU–2B Series Airplanes	96–CE–61–AD	96–25–02
Harbin Aircraft Manufacturing Corp., Model Y12 IV airplanes	97–CE–50–AD	98–04–19
Empresa Brasileira de Aeronautica S.A. Airplanes. (Embraer) Models EMB–110P1 and EMB–110P2 Airplanes	96–CE–02–AD	96–09–12
Dornier Luftfahrt GmbH, 228 Series Airplanes	96–CE–04–AD	96–09–14
De Havilland, Inc., DHC–6 Series Airplanes	96–CE–01–AD	96–09–11
The Cessna Aircraft Company, 208 Series	96–CE–05–AD	96–09–15
The Cessna Aircraft Company, Model T210R airplane	98–CE–19–AD	98–20–33
The Cessna Aircraft Company, Models T210, P210, P210R airplanes	97–CE–62–AD	98–05–14 R1
The Cessna Aircraft Company Models T303, 310R, T310R, 335, 340A, 402B, 402C, 404, F406, 414, 414A, 421B, 421C, 425, and 441 Airplanes	97–CE–63–AD	98–04–28
Jetstream Aircraft Limited Models 3101 and 3201 Airplanes	96–CE–07–AD	96–09–17
The New Piper Aircraft PA–23, PA–30, PA–31, PA–34, PA–39, PA–40, and PA–42 Series Airplanes	98–CE–77–AD	99–14–01
The New Piper Aircraft Corporation Models PA–46–310P and PA–46–350P Airplanes	97–CE–60–AD	98–04–26
Beech Aircraft Corporation Models 99, 99A, A99A, B99, C99, B200, B200C, 1900, 1900C, and 1900D Airplanes	96–CE–03–AD	96–09–13
Raytheon Aircraft Company 200 Series Airplanes	98–CE–17–AD	98–20–38
Raytheon Aircraft Company Models E55, E55A, 58, 58A, 58P, 58PA, 58TC, 58TCA Airplanes, and 60, 65–B80, 65–B90, 90, F90, 100, 300, and B300 Series Airplanes	97–CE–58–AD	98–04–24
Raytheon Aircraft Company Model 2000 Airplanes	97–CE–59–AD	98–04–25
AeroSpace Technologies Of Australia Pty Ltd., Models N22B and N24A	97–CE–49–AD	98–04–18
SIAI Marchetti, S.r.1 Models SF600 and SF600A Airplanes	97–CE–64–AD	98–05–15
SOCATA—Groupe AEROSPATIALE, Model TBM 700 Airplanes	97–CE–55–AD	98–04–22
Twin Commander Aircraft Corporation Models 500, 500–A, 500–B, 500–S, 500–U, 520, 560, 560–A, 560–E, 560–F, 680, 680–E, 680FL(P), 680T, 680V, 680W, 681, 685, 690, 690A, 690B, 690C, 690D, 695, 695A, 695B, and 720 Airplanes	97–CE–57–AD	98–20–34
Fairchild Aircraft Corporation, SA226 and SA227 Series Airplanes	96–CE–06–AD	96–09–16

Recently, manufacturers of airplanes certificated under part 23 have proposed inhibiting, or optimizing, bleed air ice protection systems above an altitude of 30,000 feet (9,144 meters) because the icing conditions defined in the appendix C to part 25 are limited to below this altitude. The FAA believes ice protection design at high altitude should be addressed as a means of compliance and not in the proposed rule due to various acceptable design solutions. An industry means of compliance would negate the need for a special condition or means of compliance issue paper currently required for these projects.

xv. Current Subpart B Regulations Relocated to Other Proposed Subparts

The FAA proposes addressing the safety intent of § 23.33, Propeller speed and pitch limits, in § 23.900(a) of the propulsion rules. Additionally, the first part of the current § 23.251(a) that addresses structural damage has been relocated and is now addressed under ''flutter'' in proposed subpart C to part 23.

The FAA proposes adopting the Part 23 Icing and Part 23 Reorganization ARC's recommendations to move performance and flight characteristics requirements in icing, currently in § 23.1419, to subpart B, so that proposed § 23.1405 only contains systems requirements. Proposed § 23.230(a) would also include stall warning requirements. Current guidance contains these stall warning recommendations (*i.e.,* margin and type of stall) and service history shows them to be necessary for safe flight in icing conditions. The exceptions for spin and high-speed requirements are consistent with the current rule and industry practice that have shown to provide an adequate level of safety in icing conditions. The FAA determined that the evaluations of ice contaminated tailplane stall susceptibility, lateral control in icing, and autopilot operation in icing, which are included in current guidance for part 23 icing certification,

are more appropriately addressed as a means of compliance.

xvi. Removal of Subpart B Current Regulations

The FAA proposes removing § 23.45(g) that requires takeoff and landing distances be determined on a smooth, dry, hard-surfaced runway. The FAA believes that most performance tests would be done on smooth, dry, hard-surfaced runways because these surfaces provide applicants with the best results. Performance determinations on surfaces other than smooth, dry hard surfaces would provide conservative results and be acceptable as long as the surface was specified in the AFM. Therefore, the FAA believes retaining this requirement is unnecessary.

The FAA proposes removing § 23.63, Climb: General, which addresses the general climb requirements, because the safety intent contained in this section is redundant with the safety intent proposed in § 23.125 and the testing procedures contained in § 23.63 are more appropriate for inclusion in means of compliance.

The FAA proposes removing current § 23.221(a) and (b), which address spinning requirements for normal and utility category airplanes, and would no longer be necessary. The increased focus on preventing stall-based departures along with improved stall margin awareness would provide a level of safety higher than would be achieved through spin testing.

The FAA proposes removing the reference to appendix C to part 25, part II, currently in § 23.1419, Ice protection, paragraph (a), when relocating § 23.1419 to proposed § 23.230 and 23.1405. Part II is a means of compliance for determining critical ice accretions on transport category airplanes and is not applicable to airplanes certified under part 23.

3. Subpart C—Structures

a. General Discussion

The FAA's intent in proposed subpart C is to provide a regulatory framework that maintains the current level of safety while (1) allowing for certification of unique airplane configurations with new technology and materials, and (2) supporting new means of compliance, testing, and analysis. To support new technologies, the FAA proposes to incorporate the safety intent of recent special conditions for airplanes equipped with systems that affect structural performance, such as load alleviation systems, in proposed § 23.305. To support new means of compliance, the FAA proposes in § 23.600 to emphasize a holistic approach to occupant safety, which would allow certain applicants to omit current required dynamic seat testing.

It is not the FAA's intent to reduce the level of safety in the proposed subpart C. The FAA based the prescriptive requirements in current subparts C and D on service history, historic test data, and lessons learned. These requirements have provided a level of safety where structural failure is rare and most often attributable to airplane upset or pilot disorientation in instrument meteorological conditions. A means of compliance to proposed subpart C must maintain the level of safety provided by the current regulations. Applicants would need to substantiate the level of safety for proposed means of compliance that deviate from the prescriptive regulations.

Proposed subpart C would replace current subpart C and include those sections of current subpart D that are applicable to the airframe. We have arranged proposed subpart C into the following five topics:

- General: Including § 23.300, Structural design envelope; and § 23.305 Interaction of systems and structures.
- Structural Loads: Including § 23.310, Structural design loads; § 23.315, Flight load conditions; § 23.320, Ground and water load conditions; § 23.325, Component loading conditions; and § 23.330, Limit and ultimate loads.
- Structural performance: Including § 23.400, Structural strength; § 23.405, Structural durability; and § 23.410, Aeroelasticity.
- Design: Including § 23.500, Structural design; § 23.505, Protection of structure; § 23.510, Materials and processes; and § 23.515, Special factors of safety.
- Structural occupant protection: Included in § 23.600, Emergency conditions.

The FAA proposes removing the content of current appendix A to part 23, Simplified design load criteria; appendix C to part 23, Basic landing conditions; appendix D to part 23, Wheel spin-up and spring-back loads; and appendix I to part 23, Seaplane loads. The content of these current part 23 appendices is more appropriate for inclusion in means of compliance. The FAA also proposes removing appendix B to part 23, Reserved, since the content of this appendix was removed at amendment 23–42 (56 FR 344, January 3, 1991). Refer to appendix 1 of this preamble for a cross-reference table detailing how the current regulations are addressed in the proposed part 23 regulations.

b. Specific Discussion of Changes

i. Proposed § 23.300, Structural Design Envelope

Proposed § 23.300 would require an applicant to determine the structural design envelope, which describes the range and limits of airplane design and operational parameters for which an applicant would show compliance with the requirements of this subpart. Proposed § 23.300 would capture the safety intent of current §§ 23.321, Loads—General, paragraphs (b) and (c); 23.333, Flight envelope, paragraphs (a), (b), and (d); 23.335, Design airspeeds; 23.337, Limit maneuvering load factors, paragraphs (a) and (b); and 23.343, Design fuel loads, paragraphs (a) and (b).

Proposed § 23.300 would require the applicant to determine and document the range of airplane and operational parameters for which the applicant will show compliance with the requirements of subpart C. These parameters would include the design airspeeds and maneuver load factors often depicted as a V-n diagram. An applicant would be required to determine design airspeeds, including the design maneuvering speed (V_A), the design cruising speed (V_C), the design dive speed (V_D), design flap and landing gear speeds, and any other speed used as a design limitation. For certification of level 4 airplanes, an applicant would be required to determine a rough air penetration speed, V_B.

Additionally, applicants would have to determine the design maneuver load factors based on the intended usage of the airplane and the values associated with the level of safety experienced with current designs. Applicants have rarely used the relief for maneuvering load factors based on airplane capabilities in current § 23.337(c). The FAA views this relief as an application of physical principles, and believes that this current requirement does not need to be addressed in proposed § 23.300.

Design weights and inertia parameters are also part of the structural design envelope. Design weights include the empty weight, maximum weight, takeoff and landing weight, and maximum zero fuel weight. The range of center of gravity locations at these and other weights is depicted as the weight center of gravity envelope. An applicant would have to determine the weight and center of gravity of occupants, payload, and fuel as well as any mass moments of inertia required for loads or flutter analysis. An applicant would also have to specify any other parameters that describe the structural design envelope. These parameters include maximum

altitude limitations, Mach number limitations, and control surface deflections.

ii. Proposed § 23.305, Interaction of Systems and Structures

Proposed § 23.305 would provide a regulatory framework for the evaluation of systems intended to modify an airplane's structural design envelope or structural performance and other systems whose normal operating state or failed states may affect structural performance. Compliance with proposed § 23.305 would provide acceptable mitigation of structural hazards identified in the functional hazard assessments required by proposed § 23.1315.

Proposed § 23.305 would apply to airplanes equipped with—

- Structural systems, including load alleviation systems, where the intended function is to modify structural performance, to alleviate the impact of subpart C requirements, or provide a means of compliance to subpart C requirements; and
- Systems where the intended function is non-structural, but whose normal operation or failure states affect the structural design envelope or structural performance, and would include fuel management systems, flight-envelope protection systems, and active control systems.

Under the current regulations, an applicant seeking certification of airplanes incorporating structural and non-structural systems must ensure that failures of these systems will not result in exceeding the structural design envelope or the structural design loads, or other structural performance characteristics. An applicant has the option of designing the structure to the full subpart C and subpart D requirements, including margins of safety, with the system in its failed state. This option may result in increased structural weight and reduced airplane performance and utility.

Proposed § 23.1315 in subpart F would apply to both structural and non-structural systems. Guidance material for current § 23.1309, the corresponding regulation to proposed § 23.1315, allows for different acceptable values for likelihood of failures based on the severity of the hazard, airplane weight, and method of propulsion. These different values encourage the incorporation of equipment that improves pilot situational awareness and other systems that promote the overall airplane level of safety.

In most cases, means of compliance with proposed § 23.305 would follow an approach somewhat similar to that used in the guidance material for current § 23.1309. Structural failures resulting in fatalities are rare, occurring at a rate of approximately 3×10^{-8} per flight hour for small airplanes. The reason for incorporating structural systems is not, in general, to improve safety, but rather to reduce structural weight and thereby improve airplane performance. Proposed § 23.305 would require that the level of safety must be the same for airplanes equipped with systems that affect the structure and airplanes without such systems.

An existing acceptable means of complying with proposed § 23.305 is provided in several existing special conditions that address the interaction of systems and structures, for example, FAA Special Condition 25–390–SC.[20] Most of these special conditions address load alleviation systems. Load alleviation systems counteract the effects of gust and maneuver loads and allow an applicant to design a lighter structure, thereby improving the performance and utility of the airplane. These special conditions require that an applicant design the structure to the required structural safety margins with the load alleviation system its normal functioning state. The special conditions provide a means for an applicant to maintain the required structural safety margins with the system in its failed state by adjusting the required safety margins based on the likelihood of system failure. Systems that fail frequently require higher safety margins than systems that rarely fail in order to maintain the same level of safety. The means of compliance described in these special conditions allow an applicant to utilize the benefits of structural systems and potentially eliminate weight and performance penalties associated with structural hazards due to system failures.

Applicants who use the means of compliance described in the existing special conditions would be able to use data developed for compliance with proposed § 23.1315. This data includes identification of failure modes, identification of hazards resulting from the failure modes, and the likelihood of the occurrence of the failure modes. With or without the proposed § 23.305 requirements, an applicant would have to account for structural performance with the system in its normal operating and failed states and evaluate the system for compliance to the proposed § 23.1315. The FAA does not expect that additional detailed structural analysis would be required for compliance with proposed § 23.305 other then the application of optional lower safety margins to the structural performance analysis.

Proposed § 23.305 would allow an applicant to realize the value of structural and non-structural systems and would potentially allow reduced structural weight of the airplane. The magnitude of the weight reduction would depend on the functional characteristics of the systems and the likelihood of system failures. The FAA believes proposed § 23.305 would reduce the need for special conditions that deal with interaction of systems and structures, saving time and effort for the FAA and the applicant.

iii. Proposed § 23.310, Structural Design Loads

Proposed § 23.310 would require an applicant to determine structural design loads resulting from any externally or internally applied pressure, force, or moment, which may occur in flight, ground and water operations, ground and water handling, and while the airplane is parked or moored. Proposed § 23.310 would require the applicant to determine structural design loads at all combinations of parameters on and within the boundaries of the structural design envelope which result in the most severe loading conditions. Proposed § 23.310 would also require the magnitude and distribution of these loads to be based on physical principles and would be no less than service history has shown can occur within the structural design envelope.

Proposed § 23.310 would capture the safety intent of §§ 23.301, Loads; 23.302, Canard or tandem wing configurations; 23.321, Flight Loads—General, paragraph (a); and 23.331, Symmetrical flight conditions. Proposed § 23.310 would also capture the intent of several current requirements for sound and physics-based engineering evaluations. An example is in current § 23.301(b), which requires that the forces and moments applied to the airplane must balance in equilibrium, and the distribution of loads on the airplane must reasonably approximate actual conditions. The part 23 regulations should not need to prescribe basic physical principles, sound engineering judgment, and common sense. Proposed § 23.310 would place the burden on the applicant to properly account for loads acting on the structure.

[20] *http://rgl.faa.gov/Regulatory_and_Guidance_Library/rgSC.nsf/0/7B2D4B459E27848586257620006A6999?OpenDocument&Highlight=25-390-sc*

iv. Proposed § 23.315, Flight Load Conditions

Proposed § 23.315 would require an applicant to determine the loads resulting from vertical and horizontal atmospheric gusts, symmetric and asymmetric maneuvers, and, for multiengine airplanes, failure of the powerplant unit which results in the most severe structural loads. Proposed § 23.315 would capture the safety intent of current §§ 23.333, Flight envelope, paragraph (c); 23.341, Gust loads factors; 23.347, Unsymmetrical flight conditions; 23.349, Rolling conditions; 23.351, Yawing conditions; 23.367, Unsymmetrical loads due to engine failure; 23.421, Balancing loads; 23.423, Maneuvering loads; 23.425, Gust loads; 23.427, Unsymmetrical loads; 23.441, Maneuvering loads; 23.443, Gust loads; and 23.445, Outboard fins or winglets, paragraphs (b), (c), and (d).

These current part 23 sections establish prescriptive requirements for gust loads and symmetrical, rolling, and yawing maneuvering loads, acting on the wing, horizontal tail, vertical tail, and other lifting surfaces. Portions of the current sections, such as § 23.331(c), are restatements of basic physical principles. Proposed § 23.315 would remove this language.

The FAA's intent is not to lessen the structural load requirements. The current prescriptive flight load requirements have established a level of safety where structural failure due to overloading is rare. When structural failures do occur, the most common cause is airplane upset or pilot disorientation in instrument meteorological conditions.

The FAA believes the prescriptive content of the current regulations, including the modified Pratt formula for gust loads, the descriptions of symmetrical maneuvers, checked and unchecked maneuvers, rolling maneuvers, and yawing maneuvers are more appropriate for inclusion in means of compliance. Applicants who wish to propose alternate design loading conditions should note that extensive data collection, testing, and evaluation may be necessary to substantiate their proposal.

v. Proposed § 23.320, Ground and Water Load Conditions

Proposed § 23.320 would require an applicant to determine the loads resulting from taxi, take-off, landing, and ground handling conditions occurring in normal and adverse attitudes and configurations. Proposed § 23.320 would capture the safety intent of current §§ 23.471, Ground Loads—General; 23.473, Ground load conditions and assumptions; 23.477, Landing gear arrangement; 23.479, Level landing conditions; 23.481, Tail down landing conditions; 23.483, One-wheel landing conditions; 23.485, Side load conditions; 23.493, Braked roll conditions; 23.497, Supplementary conditions for tail wheels; 23.499, Supplementary conditions for nose wheels; 23.505, Supplementary conditions for skiplanes; 23.507, Jacking loads; 23.509, Towing loads; 23.511, Ground load; unsymmetrical loads on multiple-wheel units; 23.521, Water load conditions; 23.523, Design weights and center of gravity positions; 23.525, Application of loads; 23.527, Hull and main float load factors; 23.529 Hull and main float landing conditions; 23.531, Hull and main float takeoff condition; 23.533, Hull and main float bottom pressures; 23.535, Auxiliary float loads; 23.537, Seawing loads, and 23.753 Main float design.

The current requirements set forth prescriptive requirements for determining takeoff and landing loads for airplanes operated on land, loads acting on floats and hulls for airplanes operated on water, as well as ground handling loads, including jacking and towing conditions. The current requirements also provide applicants with descriptions of the normal and adverse operating conditions and configurations for which applicants must determine ground and water loads.

The FAA believes that the prescriptive descriptions of the loading conditions, normal and adverse conditions, and configurations are more appropriate for inclusion in means of compliance. Applicants who wish to propose alternate design loading conditions should note that extensive data collection, testing, and evaluation may be necessary to substantiate their proposal.

vi. Proposed § 23.325, Component Loading Conditions

Proposed § 23.325 would require an applicant to determine the loads acting on each engine mount, flight control and high lift surface, and the loads acting on pressurized cabins. Proposed § 23.325 would capture the safety intent of current §§ 23.345, High lift devices; 23.361, Engine torque; 23.363, Side load on engine mount; 23.365, Pressurized cabin loads; 23.371, Gyroscopic and aerodynamic loads; 23.373, Speed control devices; 23.391, Control surface loads; 23.393, Loads parallel to hinge line; 23.395, Control system loads; 23.397, Limit control forces and torques; 23.399, Dual control system; 23.405, Secondary control system; 23.407, Trim tab effects; 23.409, Tabs; 23.415, Ground gust conditions; 23.455, Ailerons; and 23.459, Special devices.

The current part 23 regulations establish prescriptive requirements for determining loads acting on pressurized cabins, engine mounts and attachment structure, control surfaces, high lift surfaces, and speed control devices. The FAA believes that these prescriptive requirements in the current regulations are more appropriate for inclusion in means of compliance. However, in proposed § 23.325, we have retained some of the prescriptive requirements for pressurized cabins, including descriptions of combined loading conditions and additional factors of safety for determining limit load.

vii. Proposed § 23.330, Limit and Ultimate Loads

Proposed § 23.330 would describe how the applicant must determine the limit and ultimate loads associated with the structural design loads. Proposed § 23.330 would capture the safety intent of current §§ 23.301, Loads, paragraph (a); and 23.303, Factor of safety. These current sections specify factors of safety for determining limit and ultimate loads.

Proposed § 23.330 retains the current 1.5 safety factor for ultimate loads. This safety factor has resulted in a service history where structural failures due to applied static loads are rare. The FAA believes the 1.5 factor of safety is critical to maintaining the current level of safety.

Proposed § 23.330 would allow for additional special factors of safety to account for material and manufacturing variability. Proposed § 23.330 would also allow alternate factors of safety when showing compliance with occupant protection loading conditions and when showing compliance with proposed § 23.305.

viii. Proposed § 23.400, Structural Strength

Proposed § 23.400 would require an applicant to demonstrate that the structure will support limit and ultimate loads. Proposed § 23.400 would capture the safety intent of current §§ 23.305, Strength and deformation; and 23.307, Proof of structure.

These current sections provide performance criteria for the structure when subjected to limit and ultimate loads. Proposed § 23.400 would retain these performance criteria and would require the applicant to demonstrate that the structure will meet these performance criteria. In this context, ''demonstrate'' means the applicant must conduct structural tests to show

compliance with the structural performance requirements, unless the applicant shows that a structural analysis is reliable and applicable to the structure. The FAA proposes not to retain the ''3 second'' rule in proposed § 23.400. This prescriptive requirement in current § 23.305(b) requires the applicant to demonstrate that the structure will support ultimate load for at least three seconds. The FAA believes this prescriptive requirement is a statement of physical principles and testing experience and is more appropriate for inclusion in means of compliance.

ix. Proposed § 23.405, Structural Durability

Proposed § 23.405 would require an applicant to develop and implement procedures to prevent structural failures due to foreseeable causes of strength degradation, and to prevent rapid decompression in airplanes with a maximum operating altitude above 41,000 feet. Proposed § 23.405 would also require an airplane to be reasonably capable of continued safe flight and landing with foreseeable structural damage caused by high-energy fragments from an uncontained engine or rotating machinery failure. Proposed § 23.405 would capture the safety intent of current §§ 23.365(e), Pressurized cabin loads; 23.571, Metallic pressurized cabin structures; 23.572, Metallic wing, empennage, and associated structures; 23.573, Damage tolerance and fatigue evaluation of structure; 23.574, Metallic damage tolerance and fatigue evaluation of commuter category airplanes; 23.575, Inspections and other procedures; and 23.627, Fatigue strength.

Proposed § 23.405(a) would require an applicant to develop and implement procedures to prevent structural failures. These procedures may include the safe-life, damage tolerance, or fail-safe design approaches described in the current regulations. An applicant can propose other means of compliance, but these means must provide at least the same level of safety as current means of compliance. Any new means of compliance must consider the airplane design, manufacturing, operational, and maintenance environments. The FAA proposes implementing these procedures by including them in the airplane's Instructions for Continued Airworthiness.

The procedures must be able to prevent structural failures due to foreseeable causes of strength degradation. Foreseeable causes include fatigue and corrosion in metallic structures, and fatigue, delaminations, disbonds, and impact damage in composite structures. New material systems or structural designs, such as additive manufacturing, may introduce new causes of strength degradation and may require development of new and unique procedures to prevent structural failures.

The current part 23 regulations use prevention of catastrophic failures as the safety intent of the regulations. The word ''catastrophic'' is used throughout the current regulations, current policy, and guidance material, especially in context of system safety analysis. To avoid any potential conflict over the meaning of ''catastrophic,'' proposed § 23.405(a) would specify the consequences we want to prevent. These consequences include the obvious performance criteria for prevention of serious injuries, fatalities, or hull loss of the airplane.

The FAA also wants to prevent extended periods of operations with reduced safety margins in those structural components whose failure could result in serious injuries, fatalities, or hull loss. One situation that can result in reduced safety margins is fail-safe design. The FAA has identified potential shortcomings in fail-safe designs, including an applicant's difficulty to anticipate all possible failure scenarios and ensure that all structural failures would be immediately obvious and corrected before further flight. The concept of failures being obvious and repaired before further flight is basic to the successful implementation of a fail-safe design. This scenario could allow operation for extended periods with a passive structural failure and reduced safety margins. If an applicant chooses fail-safe design as a means of compliance, an applicant would have to ensure that the structure was not operating for extended periods with reduced safety margins. An applicant may be able to apply safe-life or damage tolerance principles to ensure that fail-safe structure maintains the required safety margins without extended periods of operation with reduced safety margins through life limits or damage tolerance based inspections.

Proposed § 23.405(b) would capture the safety intent of current § 23.365(e), requiring the applicant to design the structure for sudden loss of pressurization after the failure of a door or window in pressurized compartments. Proposed § 23.405(c) incorporates the safety intent of current § 23.571(d). Our intention is that the damage tolerance methodology would remain the accepted means of compliance. The FAA views damage tolerance as necessary since current § 23.571(d) and proposed § 23.405(c) require the applicant to assume that structural damage exists in the pressurized cabin. However, proposed § 23.405(c) would allow for other means of compliance as long as serious injuries and fatalities will be prevented. Examples of other means of compliance might include requiring pilots and occupants to use oxygen masks or wear pressurized flight suits when operating above 41,000 feet (12,497 meters). This means of compliance could be acceptable in certain airplane designs, such as two-seat jet trainers.

Proposed § 23.405(d) would capture the safety intent of current § 23.903(b)(1) to minimize hazards to the airframe resulting from turbine engine rotorburst. The FAA would move the structural portion of the rotorburst evaluation from current § 23.903(b)(1) to proposed § 23.405(d) to ensure all structural requirements are contained in subpart C and to avoid potential confusion over the structural rotorburst requirements in part 23.

Proposed § 23.405(d) would require an applicant to show that the design of the structure would provide sufficient structural capability to allow continued safe flight and landing with foreseeable structural damage caused by high energy fragments from an uncontained engine or rotating machinery failure. The FAA recognizes that some high-energy fragment events may result in catastrophic failures that may not be avoidable and that complete elimination of the hazards resulting from high energy fragment events may not be possible.

An applicant would be required to address other sources of high energy rotating machinery fragments in the proposed structural rotorburst requirements. Our intent is to ensure an adequate regulatory framework for applications of electrical propulsion systems and other unique and novel approaches to propulsion, which may release high-energy fragments.

Applicants who have shown compliance with current § 23.903(b)(1) would be able to show compliance with proposed § 23.405(d). Applicants should note that previous certification programs with turbine engine installations have been able to show that the airplane structure is capable of continued safe flight and landing following a rotorburst event. AC 23–13A, Fatigue, Fail-Safe, and Damage Tolerance Evaluation of Metallic Structure for Normal, Utility, Acrobatic, and Commuter Category airplanes, provides guidance on the required structural evaluation.

x. Proposed § 23.410, Aeroelasticity

Proposed § 23.410 would require an airplane to be free from flutter, control reversal, and divergence at all speeds within and sufficiently beyond the structural design envelope, for any configuration and condition of operation, accounting for critical degrees of freedom, and any critical failures or malfunctions. Proposed § 23.410 would also require an applicant to establish tolerances for all quantities that affect flutter.

Proposed § 23.410 would capture the safety intent of the current §§ 23.629, Flutter; 23.677, Trim systems, paragraph (c); and 23.687, Spring devices, in part. Specifically, proposed § 23.410 would address the safety intent of these rules by requiring freedom from flutter, control reversal, and divergence, while accounting for all speeds, configurations, modes, and failures, and to establish tolerances on anything affecting flutter. The current § 23.629(a) states that freedom from flutter, control reversal, and divergence must be shown by the methods of § 23.629(b) and (c) or (d). These paragraphs are prescriptive in nature and some portions are applicable only to very specific types of designs and include speed limitations. Therefore, these paragraphs are more appropriate as means of compliance.

The current § 23.629(e) requires the evaluation of whirl mode flutter. Since this is another flutter mode, it must be accounted for when an airplane is determined to be free from flutter. The current § 23.629(f), (g), (h), and (i) provide instructions on how to evaluate (1) certain airplane design types, (2) designs employing certain methods (fail-safe or damage tolerant), or (3) airplanes incorporating design modifications. The current § 23.677(c) requires either that the tab be balanced or that the tab controls be irreversible. Additionally, it requires that irreversible tab systems have adequate rigidity and reliability. These are very specific design solutions for ensuring freedom from flutter. The current § 23.687 requires that the reliability of spring devices used in control systems be established by tests unless its failure would not cause flutter. This is a method of compliance to ensure freedom from flutter. All of these current requirements are more appropriate as means of compliance because they describe how to ensure freedom from flutter, control reversal, and divergence. They are not the safety intent, but just one method to achieve the safety intent. As such, they serve only specific designs utilizing current methods, and may or may not be adequate for innovative designs or accommodate new analytical methods or testing techniques.

xi. Proposed § 23.500, Structural Design

Proposed § 23.500 would require an applicant to design each part, article, and assembly for the expected operating conditions of the airplane. Proposed § 23.500 would require the design data to adequately define the part, article, or assembly configuration, its design features, and any materials and processes used. Proposed § 23.500 would require an applicant to determine the suitability of each design detail and part having an important bearing on safety in operations. Proposed § 23.500 would also require the control system to be free from—

- Jamming;
- Excessive friction, and
- Excessive deflection when the control system and its supporting structure are subjected to loads corresponding to the limit airloads when the primary controls are subjected to the lesser of the limit airloads or limit pilot forces and when the secondary controls are subjected to loads not less than those corresponding to maximum pilot effort.

Proposed § 23.500 would capture the safety intent of the current §§ 23.601, Design and Construction—General; 23.603, Materials and workmanship, paragraph (b); 23.671, Control Systems—General, paragraph (a); 23.683, Operation tests; 23.685, Control system details; 23.687, Spring devices, in part; and 23.689, Cable systems. These current requirements explain methods and techniques to ensure an adequate design. The proposed rule would require an applicant to produce an adequate design without specifying how. The prescriptive language within these current sections noted above, are more appropriate for a means of compliance.

xii. Proposed § 23.505, Protection of Structure

Proposed § 23.505 would require an applicant to protect each part of the airplane, including small parts such as fasteners, against deterioration or loss of strength due to any cause likely to occur in the expected operational environment. Proposed § 23.505 would require each part of the airplane to have adequate provisions for ventilation and drainage and would require an applicant to incorporate a means into the airplane design to allow for required maintenance, preventive maintenance, and servicing.

Proposed § 23.505 would capture the safety intent of the current §§ 23.607, Fasteners; 23.609, Protection of structure; and 23.611, Accessibility. These current requirements explain methods and techniques to ensure an adequate design. This proposed rule would require the applicant to produce an adequate design without specifying how to accomplish it. The prescriptive language within these current sections is more appropriate as a means of compliance.

xiii. Proposed § 23.510, Materials and Processes

Proposed § 23.510 would require an applicant to determine the suitability and durability of materials used for parts, articles, and assemblies, the failure of which could prevent continued safe flight and landing, while accounting for the effects of likely environmental conditions expected in service. Proposed § 23.510 would require the methods and processes of fabrication and assembly used to produce consistently sound structures and, if a fabrication process requires close control to reach this objective, an applicant would have to perform the process under an approved process specification. Additionally, proposed § 23.510 would require an applicant to justify the selected design values to ensure material strength with probabilities, account for—

- The criticality of the structural element; and
- The structural failure due to material variability, unless each individual item is tested before use to determine that the actual strength properties of that particular item would equal or exceed those used in the design, or the design values are accepted by the Administrator.

Proposed § 23.510 would require a determination of required material strength properties to be based on sufficient tests of material meeting specifications to establish design values on a statistical basis. Proposed § 23.510 would also require an applicant to determine the effects on allowable stresses used for design if thermal effects were significant on an essential component or structure under normal operating conditions.

Proposed § 23.510 would capture the safety intent of the current §§ 23.605, Fabrication methods and 23.613, Material strength properties and design values. These current requirements explain methods and techniques to ensure adequate materials and process controls. This proposed rule would require the applicant to ensure the resulting materials and processes are adequate without specifying how. The prescriptive language within the current

sections is more appropriate as a means of compliance.

xiv. Proposed § 23.515, Special Factors of Safety

Proposed § 23.515 would require an applicant to determine a special factor of safety for any critical design value that was uncertain, used for a part, article, or assembly likely to deteriorate in service before normal replacement, or subject to appreciable variability because of uncertainties in manufacturing processes or inspection methods. Proposed § 23.515 would require an applicant to determine a special factor of safety using quality controls and specifications that accounted for each structural application, inspection method, structural test requirement, sampling percentage, and process and material control. Proposed § 23.515 would require an applicant to apply any special factor of safety in the design for each part of the structure by multiplying each limit load and ultimate load by the special factor of safety.

Proposed § 23.515 would capture the safety intent of current §§ 23.619, Special factors; 23.621, Casting factors; 23.623, Bearing factors; 23.625, Fitting factors; 23.657, Hinges; 23.681(b), Limit load static test (in part); and 23.693, Joints. These current requirements explain methods and techniques to ensure adequate special factors are used and the proposed rule would simply require the applicant to determine and apply adequate special factors without specifying what these are. The prescriptive language within the current sections is more appropriate as a means of compliance.

xv. Proposed § 23.600, Emergency Conditions

Proposed § 23.600 would require the airplane, even if damaged in emergency landing conditions, to provide protection to each occupant against injury that would preclude egress. Proposed § 23.600 would require the airplane to have seating and restraints for all occupants, consisting of a seat, a method to restrain the occupant's pelvis and torso, and a single action restraint release, which meets its intended function and does not create a hazard that could cause a secondary injury to an occupant. Proposed § 23.600 would require the airplane seating, restraints, and cabin interior to account for likely flight and emergency landing conditions. Additionally, they could not prevent occupant egress or interfere with the operation of the airplane when not in use.

Proposed § 23.600 would require each baggage and cargo compartment be designed for its maximum weight of contents and for the critical load distributions at the maximum load factors corresponding to the determined flight and ground load conditions. Proposed § 23.600 would also require each baggage and cargo compartment to have a means to prevent the contents of the compartment from becoming a hazard by impacting occupants or shifting, and to protect any controls, wiring, lines, equipment, or accessories whose damage or failure would affect operations.

Proposed § 23.600 would capture the safety intent of current §§ 23.561, Emergency Landing Conditions—General; 23.562, Emergency landing dynamic conditions; 23.785, Seats, berths, litters, safety belts, and shoulder harnesses; and 23.787, Baggage and cargo compartments. The prescriptive language within these current sections are more appropriate as a means of compliance, and thus would allow flexibility for new technology to be available in new part 23 airplanes in a timely manner.

Occupant safety for aviation has progressed incrementally over the years. This has resulted in rulemaking that has enhanced safety for individual system components, but not in an integrated fashion. Modeling and analysis techniques have matured to a point that may allow evaluation of more crash scenarios and crashworthiness components as an integrated system. The FAA has relied on many industry studies to develop current occupant safety rules. These studies evaluated characteristics of actual accidents, full-scale aircraft drop testing, and dynamic seat testing on a sled. When dynamic seat testing began, determination of an adequate generic floor impulse that represented a survivable aircraft crash was established. As an alternative to current crashworthiness requirements, the proposed rule would allow for evaluation of the conditions of likely impacts, assessment of vehicle response, and ultimately, evaluation of occupant reaction to vehicle impact and vehicle response.

Technology used in aviation crashworthiness, in a large part, has come from the automotive industry. The automotive industry has analyzed crashworthiness components as a system for many years. The automotive industry generally has a more developed crashworthiness analysis capability than that used in the aviation industry. This advanced crashworthiness analysis capability has evolved primarily because of the—

- Public expectation for automobile safety;
- Higher general public likelihood and exposure to automobile accidents; and
- High automobile production rates allow for multiple actual full-vehicle crash tests that result in very accurate crash impulse data from the outer surface of the vehicle all the way to the occupant.

Because of these facts, automotive designers know accurate impulses and the specific vehicle response for impact conditions. Furthermore, this data can be extrapolated to consider many more accident scenarios. Automotive safety requirements progressively add new impact scenario requirements and enhanced impulse magnitudes, thus requiring more industry innovation. This innovation has enabled rapid advances in automotive occupant protection systems.

Automotive safety begins at the outside of the vehicle, evaluating the entire system's response. In contrast, aircraft manufacturers have used essentially the same generic designed pulse imparted at the cabin floor for the last 25 years. The same impulse applies to all GA airplanes independent of the structure below the cabin floor and the aircraft's stall speed, unless the stall speed is greater than 61 knots. Determining airplane crashworthiness is a more complex process than determining automotive crashworthiness because of higher impact speeds, lighter weight structures, and the effect of the third dimension of altitude on the aircraft. Dynamic seat testing has improved crashworthiness in aviation; however, the FAA believes that newer means of evaluating the full aircraft response to crash conditions via modeling, newer materials, and new technologies promise to offer improved features, evaluation, and accuracy that would facilitate consideration of more crash scenarios and evaluation of more variables that could improve survivability.

The NTSB produced a series of reports, called the General Aviation Crashworthiness Project,[21] in the 1980s that evaluated over 21,000 GA airplane crashes that occurred between 1972 and 1981. The NTSB evaluated airplane orientation, impact magnitudes, and survival rates and factors on many of these accidents in order to provide information to support changes in crashworthiness design standards for seating and restraint systems in GA airplanes. These reports also established

[21] See *www.regulations.gov* (Docket #FAA–2015–1621).

conditions approximating survivable accidents, and categorized factors that would have the largest impact on safety. These reports further illuminated the various crashworthiness systems and their respective impact to overall safety. Amendment 23–36 (53 FR 30802, August 15, 1988), to part 23 referenced these reports for dynamic seats but did not adopt a systems-approach to evaluating crashworthiness of an airplane design.

The NTSB reports identified several factors that would enhance safety. All of these factors working together as a system should result in a safer airplane. However, the assessment indicated that shoulder harnesses offer the fastest individual improvement for safety. The FAA codified the shoulder harnesses requirement in amendments 23–19 (42 FR 20601, June 16, 1977) and 23–32 (50 FR 46872, November 13, 1985), for newly manufactured airplanes. The FAA also issued policy statement ACE–00–23.561–01,[22] Methods of Approval of Retrofit Shoulder Harness Installations in Small Airplanes, to streamline the process for retrofitting older airplanes.

Survivable volume is another critical factor to survival. Survivable volume is the ability of the airframe to protect the occupants from external intrusion or cabin crushing during and after the accident sequence. There were several observed accidents in the NTSB study where conventional aircraft construction simply crushed an otherwise restrained occupant. Crashworthiness regulations have never included survivable volume as a factor, except for aircraft turnover. Airplane designs should provide the space needed for the protection and restraint of the occupants. A compromised survivable volume could cause occupant impact with objects in the cabin. This is one of the first steps in the analysis of airplane crashworthiness.

Additional data from the NTSB General Aviation Crashworthiness Project suggested that energy-absorbing seats that protect the occupant from vertical loads could enhance occupant survivability and work to prevent serious injury, thereby enhancing odds for egress and preventing many debilitating long-term injuries. The FAA established dynamic seat testing requirements in amendment 23–36 for airplanes certificated under part 23. Energy absorbing seats benefit a smaller portion of accident occupants because accident impacts with larger vertical components tend to reduce occupant survival odds. Energy attenuation from vertical forces, both static and dynamic, has been important to crashworthiness regulations within the past 25 years. Seat deformation throughout the emergency landing sequence is acceptable if the load path through attachment, seat, and restraint remains continuous. Coupling the seat performance to the rest of the airframe response is important to the enhancement and understanding of occupant survivability. The FAA believes that allowing designers to consider a particular airframe's unique deformation in a crash, the designers can create a safer cabin for the occupants. Using unique airframe deformations would result in more accurate accident floor impulses and may allow evaluation of crash impulses in multiple directions; instead of only two directions considered in current certification.

Occupant restraints must maintain integrity, stay in place on the occupant throughout the event, properly distribute loads on the occupant, and restrain the occupant by mitigating interaction with other items in the cabin. Restraints originally were comprised of lap belts. Shoulder harnesses were later required as discussed above. Newer technology that enhances or supplements the performance of restraints, like airbags and consideration of items in the cabin that the occupant might impact, are now being considered for inclusion in designs. The use of airbags has greatly increased passenger safety in automobiles, which offer protection in much more severe impacts and in impacts from multiple directions, and could be a viable option for airplanes as well.

Seat retention in airplanes is a factor identified as another basic building block for crashworthiness. The NTSB reports shows more than a quarter of otherwise-survivable accidents included instances where the seats broke free at the attachment to the airplane, resulting in fatalities or serious injuries. Dynamic seat testing requirements address the ability of seat assemblies to remain attached to the floor, even when the floor shifts during impact. Pitching and yawing of the seat tracks during dynamic seat tests demonstrates the gimbaling and flexibility of the seat.

All of the aforementioned safety considerations must work together to enhance occupant safety and survivability. The FAA believes that evaluating occupant safety, as a whole system, would allow for a better understanding of vehicle performance in an emergency landing, enabling the incorporation of innovative technology. The transportation industry has made significant progress with energy absorbing seats and restraint technology. The FAA believes enhanced cabin strength that improves survivable volume, coupled with better restraint technology and refined energy absorbing seats, would be key factors in improving expansion of the survivable accident envelope. These factors and additional considerations were included in the Small Airplane Crashworthiness Design Guide.[23] This guide was prepared for the Advanced General Aviation Transports Experiments and the National Aerospace and Space Administration and addresses the concept of designing crashworthiness into an airplane design as a system.

In order to evaluate an accident from an occupant's perspective, the emergency landing condition must first be defined, starting with the conditions external to the aircraft. In most survivable accidents, the pilot is able to maintain control of the aircraft prior to impact. Accidents where the airplane impacts the ground out of control are typically much less survivable. Speed and impact orientation are significant factors in crash survivability. Therefore, considerations for impact beyond a controllable impact are beyond the scope of these proposed regulations. The slowest forward speed that any fixed wing airplane can fly is its stall speed. This stall speed can vary with airplane configuration and weight, but represents the most universal parameter for impact speed and energy attenuation at impact. For this reason, stall speed is the starting point for consideration of expected impact conditions.

Orientation of impact can vary with pitch, yaw, terrain angle, and angle of flight path and becomes dynamic as the pilot loses control effectiveness at stall. The result is the airplane impact angle can result in a combination of horizontal and vertical loads and impulses that vary widely. Angle of impact, the line of the center of mass with respect to the angle of the impact surface, can also affect the amount of energy absorbed or transmitted to the occupant.

An accident impulse is a dynamic event that rapidly loads and unloads the structure. Dynamic impacts accurately represent the impact event, often including load levels far surpassing the static load requirements. Dynamic testing is also subject to a wide variation of results due to the unpredictable dynamic responses of varying

[22] See *www.regulations.gov* (Docket #FAA–2015–1621).

[23] See *www.regulations.gov* (Docket #FAA–2015–1621).

construction methods and materials, resulting in complicated modeling and analysis. This contrasts with static load tests that load the structure slowly, maintain that load at high levels, are generally simpler, and often provide adequate demonstration of part strength. Static analysis is generally more reliable with both testing and modeling; however, it does not capture the nature of rapid loading. Some combination of dynamic and static testing allows for the best understanding of airplane behavior during an accident.

Compliance with the proposed rule could be shown using conventional means of compliance like dynamic testing of seats, and static testing of other components using the prescriptive methods contained in the current part 23. Alternative compliance methods could include analysis or modeling supported by testing using an airframe coupled with the airplane's performance envelope, viewing the entire interaction of ground, airplane, and occupant, thus using a more complete systemic approach to achieve improved protection.

Proposed § 23.600(a) is intended to provide structural performance that protects the occupant during an emergency landing while accounting for only static loads and assuming all safety equipment is in use. The proposed section would capture the safety intent of the current § 23.561. As noted earlier, static loads are generally lower than peak dynamic loads; however, they may offer a more-easily predictable loading condition and are generally of longer duration such that the structure can fully react to the load. The landing conditions should consider possible accident sequence variables at impact, including restraint of items of mass within the cabin, directions of loading along or about the three axes, and airframe response with respect to the occupants and effects of airframe deflection during an emergency landing. Effects of emergency landing on the airplane should also be considered to include the effect of airframe damage and how static loads would affect egress and survivable cabin volume. Items of mass within the cabin and rear mounted engines have also been traditionally considered using even higher static loads as an additional factor of safety to ensure that these items of mass are restrained and would be among the last items to come free in an accident.

Proposed § 23.600(b) is intended to provide boundary conditions for the emergency landing sequence for both static and dynamic load considerations. The proposed section would capture the safety intent of the current §§ 23.561 and 23.562. The airplane stall speed limits the maximum forward impact speed. The emergency landing condition assumes the pilot maintains airplane control at or near final impact, thereby limiting impact velocity.

Proposed § 23.600(c) would capture the survivability factors for the occupant in the cabin during the emergency landing sequence and would capture the safety intent of current § 23.562. These factors include proper use and loading of seats and restraints, and the interaction of the occupants with each other and the cabin interior. Survivability is determined upon the occupant's interaction with the interior, seat, and restraints, and bounded by established human injury criteria.

Proposed § 23.600(d) would provide the framework for seats and occupant restraints and would require simplified seat and restraint requirements for all occupants. This proposed section would capture the safety intent of current § 23.785.

Proposed § 23.600(e) would establish requirements for baggage and cargo compartments and the restraint of contents. The proposed section would capture the safety intent of current § 23.787.

xvi. Current Subpart C Regulations Relocated to Other Proposed Subparts

As discussed, the FAA proposes removing current §§ 23.561, 23.562, 23.785, and 23.787. Also, this proposal would consolidate the safety intent of these crashworthiness regulations in proposed § 23.600.

4. Subpart D—Design and Construction

a. General Discussion

The FAA proposes restructuring current subpart D to retain the requirements for flight control systems, along with their attachment to the structure and landing gear, and occupant safety other than structural requirements. The FAA proposes to align structural requirements, found in current §§ 23.601 through 23.659, to proposed subpart C. Aspects that directly affected the pilot's interface with the airplane, such as the throttle shape, would be relocated to proposed § 23.1500, Flightcrew Interface.

The FAA also proposes, in those sections where there are requirements specific to the current commuter category, to use certification level 4. In those sections where there are current requirements specific to multiengine jets over 6,000 pounds, the FAA proposes requirements for certification level 3, high-speed multiengine airplanes as discussed earlier in this proposal. Refer to appendix 1 of this preamble for a cross-reference table detailing how the current regulations are addressed in the proposed part 23 regulations.

The subpart D organization was more complex than other subparts due to the relocation and removal of many requirements at the sub-paragraph level. To reduce confusion, the specific discussion of subpart D changes is shown in a cross reference table at the end of the specific discussion section below rather than the Relocation and Removal paragraphs in other subparts.

b. Specific Discussion of Changes

i. Proposed § 23.700, Flight Controls Systems

Proposed § 23.700 would require an applicant to design airplane flight control systems to prevent major, hazardous, and catastrophic hazards. Proposed § 23.700 would require an applicant to design trim systems to prevent inadvertent, incorrect, or abrupt trim operation. In addition, proposed § 23.700 would require an applicant to design trim systems to provide a means to indicate—

- The direction of trim control movement relative to airplane motion;
- The trim position with respect to the trim range;
- The neutral position for lateral and directional trim; and
- For all airplanes except simple airplanes, the range for takeoff for all applicant requested center of gravity ranges and configurations.

Proposed § 23.700 would also require an applicant to design trim systems to provide control for continued safe flight and landing when any one connecting or transmitting element in the primary flight control system failed, except for simple airplanes. Additionally, proposed § 23.700 would require an applicant to design trim systems to limit the range of travel to allow safe flight and landing, if an adjustable stabilizer is used.

Furthermore, proposed § 23.700 would require the system for an airplane equipped with an artificial stall barrier system to prevent uncommanded control or thrust action and provide for a preflight check. The FAA also proposes requiring an applicant seeking certification of a certification level 3 high-speed or certification level 4 airplane to install a takeoff warning system on the airplane, unless the applicant demonstrates that the airplane, for each configuration, could takeoff at the limits of its trim and flap ranges.

Proposed § 23.700(b)(3) would also allow an exception for simple airplanes

from the requirement to provide control for continued safe flight and landing when any one connecting or transmitting element in the primary control system fails. This would provide a level of safety equivalent to that specified in EASA's CS–VLA. Last, proposed § 23.700(d) would maintain the level of safety in the current requirements for a takeoff warning system.

Proposed § 23.700 would capture the safety intent of current §§ 23.677, Trim systems, paragraphs (a), (b), and (d); 23.689, Cable systems, paragraphs (a) and (f); 23.691, Artificial stall barrier system, paragraphs (a), (b), (d), (e) and (f); 23.697, Wing flap controls, paragraphs (a); and 23.703, Takeoff warning system, paragraphs (a) and (b). This proposed section would apply to the function, usability, and hazard levels of all mechanical, electrical, or electronic control systems. The certification levels proposed in this NPRM would be incorporated into the mechanical, electrical, or electronic control systems to maintain the differences in airplanes certificated under part 23 (*i.e.,* weight and powerplant.)

ii. Proposed § 23.705, Landing Gear Systems

Proposed § 23.705 would require an airplane's landing gear and retracting mechanism be able to withstand operational and flight loads. Proposed § 23.705 would require an airplane with retractable landing gear to have a positive means to keep the landing gear extended and a secondary means for extending the landing gear that could not be extended using the primary means. Proposed § 23.705 would also require a means to inform the pilot that each landing gear is secured in the extended and retracted positions. Additionally, proposed § 23.705 would require an airplane, except for airplanes intended for operation on water, with retractable landing gear to also have a warning to the pilot if the thrust and configuration is selected for landing and yet the landing gear is not fully extended and locked.

Furthermore, if the landing gear bayis used as the location for equipment other than the landing gear, proposed § 23.705 would require that equipment be designed and installed to avoid damage from tire burst and from items that may enter the landing gear bay. Proposed § 23.705 would also require the design of each landing gear wheel, tire, and ski account for critical loads and would require a reliable means of stopping the airplane with kinetic energy absorption within the airplane's design specifications for landing. For certification level 3 high-speed multiengine and certification level 4 multiengine airplanes, proposed § 23.705 would require the braking system to provide kinetic energy absorption within the design of the airplane specifications for rejected takeoff as the current rules do for multiengine jets over 6,000 pounds and commuter category airplanes.

Proposed § 23.705 would capture the safety intent of current §§ 23.729, Landing gear extension and retraction system, paragraphs (a), (b), (c), and (e); 23.731, Wheels; 23.733, Tires, paragraph (a); 23.735, Brakes, paragraphs (a), (b), and (e); 23.737, Skis. The FAA proposes to combine the fixed and retractable landing gear systems into the proposed section, which would apply to the function, usability, and hazard levels of all mechanical, electrical, or electronic landing gear systems.

iii. Proposed § 23.710, Buoyancy for Seaplanes and Amphibians

Proposed § 23.710 would require airplanes intended for operations on water to provide buoyancy of 80 percent in excess of the buoyancy required to support the maximum weight of the airplane in fresh water. Proposed § 23.710 would also require airplanes intended for operations on water to have sufficient watertight compartments so the airplane will stay afloat at rest in calm water without capsizing if any two compartments of any main float or hull are flooded.

Proposed § 23.710 would capture the safety intent of current §§ 23.751(a), Main float buoyancy; 23.755, Hulls; and 23.757, Auxiliary floats. The FAA proposes combining the floats or hulls landing gear systems into the proposed section and having it apply to the function, usability, and hazard levels of hulls and floats. The existing rule requires at least four watertight compartments of approximately equal volume, which the FAA proposes to remove because they are specific design requirements and are addressed in the proposed performance-based requirements.

To encourage the installation of buoyancy systems with new safety enhancing technology and streamlining the certification process, the FAA proposes removing most of the current prescriptive requirements and the detailed means of compliance for these requirements from the current part 23 and replacing them with performance-based regulations. The FAA expects the current means of compliance would continue to be used for the traditional airplane designs under part 23.

iv. § 23.750, Means of Egress and Emergency Exits

Proposed § 23.750 would require the airplane cabin exit be designed to provide for evacuation of the airplane within 90 seconds in conditions likely to occur, excluding ditching, following an emergency landing. For ditching, proposed § 23.750 would require the cabin exit for all certification levels 3 and 4 multiengine airplanes be designed to allow evacuation in 90 seconds. Proposed § 23.750 would require each exit to have a simple and obvious means, marked inside and outside the airplane, to be opened from both inside and outside the airplane, when the internal locking mechanism is in the locked position.

Proposed § 23.750 would also require airplane evacuation paths to protect occupants from serious injury from the propulsion system, and require that doors, canopies, and exits be protected from opening inadvertently in flight. Proposed § 23.750 would preclude each exit from being obstructed by a seat or seat back, unless the seat or seat back could be easily moved in one action to clear the exit. Proposed § 23.750 would also require airplanes certified for aerobatics to have a means to exit the airplane in flight.

Proposed § 23.750 would capture the safety intent of current §§ 23.783, Doors, paragraphs (a), (b), (c), and (d); 23.791, 23.803, Emergency evacuation, paragraph (a); 23.805, Flightcrew emergency exits; 23.807, Emergency exits except paragraphs (a)(3), (b)(1), (c), (d)(1) and (d)(4); 23.811, Emergency exit marking; 23.812, Emergency lighting; 23.813, Emergency exit access, paragraph (a); and 23.815, Width of aisle; and CS–VLA–783, Exits. This proposed rule would incorporate the requirements for all door and emergency exits and remove specified design solutions and means of compliances.

To encourage the installation of egress and emergency exits with new safety enhancing technology and streamline the certification process, the FAA proposes removing most of the current prescriptive requirements and the detailed means of compliance for these requirements from the current part 23. The FAA expects that the current prescriptive means of compliance would continue to be used for traditional part 23 airplane designs.

The FAA would continue to accept an airplane designed to meet these prescriptive design constraints as means of compliance to meet the proposed performance standard. However, if an airplane did not meet the prescriptive design constraints, the applicant could

propose its own means of compliance to show compliance with the proposed performance standard. Historically, the FAA has accepted an emergency evacuation demonstration in less than 90 seconds as an ELOS for airplanes that did not meet the prescriptive design requirements in the current part 23 regulations. AC 20–118A, Emergency Evacuation Demonstration, contains an acceptable means of compliance for the 90-second requirement for emergency evacuation.

v. Proposed § 23.755, Occupant Physical Environment

Proposed § 23.755 would require an applicant to design the airplane to allow clear communication between the flightcrew and passengers and provide a clear, sufficiently undistorted external view to enable the flightcrew to perform any maneuvers within the operating limitations of the airplane. Proposed § 23.755 would also require an applicant to design the airplane to protect the pilot from serious injury due to high energy rotating failures in systems and equipment, and protect the occupants from serious injury due to damage to windshields, windows, and canopies.

Additionally, proposed § 23.755 would require, for certification level 4 airplanes, each windshield and its supporting structure directly in front of the pilot to withstand the impact equivalent of a two-pound bird at maximum approach flap airspeed and allow for continued safe flight and landing after the loss of vision through any one panel.

Furthermore, proposed § 23.755 would require any installed oxygen system to include a means to determine whether oxygen is being delivered and a means for the flightcrew to turn on and shut off the oxygen supply, and the ability for the flightcrew to determine the quantity of oxygen available. Proposed § 23.755 would also require any installed pressurization system to include a pressurization system test and a warning if an unsafe condition exists.

Proposed § 23.755 would capture the safety intent of current §§ 23.771, Pilot compartment, paragraphs (b) and (c); 23.775, Windshields and windows, paragraphs (a), (b), (c), (d), and (h); 23.831, Ventilation; 23.841, Pressurized cabins, paragraphs (a), (b)(6), (c) and (d); 23.843, Pressurization tests; 23.1441, Oxygen equipment and supply, paragraphs (c), (d) and (e); 23.1443, minimum mass flow of supplemental oxygen, paragraphs (a), (b), and (c); 23.1445; Oxygen distribution system; 23.1447, Equipment standards for oxygen dispensing units, paragraphs (a) through (d) and (f); 23.1449, means of determining use of oxygen; and 23.1461, Equipment containing high energy rotors. Current part 23 regulations contain prescriptive language and means of compliance for the occupant physical environment requirements. The FAA proposes to remove the specific requirements to allow an applicant to specify the means of compliance for the physical needs of the occupants including temperature, ventilation, pressurization, supplemental oxygen, etc. For example, current § 23.831(a) requires carbon monoxide not exceeding one part in 20,000 parts of air. The FAA proposes revising this by requiring breathable atmosphere without hazardous concentrations of gases and vapors.

vi. Proposed § 23.800, Fire Protection Outside Designated Fire Zones

Proposed § 23.800 would require that insulation on electrical wire and electrical cable outside designated fire zones be self-extinguishing. Proposed § 23.800 would require airplane cockpit and cabin materials in certification levels 1, 2, and 3 be flame-resistant. Proposed § 23.800 would require airplane cockpit and cabin materials in certification level 4 airplanes be self-extinguishing. Proposed § 23.800 would also require that airplane materials in the baggage and cargo compartments, which are inaccessible in flight and outside designated fire zones, be self-extinguishing. Proposed § 23.800 would require that any electrical cable installation that would overheat in the event of circuit overload or fault be flame resistant. Additionally, proposed § 23.800 would preclude thermal acoustic materials outside designated fire zones from being a flame propagation hazard. Proposed § 23.800 would also require sources of heat that are capable of igniting adjacent objects outside designated fire zones to be shielded and insulated to prevent such ignition.

Proposed § 23.800 would require airplane baggage and cargo compartments, outside designated fire zones, to be located where a fire would be visible to the pilots, or equipped with a fire detection system and warning system, and be accessible for the manual extinguishing of a fire, have a built-in fire extinguishing system, or be constructed and sealed to contain any fire within the compartment.

Proposed § 23.800 would require a means to extinguish any fire in the cabin, outside designated fire zones, such that the pilot, while seated, could easily access the fire extinguishing means, and for certification levels 3 and 4 airplanes, passengers would have a fire extinguishing means available within the passenger compartment. Where flammable fluids or vapors might escape by leakage of a fluid system, proposed § 23.800 would require each area, outside designated fire zones, be defined and have a means to make fluid and vapor ignition, and the resultant hazard, if ignition occurs, improbable. Additionally, proposed § 23.800 would also require combustion heater installations outside designated fire zones be protected from uncontained fire.

Proposed § 23.800 would capture the safety intent of current §§ 23.851, Fire extinguishers, paragraphs (a) and (b); 23.853, Passenger and crew compartment interiors, Paragraphs (a), (d)(3)(i), (d)(3)(iii) and (d)(3)(iv), (e), and (f); 23.855, Cargo and baggage compartment fire protection; 23.856, Thermal/acoustic insulation materials; 23.859, Combustion heater fire protection, paragraph (a); 23.863, Flammable fluid fire protection, paragraphs (a) and (d); 23.1359, Electrical system fire protection, paragraph (c); 23.1365, Electric cables and equipment, paragraph (b); 23.1383, Taxi and landing lights, paragraph (d); 23.1385, Position light system installation, paragraph (d). It would also capture the safety intent of CS–VLA–853, Compartment interiors. Proposed § 23.800 would incorporate the requirements for flammability of all subpart D and F systems and equipment outside designated fire zones needed for continued safe flight and landing and remove specified design solutions and means of compliances.

vii. Proposed § 23.805, Fire Protection in Designated Fire Zones

Proposed § 23.805 would require flight controls, engine mounts, and other flight structures within or adjacent to designated fire zones be capable of withstanding the effects of a fire. Proposed § 23.805 would require engines inside designated fire zones to remain attached to the airplane in the event of a fire or electrical arcing. Proposed § 23.805 would also require terminals, equipment, and electrical cables, inside designated fire zones, used during emergency procedures, be fire-resistant.

Proposed § 23.805 would capture the safety intent of current § 23.865, Fire protection of flight controls, engine mounts, and other flight structure and § 23.1359(b), Electrical system fire protection. The intent of proposed § 23.805 is to protect flight controls, engine mounts, and other flight structure as well as electrical cables,

terminals and equipment from the effects of fire in designated fire zones.

viii. Proposed § 23.810, Lightning Protection of Structure

Proposed § 23.810 would preclude primary structure failure caused by exposure to the direct effects of lightning, that could prevent continued safe flight and landing for airplanes approved for IFR. Proposed § 23.810 would require airplanes approved only for VFR to achieve lightning protection by following FAA accepted design practices found in FAA issued advisory circulars and in FAA accepted consensus standards.

Proposed § 23.810 would capture the safety intent of the current § 23.867(a) and (c), Electrical bonding and protection against lightning and static electricity. The FAA proposes adopting the structure requirements in part 23, amendment 23–7 (34 FR 13078, August 13, 1969), to limit the rule to protection of primary structure from direct effects of lightning.

ix. Reorganization of Subpart D

The FAA proposes relocating the underlying safety. intent of various subpart D sections with proposed sections in subparts B, C, F, and G. The following table shows where the FAA proposes moving the current subpart D sections in part 23.

Current section	Title	Proposed section	Proposed title
23.601	General	23.500	Structural design.
23.603	Materials and workmanship	23.500	Structural design.
23.605	Fabrication methods	23.510	Materials and processes.
23.607	Fasteners	23.505	Protection of structure.
23.609	Protection of Structure	23.505	Protection of structure.
23.611	Accessibility	23.505	Protection of structure.
23.613	Material strength properties and design values.	23.510	Materials and processes.
23.619	Special factors	23.515	Special factors of safety.
23.621	Casting factors	23.515	Special factors of safety.
23.623.	Bearing factors	23.515	Special factors of safety.
23.625	Fitting factors	23.515	Special factors of safety.
23.627	Fatigue strength	23.405	Structural durability.
23.629	Flutter	23.410	Aeroelasticity.
23.641	Proof of strength	Means of Compliance.	
23.651	Proof of strength	Means of Compliance.	
23.655	Installation	Means of Compliance.	
23.657	Hinges	23.515	Special factors of safety.
23.659	Mass balance	23.315	Flight load conditions.
23.671	Control Surfaces—General.		
(a)		23.500	Structural design.
(b)		23.1305	Function and installation.
23.672	Stability augmentation and automatic and power-operated systems.	23.1305	Function and installation.
23.673	Primary flight controls	23.1305	Function and installation.
23.675	Stops	23.1305	Function and installation.
23.677	Trim systems.		
(a)		23.700	Flight control systems.
(b)		23.700	Flight control systems.
(c)		23.410	Aeroelasticity.
(d)		23.700	Flight control systems.
23.679	Control system locks	23.1305	Function and installation.
23.681(a)	Limit load static tests	23.325(b)	Component loading conditions.
23.681(b)	Limit load static tests	23.515	Special factors of safety.
23.683	Operation tests	23.500(d)	Structural design.
23.685(a), (b), (c)	Control system details	23.500(d)	Structural design.
23.685(d)	Control system details	23.1305	Function and installation.
23.687	Spring devices	23.410 and 23.500	Aeroelasticity and Structural design.
23.689	Cable systems		Component loading conditions, Structural design, and Equipment Systems and Installations.
(a)		23.700	Flight control systems.
(b)		23.325(b), 23.500(d)	Component loading conditions, Structural design.
(c)		23.325(b), 23.500(d)	Component loading conditions, Structural design.
(d)		23.325(b), 23.500(d)	Component loading conditions, Structural design.
(e)		23.325(b), 23.500(d)	Component loading conditions, Structural design.
(f)		23.700	Flight control systems.
23.691	Artificial stall barrier system.		
(a)		23.700	Flight control systems.
(b)		23.700	Flight control systems.
(c)		23.1305	Function and installation.
(d)		23.700	Flight control systems.
(e)		23.700	Flight control systems.
(f)		23.700	Flight control systems.
(g)		23.1315	Equipment, systems and Installations.
23.693	Joints	23.515	Special factors of safety.

Current section	Title	Proposed section	Proposed title
23.697	Wing flap controls.		
(a)		23.700	Flight control systems.
(b) and (c)		23.200	Controllability.
23.699	Wing flap position indicator	23.1500	Flightcrew interface.
23.701	Flap interconnection	Means of Compliance.	
23.703	Takeoff warning system.		
(a)		23.700	Flight control systems.
(b)		23.700	Flight control systems.
(c)		Definition.	
23.721	General	23.910	Powerplant installation hazard assessment.
23.723.	Shock absorption tests	Means of Compliance.	
23.725	Limit drop tests	Means of Compliance.	
23.726	Ground load dynamic tests	Means of Compliance.	
23.727	Reserve energy absorption drop tests	Means of Compliance.	
23.729	Landing gear extension and retraction system.		
(a)		23.705	Landing gear systems.
(b)		23.705	Landing gear systems.
(c)		23.705	Landing gear systems.
(d)		Means of Compliance.	
(e)		23.705	Landing gear systems.
(f)		23.1315	Equipment, systems and installation.
(g)		Means of Compliance.	
23.731	Wheels	23.705	Landing gear systems.
23.733	Tires.		
(a)		23.705	Landing gear systems.
(b)		Means of Compliance.	
(c)		Means of Compliance.	
23.735	Brakes	23.705.	
(a)		23.705	Landing gear systems.
(1)		Means of Compliance.	
(2)		Means of Compliance.	
(b)		23.705	Landing gear systems.
(c)		Means of Compliance.	
(d)		23.1315	Equipment, systems and installation.
(e)		23.705	Landing gear systems.
(1)		Means of Compliance.	
(2)		Means of Compliance.	
23.737	Skis	23.705	Landing gear systems.
23.745	Nose/Tail wheel steering	23.1500	Flightcrew interface.
23.751	Main float buoyancy.		
(a)		710	Buoyancy for seaplanes and amphibians.
(b)		Means of Compliance.	
23.753	Main float design.	23.320	Ground and water load conditions.
23.755	Hulls	23.710	Buoyancy for seaplanes and amphibians.
23.757	Auxiliary floats	23.710	Buoyancy for seaplanes and amphibians.
23.771	Pilot compartment.		
(a)		23.1500	Flightcrew interface.
(b)		23.755	Occupant physical environment.
(c)		23.755	Occupant physical environment.
23.773	Pilot compartment view.		
(a)		23.1500	Flightcrew interface.
(b)		23.755	Occupant physical environment.
23.775	Windshields and windows.		
(a), (b), (c), (d)		23.755	Occupant physical environment.
(e)		Means of Compliance.	
(f)		23.1405	Flight in icing conditions.
(g)		Means of Compliance.	
(h)		23.755	Occupant physical environment.
23.777	Cockpit controls	23.1500	Flightcrew interface.
23.779	Motion and effect of cockpit controls	23.1500	Flightcrew interface.
23.781	Cockpit control knob shape	23.1500	Flightcrew interface.
23.783	Doors.		
(a), (b), (c), (d)		23.750	Means of egress and emergency exits.
(e), (f), (g)		Means of Compliance.	
23.785	Seats, berths, litters, safety belts, and shoulder harnesses.	23.600 and 23.515	Special factors of safety, Emergency landing conditions.
23.787	Baggage and cargo compartments	23.600(e)	Emergency landing conditions.
23.791	Passenger information signs	23.755	Occupant physical environment.
23.803	Emergency evacuation.		

Current section	Title	Proposed section	Proposed title
(a)		23.750	Means of egress and emergency exits.
(b)		Means of Compliance.	
23.805	Flightcrew emergency exits	23.750	Means of egress and emergency exits.
23.807	Emergency exits.		
(a)(3), (b)(1), (c), (d)(1), (d)(4).		Means of Compliance.	
Balance of 23.807		23.750	Means of egress and emergency exits.
23.811	Emergency exit marking	23.750	Means of egress and emergency exits.
23.812	Emergency lighting	23.750	Means of egress and emergency exits.
23.813	Emergency exit access.		
(a)		23.750	Means of egress and emergency exits.
(b)		Means of Compliance.	
CS–VLA 853		23.750	Means of egress and emergency exits.
23.815	Width of aisle	23.750	Means of egress and emergency exits.
23.831	Ventilation	23.755	Occupant physical environment.
23.841(a), (b)(6), (c), (d)	Pressurized cabins	23.755	Occupant physical environment.
(b)(1) through (5) and (7)		Means of Compliance.	
23.843	Pressurization tests	23.755	Occupant physical environment.
23.851	Fire extinguishers.		
(a) and (b)		23.800	Fire protection outside designated fire zones.
(c)		Means of Compliance.	
23.853	Passenger and crew compartment interiors.		
(a)		23.800	Fire protection outside designated fire zones.
(b)(c) and (d)(1)(2)		Means of Compliance.	
(d)(3)(i), (d)(3)(iii), (d)(3)(iv)		23.800	Fire protection outside designated fire zones.
(e)		23.800	Fire protection outside designated fire zones.
(f)		23.800	Fire protection outside designated fire zones.
23.855	Cargo and baggage compartment fire protection.	23.800	Fire protection outside designated fire zones.
23.856	Thermal/acoustic insulation materials	23.800	Fire protection outside designated fire zones.
23.859	Combustion heater fire protection.		
(a)		23.800	Fire protection outside designated fire zones.
(b) thru (i)		Means of Compliance.	
23.863	Flammable fluid fire protection.		
(a) and (d)		23.800	Fire protection outside designated fire zones.
(b) and (c)		Means of Compliance	Fire protection outside designated fire zones.
23.865	Fire protection of flight controls, engine mounts, and other flight structure.	23.805	Fire protection in designated fire zones.
23.867	Electrical bonding and protection against lightning and static electricity.		
(a), (c)		23.810	Lightning protection of structure.
(b)		23.1320	Electrical and electronic system lightning protection.
23.871	Leveling means	Means of Compliance.	

5. Subpart E—Powerplant

a. General Discussion

The FAA proposes substantial changes to subpart E based on two considerations. First, many of the current regulations could be combined to provide fewer regulations that accomplish the same safety intent. Second, part 23 overlaps with the requirements in parts 33 and 35. Refer to appendix 1 of this preamble for a cross-reference table detailing how the current regulations are addressed in the proposed part 23 regulations.

b. Specific Discussion of Changes

i. Proposed § 23.900, Powerplant Installation

Proposed § 23.900 would clarify, for the purpose of this subpart, that the airplane powerplant installation must include each component necessary for propulsion, affects propulsion safety, or provides auxiliary power to the airplane. Proposed § 23.900 would require the applicant to construct and arrange each powerplant installation to account for likely hazards in operation and maintenance and, except for simple airplanes,[24] each aircraft engine would have to be type certificated.

Proposed § 23.900 would capture the safety intent of current §§ 23.901, Installation, paragraphs (a), (b), and (f); 23.903, Engines, paragraph (a); 23.905, Propellers, paragraph (a), 23.909, Turbocharger systems, paragraphs (a) and (c); and 23.925, Propeller clearance. Proposed § 23.900 would combine the installation requirements that are scattered throughout the subpart into a

[24] Refer to Section III, Discussion of Proposal, paragraphs A and B of this NPRM for definition and discussion of a simple airplane.

general requirement for installation, and remove any duplication with part 33. The following table illustrates the duplication between the current part 23 regulations and part 33 requirements:

Part 23	Part 33
§ 23.901(d), Installation	§ 33.33, Vibration.
§ 23.901(e), Installation	§ 33.1, Applicability.
§ 23.934, Turbojet and turbofan engine thrust reverser systems tests	§ 33.97, Thrust reversers.
§ 23.939, Powerplant operating characteristics	§§ 33.61 thru 33.79.
§ 23.1011, Oil System—General	§§ 33.39 and 33.71, Lubrication system.
§ 23.1013(a) and (d), Oil tanks	§§ 33.39, and 33.71, Lubrication system.
§ 23.1015, Oil tank tests	§ 33.33, Vibration.
§ 23.1023, Oil radiators	§ 33.33, Vibration.
§ 23.1041, Cooling—General	§ 33.1, Applicability.
§ 23.1043, Cooling tests	§§ 33.41 and 33.81, Applicability—Block Tests.
§ 23.1045, Cooling test procedures for turbine engine powered airplanes.	§ 33.81, Applicability—Block Tests.
§ 23.1047, Cooling test procedures for reciprocating engine powered airplanes.	§ 33.35, Fuel and induction system.
§ 23.1061, Liquid Cooling—Installation	§ 33.21, Engine cooling.
§ 23.1063, Coolant tank tests	§ 33.41 and 33.81, Applicability—Block Tests.
§ 23.1093, Induction system icing protection	§§ 33.35(b), Fuel and induction system and 33.68, Induction system icing.
§ 23.1099, Carburetor deicing fluid system detail design	§ 33.35, Fuel and induction system.

Additionally, proposed § 23.900 would identify the scope of the powerplant installation in the same manner as the current requirements. However, the FAA would redefine several terms to allow for alternate sources of propulsion, such as electric motors. The FAA considers the term powerplant to include all equipment used by the airplane that provides propulsion or auxiliary power. The word engine would be replaced with the term power unit and would include other power sources driven by fuel such as liquid fuel, electrical, or other power sources not yet envisioned. This proposal also predicates that each airplane power unit or propeller receive a type certificate as a prerequisite for installation, with the exception of simple airplanes. The current part 33 airworthiness standards did not envision providing certification requirements for types of engines outside of those that operate on fossil fuels. As such, the ability of an applicant to obtain the required engine type certificate for an alternate fuel type may be impractical. For those power units, the FAA proposes to include them in the airplane certification, which could include the use of an ELOS to part 23. The FAA would expect an applicant to utilize all the requirements listed in part 33 as a baseline matrix to find compliance for an alternate powerplant type and for those requirements that could not be met. Also, § 21.16, Special conditions, may apply. It should be noted that additional requirements might also be necessary due to an absence of a corresponding part 33 requirement. This matrix would become part of the certification baseline and recorded in an issue paper as an ELOS, exemption, or special condition. Also, simple airplanes will follow the precedence set for CS–VLA and will maintain the exception to the requirement to be type certificated.

ii. Proposed § 23.905, Propeller Installation

Proposed § 23.905 would retain the requirement that each propeller be type certificated, except for simple airplanes. Proposed § 23.905 would retain the requirement that each pusher propeller be marked so that it is conspicuous under daylight conditions. All the other requirements of the current section either duplicate part 35 standards, or would condense into the other requirements proposed in §§ 23.900, Powerplant installation; 23.910, Powerplant installation hazard assessment; and 23.940, Powerplant ice protection.

iii. Proposed § 23.910, Powerplant Installation Hazard Assessment

Proposed § 23.910 would require an applicant to assess each powerplant separately and in relation to other airplane systems and installations to show that a failure of any powerplant system component or accessory will not—

- Prevent continued safe flight and landing;
- Cause serious injury; and
- Require immediate action by crewmembers for continued operation of any remaining powerplant system.

Proposed § 23.910 would capture the safety intent of current §§ 23.721, Landing gear—General; 23.903, Engines, paragraph (c); 23.905, Propellers, paragraph (h); 23.909, Turbocharger systems, paragraph (b), (c), and (e); 23.933 Reversing systems, paragraph (b); 23.937, Turbopropeller-drag limiting systems, paragraph (a); 23.959, Unusable fuel supply; 23.979, Pressure fueling systems, paragraphs (c) and (d); 23.991, Fuel pumps, paragraph (d); 23.994, Fuel system components; 23.1001, Fuel jettisoning system, paragraph (h); 23.1027, Propeller feathering system; 23.1111, Turbine engine, paragraph (a) and (c); 23.1123, Exhaust system; 23.1125 Exhaust heat exchangers, paragraph (a); 23.1142, Auxiliary power unit controls, paragraphs (d) and (e); 23.1155, Turbine engine reverse thrust and propeller pitch settings below the flight regime; 23.1163, Powerplant accessories, paragraphs (b) and (d); 23.1191, Firewalls, paragraph (f); 23.1193, Cowling and nacelle, paragraphs (f) and (g); 23.1201, Fire extinguishing systems materials, paragraph (a); and 23.1203, Fire detector system, paragraphs (b) and (c).

The proposed standard would reduce the repetitive requirements found throughout the subpart and create one general powerplant requirement to analyze and mitigate hazards associated with the powerplant installation. For example, current § 23.903(b)(1) requires that design precautions be taken to minimize the hazards to the airplane in the event of an engine rotor failure or a fire originating inside the engine that could burn though the engine case. These are very specific failure conditions, but are actually only two small categories of many engine failure

conditions an applicant must assess. Section 23.903(c) requires that multiple engines must be isolated from one another so a malfunction of one engine does not affect the operation of the other. This is a general analysis technique frequently called common mode analysis that should apply to all powerplant components and include other critical airplane systems that are not powerplant related, but could be affected by a powerplant failure. Hazards the FAA proposes to remove from other regulations and which would be addressed in this proposed section include, but are not limited to, fire, ice, rain and bird ingestion, rotorburst, engine case burn through, and flammable leakage.

iv. Proposed § 23.915, Automatic Power Control Systems

Proposed § 23.915 would require a power or thrust augmentation system that automatically controls the power or thrust on the operating powerplant to provide an indication to the flightcrew when the system is operating; provide a means for the pilot to deactivate the automatic functions; and prevent inadvertent deactivation.

Proposed § 23.915 would capture the safety intent of current § 23.904, Automatic power reserve system and appendix H to part 23—Installation of An Automatic Power Reserve (APR) System. To foster the growth and approval of technological advances, the FAA believes that the detailed and prescriptive language of appendix H is more appropriate as means of compliance. We would also include requirements for thrust augmenting systems into this proposed section since there seems to be a trend in general aviation to provide thrust management systems more sophisticated than historical automatic power reserve systems.

v. Proposed § 23.920, Reversing Systems

Proposed § 23.920 would require an airplane to be capable of continued safe flight and landing under any available reversing system setting, and would capture the safety intent of current § 23.933(a) and (b). The current rule includes a separate requirement for a propeller reversing system that would be covered in the more general language of the proposed section and applied to any type of reverser system. Current § 23.933 also requires an analysis of the system for a failure condition. Those provisions would be addressed in the general analysis requirements of proposed § 23.910.

vi. Proposed § 23.925, Powerplant Operational Characteristics

Proposed § 23.925 would require the powerplant to operate at any negative acceleration that could occur during normal and emergency operation within the airplane operating limitations. Proposed § 23.925 would require the pilot to have the capability to stop and restart the powerplant in flight. Proposed § 23.925 would require the airplane to have an independent power source for restarting each powerplant following an in-flight shutdown.

Proposed § 23.925 would capture the safety intent of current §§ 23.903, Engines, paragraph (d), (e), (f), and (g); 23.939, Powerplant operating characteristics; and 23.943, Negative acceleration. Current § 23.939 addresses powerplant operating characteristics and clearly requires an analysis that would be required by proposed § 23.910 and the existing requirements of part 33. Current § 23.943 would be included in this proposed rule because it is another analysis requirement, and one that provides an environment where powerplant systems are required to operate.

vii. Proposed § 23.930, Fuel Systems

Proposed § 23.930 would require that each fuel system provide an independent fuel supply to each powerplant in at least one configuration and prevent ignition from an unknown source. This section would require that each fuel system provide the fuel required to achieve maximum power or thrust plus a margin for likely variables in all temperature conditions within the operating envelope of the airplane and provide a means to remove the fuel from the airplane. Proposed § 23.930 would require each fuel system to be capable of retaining fuel when subject to inertia loads under expected operating conditions and prevent hazardous contamination of the fuel supply.

Proposed § 23.930 would require each fuel storage system to withstand the loads and pressures under expected operating conditions and provide a means to prevent loss of fuel during any maneuver under operating conditions for which certification is requested. Also, proposed § 23.930 would require each fuel storage system to prevent discharge when transferring fuel, provide fuel for at least one-half hour of operation at maximum continuous power or thrust, and be capable of jettisoning fuel, if required for landing.

Proposed § 23.930 would require installed pressure refueling systems to have a means to prevent the escape of hazardous quantities of fuel, automatically shut-off before exceeding the maximum fuel quantity of the airplane, and provide an indication of a failure at the fueling station. Proposed § 23.930 would capture the safety intent of current §§ 23.951, Fuel System—General, paragraphs (a), (b), (c), and (d); 23.953, Fuel System; 23.954, Fuel system lightning protection; 23.955, Fuel flow; 23.957, Flow between interconnected tanks, paragraph (a); 23.961, Fuel system hot weather operation; 23.963, Fuel tanks: General, paragraphs (a), (d), and (e); 23.977, Fuel tank outlet; 23.979, Pressure fueling systems, paragraphs (a) and (b); 23.991, Fuel pumps, paragraphs (a), (b), and (c); 23.997, Fuel strainer or filter, paragraphs (a), (b), (c), and (d); 23.999, Fuel system drains; and 23.1001, Fuel jettisoning system, paragraph (a).

The FAA believes that the regulations for the design of fuel systems may be overly prescriptive and exceed what is necessary to design a safe system. Accordingly, a more general set of requirements could include the intent of many current rules. More importantly, this proposed rule would allow for other types of energy sources to power propulsion systems such as electrical motors and future energy sources.

viii. Proposed § 23.935, Powerplant Induction and Exhaust Systems

Proposed § 23.935 would require the air induction system to supply the air required for each power unit and its accessories under expected operating conditions, and provide a means to discharge potential harmful material. Proposed § 23.935 would capture the safety intent of current §§ 23.1091, Air induction system, paragraph (a); 23.1101, Induction air preheater design, paragraph (a); 23.1103, Induction system ducts; 23.1107, Induction system filters; and 23.1121, Exhaust System—General, paragraphs (a) through (g). This proposed rule would combine induction and exhaust systems into a single rule because of the commonality with issues associated with moving air. The prescriptive language of the regulations identified above in this paragraph drove the development of this proposed section. For example, § 23.1091(b) mandates a certain number of intake sources and specifies particular requirements for a primary and alternate intakes. Current § 23.1101 requires inspection access of critical parts, and current § 23.1103 is considered a part of a proper safety analysis that would be required by proposed § 23.910.

ix. Proposed § 23.940, Powerplant Ice Protection

Proposed § 23.940 would require the airplane design, including the engine induction system, to prevent foreseeable accumulation of ice or snow that would adversely affect powerplant operation. Proposed § 23.940 would also require the applicant design the powerplant to prevent any accumulation of ice or snow that would adversely affect powerplant operation, in those icing conditions for which certification is requested. Proposed § 23.940 would capture the safety intent of current §§ 23.905, Propellers, paragraph (e); 23.929, Engine installation ice protection; 23.975, Fuel tank vents and carburetor vapor vents, paragraph (a)(1); 23.1093, Induction system icing protection; 23.1095, Carburetor deicing fluid flow rate; 23.1097, Carburetor deicing fluid system capacity; and 23.1099, Carburetor deicing fluid system detail design.

Proposed § 23.940(a) would reflect the requirements in current § 23.1093, which applies to all airplanes, regardless if flight in icing certification is sought. We are proposing to remove the type of powerplant to accommodate for new powerplant technologies. In addition, we propose to define other foreseeable icing in the means of compliance, which would include conditions conducive to induction icing of reciprocating engines. Foreseeable icing in the means of compliance would also include the cloud icing conditions of appendix C to part 25, currently defined in § 23.1093(b)(1)(i), falling and blowing snow currently defined in § 23.1093(b)(1)(ii), and ground ice fog conditions currently defined in § 23.1093(b)(2). The FAA proposes to remove the prescriptive requirements of the current §§ 23.1093(a), 23.1095, 23.1097, and 23.1099 as these are more appropriately considered as means of compliance. The FAA would expect the means of compliance to expand the ground ice fog conditions to colder ambient temperatures to harmonize with EASA. The FAA would also expect the means of compliance to include optional ground and flight freezing drizzle and freezing rain conditions, similar to appendix O of part 25, for those airplanes that seek certification to operate in those conditions. The Part 23 Icing ARC had recommended specific pass/fail criteria for the effect of ice accretion on engine operation. The FAA would expect this criterion to be defined in a means of compliance. Proposed paragraph (a) would require an airplane design to prevent ''foreseeable'' ice or snow accumulation, including accumulation in inadvertent icing encounters, described in appendix C to part 25, on airplanes not certified for icing, which may pose a shed hazard to the powerplant.

Airplane design in proposed § 23.940(a) refers to the engine induction system and airframe components on which accumulated ice may shed into the powerplant. Powerplant design in proposed § 23.940(b) refers to the engine, propeller, and other powerplant components such as cooling inlets.

Proposed § 23.940(b) would apply only to airplanes certified for flight in icing and would require compliance to the icing requirements in part 33, which currently only apply to turbine engines. Part 33, amendment 33–34 (79 FR 65507, November 4, 2014) and effective January 5, 2015, added SLD and ice crystal requirements to § 33.68 and amended the engine ice ingestion requirements in § 33.77. Proposed § 23.940(b) would require installation of an engine(s) certified to § 33.68 amendment 33–34, or later, if the airplane will be certified for flight in freezing drizzle and freezing rain. Proposed § 23.940(b) would allow an airplane manufacturer to install an engine, type certified at an earlier amendment, in an airplane not certified for flight in freezing drizzle or freezing rain, as long as no ADs have been applied that relate to engine operation in inadvertent SLD or ice crystal conditions. Airplanes certified under part 23 have not had ADs related to SLD or ice crystals. Certain part 23 turbojet engines have experienced thrust rollback due to ice crystals blocking the heated inlet temperature probe. The FAA would expect the means of compliance to address this in a similar manner to what is accomplished on current certification projects. The engine ice ingestion requirements of the current § 23.903(a)(2) would be moved to proposed § 23.940(b).

x. Proposed § 23.1000, Powerplant Fire Protection

Proposed § 23.1000 would require that a powerplant only be installed in a designated fire zone and would require an applicant to install a fire detection system in each designated fire zone for certification levels 3 and 4 airplanes. This rulemaking effort is maintaining the current level of safety for fire protection. While not a perfect one-to-one relationship, airplanes equivalent to certification levels 1 and 2 airplanes are not required to have a fire detection system today and therefore, should not be required to have them in this proposed rule. This would increase the cost of certification. Each fire detection system would be required to provide a means to alert the flightcrew in the event of a detection of fire or failure of the system and a means to check the fire detection system in flight. Proposed § 23.1000 would also require an applicant to install a fire extinguishing system for certification levels 2, 3, and 4 airplanes with a powerplant located outside the pilot's view that uses combustible fuel.

Additionally, proposed § 23.1000 would require each component, line, and fitting carrying flammable fluids, gases, or air subject to fire conditions to be fire resistant, except components storing concentrated flammable material would have to be fireproof or enclosed by a fireproof shield. Proposed § 23.1000 would also require an applicant to provide a means to shut off fuel or flammable material for each powerplant, while not restricting fuel to remaining units, and prevent inadvertent operation. Proposed § 23.1000 would capture the safety intent of current §§ 23.1181, Designated fire zones: Regions included; 23.1182, Nacelle areas behind firewalls; 23.1183, Lines, fittings, and components; 23.1189, Shutoff means; 23.1191, Firewalls; 23.1192 Engine accessory compartment diaphragm; 23.1193, Cowling and nacelle; 23.1195, Fire extinguishing systems; 23.1197, Fire extinguishing agents; 23.1199, Extinguishing agent containers; 23.1201, Fire extinguishing system materials; and 23.1203, Fire detector system.

Regulations for fuel may have become too detailed and prescriptive. A more general set of requirements should capture the intent of these many rules. More importantly, this new proposed rule would allow other types of energy sources to power propulsion systems such as electrical motors and future energy sources.

xi. Current Subpart E Regulations Relocated to Other Proposed Subparts

The requirements of current § 23.903(b)(1) would be moved to subpart C, § 23.405, Structural durability, paragraph (d). Section 23.903(b)(1) requires design precautions for turbine engine installations to be taken to minimize hazards to the airplane in the event of an engine rotor failure or of a fire originating inside the engine which burns through the engine case.

Additionally, the requirements of current § 23.929 would be moved to proposed § 23.940(b) and would only apply to airplanes certified for flight in icing. The means of compliance for § 23.940(b) should address propeller ice

protection system design and analysis. However, the means of compliance for climb performance for proposed § 23.230 should address ice accretion effects on propeller performance on airplanes certified for flight in icing.

xii. Removal of Subpart E Current Regulations

The following current regulations are considered duplicative of part 35 and would be removed from subpart E: § 23.905(b)—duplicative of § 35.5, Propeller ratings and operation limitations; § 23.905(c)—duplicative of § 35.22, Feathering propellers; § 23.905(d)—duplicative of §§ 35.21, 35.23, 35.42 and 35.43; and § 23.905(e)(g) and (h)—duplicative of § 35.7, Features and characteristics.

6. Subpart F—Equipment

a. General Discussion

The proposed changes to subpart F would consolidate the current rules into new performance-based standards and allow for use of new technologies once consensus standards are developed that could be used as a means of compliance.The FAA believes the proposed part 23 requirements would maintain the current level of safety while staying relevant for new future technologies. The prescriptive design solutions in the current rules are often not relevant to new technology requiring special conditions, exemptions, and ELOS findings. The rate of new technology development and adoption has increased dramatically in the last decade. As a result, airplane systems with new features and capabilities are rapidly becoming available. The FAA believes that removing the prescriptive design solutions, which are based on outdated or existing technology, while focusing on the safety intent of the rule and maintaining design solutions as a documented means of compliance would enable the adoption of newer technologies.

The FAA also believes the current part 23 regulatory prescriptive structure does not effectively address the safety continuum, particularly the low performance end of the continuum. Recent part 23 amendments have increasingly focused on high-performance, complex airplanes. These stricter requirements have also been applied to the low-performance airplanes even though their risk in the safety continuum is lower. This has created an unintended barrier to new safety enhancing technology in low-performance airplanes.

b. Specific Discussion of Changes

i. Proposed § 23.1300, Airplane Level Systems Requirements

Proposed § 23.1300 would require equipment and systems that are required for an airplane to operate safely, be designed and installed to meet the level of safety applicable to the certification and performance levels of the airplane, and to perform their intended function throughout the operating and environmental limits specified by an applicant. Proposed § 23.1300 would mandate that non-required airplane equipment and systems, considered separately and in relation to other systems, be designed and installed so their operation or failure would not have an adverse effect on the airplane or its occupants.

Proposed § 23.1300 would capture the safety intent found in portions of current §§ 23.1301, Function and installation; 23.1303, Flight and navigation instruments; 23.1305, Powerplant instruments; 23.1307, Miscellaneous equipment; 23.1309, Equipment, systems, and installations; 23.1311, Electronic display instrument systems; 23.1321, Arrangement and visibility; 23.1323, Airspeed indicating system, 23.1325, Static pressure system; 23.1327, Magnetic direction indicator; 23.1329, Automatic pilot system; 23.1335, Flight director systems; 23.1337, Powerplant instruments installation; 23.1351, Electrical Systems and Equipment—General; 23.1353, Storage battery design and installation; and 23.1361, Master switch arrangement.

The current requirements can be traced back to CAR 3, specifically CAR 3.651, 3.652, 3.655, 3.661, 3.662, 3.663, 3.665, 3.666, 3.667, 3.669, 3.670, 3.671, 3.672, 3.673, 3.674, 3.681, 3.682, 3.686, 3.687, and 3.683. These requirements, including § 23.1311, which does not have a corresponding rule in CAR 3, were based on the technology and design solutions available at the time of their adoption. Although these requirements are appropriate for traditional systems found in airplanes designed to these assumptions, they lack the flexibility to adopt current and anticipated technologies and design capabilities. The FAA wants to facilitate the use of systems in new airplanes that reduce pilot workload and enhance safety. The FAA proposes the use of performance-based language that maintains the level of safety achieved with the current requirements for traditionally designed airplanes but also allows for alternative system designs in the future.

Proposed § 23.1300(a) would address equipment and systems required to operate safely. Required equipment may be defined by other parts such as part 91 or part 135, by other sections of this part such as equipment necessary for flight into known icing, or other requirements placed on the Type Certificate Data Sheet (TCDS) such as a working autopilot for single pilot operations. The FAA proposes in § 23.1300(b) that non-required equipment may be installed because it offers some benefit and its failure or use would not result in a reduction in safety of the airplane or for its occupants from the base aircraft if the system was not installed. This proposed section would contain general requirements for the environmental qualifications of installed equipment, and would require installed equipment to perform its intended function over its defined environmental range. This would mean that the equipment should have the same environmental qualification as requested for the useful range of the airplane.

Proposed § 23.1300(b) would not mandate that non-required equipment and systems function properly during all airplane operations once in service, provided all potential failure conditions do not effect safe operation of the airplane. The equipment or system would have to function in the manner expected by the manufacturer's operating manual for the equipment or system. An applicant's statement of intended function would have to be sufficiently specific and detailed so that the FAA could evaluate whether the system was appropriate for the intended function.

ii. Proposed § 23.1305, Function and Installation

Proposed § 23.1305 would require that each item of installed equipment perform its intended function, be installed according to limitations specified for that equipment, and the equipment be labeled, if applicable, due to size, location, or lack of clarity as to its intended function, as to its identification, function or operating limitations, or any combination of these factors. Proposed § 23.1305 would require a discernable means of providing system operating parameters required to operate the airplane, including warnings, cautions, and normal indications to the responsible crewmember. Proposed § 23.1305 would require information concerning an unsafe system operating condition be provided in a clear and timely manner to the crewmember responsible for taking corrective action.

Proposed § 23.1305 would capture the safety intent found in portions of the current §§ 23.671, Control systems-General; 23.672, Stability augmentation and automatic and power-operated systems; 23.673, Primary flight controls; 23.675, Stops; 23.679, Control system locks; 23.685(d), Control system details; 23.691(c), Artificial stall barrier system; 23.1361, Master switch arrangement; and 23.1365(a) and (b), Electric cables and equipment; 23.1301, Function and installation; 23.1303, Flight and navigation instruments; 23.1305, Powerplant instruments; 23.1309, Equipment, systems, and installations; 23.1322, Warning, caution, and advisory lights; 23.1323, Airspeed indicating system; 23.1326, Pitot heat indication systems; 23.1327, Magnetic direction indicator; 23.1329, Automatic pilot system; 23.1331, Instruments using a power source; 23.1335, Flight director systems; 23.1337, Powerplant instruments installation; 23.1351, Electrical Systems and Equipment—General; 23.1353, Storage battery design and installation; 23.1365, Electric cables and equipment; 23.1367, Switches; 23.1416, Pneumatic de-icer boot system. The current requirements can be traced to CAR 3, specifically, CAR 3.651, 3.652, 3.655, 3.663, 3.666, 3.667, 3.668, 3.669, 3.670, 3.671, 3.672, 3.673, 3.674, 3.675, 3.681, 3.682, 3.683, 3.686, 3.687, 3.693, 3.694, 3.696, 3.697, 3.700, 3.712, and 3.726. These requirements, including §§ 23.1322, 23.1326, and 23.1441, which did not have corresponding rules in CAR 3, were based on the technology and design solutions available at the time of their adoption. Although these requirements are appropriate for traditional systems and designs found in airplanes designed to these assumptions, they lack the flexibility to adopt current and anticipated technologies and design capabilities. The FAA wants to facilitate the use of systems in new airplanes that reduce pilot workload and enhance safety. The FAA proposes the use of performance-based language that maintains the safety requirements for traditionally designed airplanes, but also allows for alternative system designs.

The equipment or system would have to function in the manner expected by the manufacturer's operating manual for the equipment or system. An applicant's statement of intended function would have to be sufficiently specific and detailed so that the FAA could evaluate whether the system was appropriate for the intended function. The equipment should function when installed as intended by the manufacturer's instructions. The intent is for an applicant to define proper functionality and to propose an acceptable means of compliance.

Proposed § 23.1305(a) would require that equipment be installed under prescribed limitations. Therefore, if an equipment manufacturer specified any allowable installation requirements, the installer would stay within the limitations or substantiate the new limits. The proposed requirement that the equipment be labeled as to its identification, function or operating limitations, or any combination of these factors, if applicable, would apply to the manufacturer of the equipment, not to the installer.

Proposed § 23.1305 would require that information concerning an unsafe system operating condition be provided to the flightcrew. Microprocessing units that monitor parameters and warn of system problems have already been incorporated in some airplanes and are used by other industries, including the automobile and nuclear energy fields. Pilots may not monitor gauges as they used to; instead, they could rely on warnings and alerts. The FAA does not propose to allow simple on-off failure lights to replace critical trend displays. Warning systems would need to be sophisticated enough to read transients and trends, when appropriate, and give useful warning to the flightcrew.

iii. Proposed § 23.1310, Flight, Navigation, and Powerplant Instruments

Proposed § 23.1310 would require installed systems to provide the flightcrew member who sets or monitors flight parameters for the flight, navigation, and powerplant information necessary to do so during each phase of flight. Proposed § 23.1310 would require this information include parameters and trends, as needed for normal, abnormal, and emergency operation, and limitations, unless an applicant showed the limitation would not be exceeded in all intended operations. Proposed § 23.1310 would prohibit indication systems that integrate the display of flight or powerplant parameters to operate the airplane or are required by the operating rules of this chapter, from inhibiting the primary display of flight or powerplant parameters needed by any flightcrew member in any normal mode of operation. Proposed § 23.1310 would require these indication systems be designed and installed so information essential for continued safe flight and landing would be available to the flightcrew in a timely manner after any single failure or probable combination of failures.

Proposed § 23.1310 would capture the safety intent of current §§ 23.1303, Flight and navigation instruments; 23.1305, Powerplant instruments; 23.1307, Miscellaneous equipment; 23.1311, Electronic display instrument systems; 23.1321, Arrangement and visibility; 23.1323, Airspeed indicating system; 23.1331, Instruments using a power source; and 23.1337, Powerplant instruments installation. The current requirements can be traced to CAR 3, specifically, CAR 3.655, 3.661, 3.662, 3.675, 3.663, 3.668, 3.670, 3.671, 3.672, 3.673, and 3.674. These requirements, including § 23.1311, which did not have a corresponding rule in CAR 3, were based on the technology and design solutions available at the time of their adoption. Although these requirements are appropriate for traditional systems and designs found in airplanes designed to these assumptions, they lack the flexibility to adopt current and anticipated technologies and design capabilities. Furthermore, the FAA proposes to remove prescriptive requirements from the rule that historically provided standardization for primary flight instruments and controls. The FAA still believes this standardization is important for traditionally designed airplane instrumentation. Accordingly, to reduce the potential for pilot error, the reliance on standards accepted by the Administrator would maintain standardization for traditional systems.

The proposed regulations would require applicants to use a means of compliance based on consensus standards or other means accepted by the Administrator. However, new technology is already being approved that does not meet the traditional installation requirements and guidance. At the same time, this technology is proving equivalent or better than the traditional technology.[25] Furthermore, the FAA believes that new systems, displays, and controls have the potential to reduce pilot workload with a direct safety benefit. By removing prescriptive requirements for the rules and allowing alternatives, the industry would be able to develop and certify safety-enhancing technology faster.

Proposed § 23.1310 would not require limitations that could not be exceeded due to system design or physical properties to be shown because they would be useless information and result in clutter of the displays. Additionally, the FAA proposes removing the

[25] See Accident and GA Safety reports from NTSB, AOPA Safety Foundation, and the General Aviation Joint Steering Committee (GA–JSC) over the past 10 years.

prescriptive design requirement in current § 23.1311 for the installation of secondary indicators. The safety intent is that a single failure or likely multiple failures would not result in the lack of all critical flight data. The design and installation of flight critical information should be such that the pilot could still fly partial panel after probable failures. The prescriptive redundancy requirements for installed secondary indicators have been too restrictive for airplanes limited to VFR operations. This has caused several applicants to request an ELOS finding from current § 23.1311(a)(5).

The safety intent of § 23.1311 is to provide crewmembers the ability to obtain the information necessary to operate the airplane safely in flight. Traditionally, the minimum was prescribed as airspeed, altimeter, and magnetic direction. The corresponding CAR 3 rule is 3.655. The regulation is redundant with the operating rules, specifically, §§ 91.205 and 135.149, as well as providing prescriptive design solutions that were assumed to achieve an acceptable level of safety. The prescriptive solutions precluded finding more effective or more economical paths to providing acceptable safety. Proposed § 23.1310 would maintain the safety intent of the current rule.

The FAA proposes consolidating the safety intent of current § 23.1305, Powerplant instruments, into proposed § 23.1310, Flight, Navigation, and Powerplant Instruments. The safety intent of § 23.1305 is to provide crewmembers the ability to obtain the information necessary to operate the airplane and powerplant safely in flight. Traditionally, the minimum was prescribed, such as oil pressure, oil temperature, and oil quantity for all airplanes. The corresponding rules in CAR 3 are 3.655 and 3.675. Some of the regulation was redundant with the operating rules as well as providing prescriptive design solutions that were assumed to achieve an acceptable level of safety based on an assumption of powerplant types. The prescriptive solutions precluded finding more effective or more economical paths to providing acceptable safety. Additionally, they do not facilitate adoption of new technologies such as electric powered airplanes. The proposed § 23.1310, Flight, Navigation, and Powerplant Instruments, would maintain the safety intent of the current rule.

iv. Proposed § 23.1315, Equipment, Systems, and Installation

Proposed § 23.1315 would require an applicant to examine the design and installation of airplane systems and equipment, separately and in relation to other airplane systems and equipment, for any airplane system or equipment whose failure or abnormal operation has not been specifically addressed by another requirement in this part. Proposed § 23.1315 would require an applicant to determine if a failure of these systems and equipment would prevent continued safe flight and landing and if any other failure would significantly reduce the capability of the airplane or the ability of the flightcrew to cope with adverse operating conditions. Proposed § 23.1315 would require an applicant to design and install these systems and equipment, examined separately and in relation to other airplane systems and equipment, such that each catastrophic failure condition is extremely improbable, each hazardous failure condition is extremely remote, and each major failure condition was remote. Proposed § 23.1315 would capture the safety intent found in portions of current §§ 23.691(g), Artificial stall barrier system; 23.729(f), Landing gear extension and retraction system; 23.735(d), Brakes; 23.1309, Equipment, systems, and installations; 23.1323, Airspeed indicating system; 23.1325, Static pressure system; 23.1329, Automatic pilot system; 23.1331, Instruments using a power source; 23.1337, Powerplant instruments installation; 23.1335, Flight director systems; 23.1353, Storage battery design and installation, 23.1357, Circuit protective devices; 23.1431, Electronic equipment; 23.1441(b), Oxygen equipment and supply; 23.1450(b), Chemical oxygen generators; 23.1451, Fire protection for oxygen equipment; and 23.1453, Protection of oxygen equipment from rupture. The current requirements can be traced to CAR 3, specifically, 3.652, 3.663, 3.665, 3.667, 3.668, 3.670, 3.671, 3.672, 3.673, 3.674, and 3.683. The foundation of the current § 23.1309 was derived from CAR 3.652, which stated that ''each item of equipment, which is essential to the safe operation of the airplane, shall be found by the Administrator to perform adequately the functions for which it is to be used . . .''. At that time, the airworthiness requirements were based on single-fault or fail-safe concepts. Due to the increased use of airplanes certificated under part 23 in the 1970s for all-weather operation, and a pilot's increased reliance on installed avionic systems and equipment, § 23.1309, amendment 23–14 (38 FR 31816, November 19, 1973), was issued to provide an acceptable level of safety for such equipment, systems, and installations. Section 23.1309 introduced two main concepts: multiple failure combinations as well as a single failure had to be considered and there must be an inverse relationship between the likelihood of occurrence and the severity of consequences. The premise was that more severe consequences should happen less often.

In addition to specific part 23 design requirements, proposed § 23.1315 requirements would apply to any equipment or system installed in the airplane. This proposed section addresses general requirements and is not intended to supersede any specific requirements contained in other part 23 sections. Proposed § 23.1315 would not apply to the performance or flight characteristics requirements of subpart B, and structural loads and strength requirements of subpart C and D. However, it would apply to systems that complied with subpart B, C, D, and E requirements. As an example, proposed § 23.1315 would not apply to an airplane's inherent stall characteristics, but would apply to a stick pusher system installed to attain stall compliance. Both current § 23.1309 and proposed § 23.1315 rules are not intended to add requirements to specific rules in part 23, but to account for the added complexity of integration and new technologies.

This proposed regulation would require an engineering safety analysis to identify possible failures, interactions, and consequences, and would require an inverse relationship between the probability of failures and the severity of consequences. This would be accomplished by requiring all of the airplane's systems to be reviewed to determine if the airplane was dependent upon a system function for continued safe flight and landing and if a failure of any system on the airplane would significantly reduce the ability of the flightcrew to cope with the adverse operating condition. If the design of the airplane included systems that performed such functions, the systems would be required to meet standards that establish that maximum allowable probability of that failure. Section 23.1315 would impose qualitative, rather than quantitative probabilities of occurrence. As the FAA determined which quantitative values satisfied the proposed performance standards, it would share that information in FAA guidance or documented means of compliance appropriate to the certification levels of proposed § 23.5.

v. Proposed § 23.1320, Electrical and Electronic System Lightning Protection

Proposed § 23.1320 would require, for an airplane approved for IFR operations, that each electrical or electronic system that performed a function, the failure of which would prevent the continued safe flight and landing of the airplane, be designed and installed such that the airplane level function continues to perform during and after the time the airplane is exposed to lightning. Proposed § 23.1320 would also require these systems automatically recover normal operation of that function in a timely manner after the airplane is exposed to lightning, unless the system's recovery conflicts with other operational or functional requirements of the system.

Proposed § 23.1320 would require each electrical and electronic system that performed a function, the failure of which would reduce the capability of the airplane or the ability of the flightcrew to respond to an adverse operating condition, be designed and installed such that the function recovers normal operation in a timely manner after the airplane is exposed to lightning.

Proposed § 23.1320 would capture the safety intent of current § 23.1306, Electrical and electronic system lightning protection. The original adoption of the rule, first introduced as part of § 23.1309, was justified because there was an increased use of small airplanes in all-weather operations with an increasing reliance on complex systems and equipment in the modern, complex, high-performance airplanes.

The FAA wants to facilitate the use of systems in new airplanes that reduce pilot workload and enhance safety. The current requirement that all aircraft regardless of their design or operational limitations meet the same requirements for lightning regardless of the potential threat has been burdensome for the traditional VFR-only airplane designs. Proposed § 23.1320 would cover the airplanes with the greatest threat of lightning. In addition, the proposed language clarifies that the failure consequence of interest is at the airplane system level, which allows credit for design and installation architecture.

vi. Proposed § 23.1325, High-Intensity Radiated Fields (HIRF) Protection

Proposed § 23.1325 would require that electrical and electronic systems that perform a function whose failure would prevent the continued safe flight and landing of the airplane, be designed and installed such that the airplane level function is not adversely affected during and after the time the airplane is exposed to the HIRF environment. Proposed § 23.1325 would also require that these systems automatically recover normal operation of that function in a timely manner after the airplane is exposed to the HIRF environment, unless the system's recovery conflicts with other operational or functional requirements of the system. Proposed § 23.1325, High-Intensity Radiated Fields (HIRF) protection, would incorporate the safety intent of current § 23.1308, High-intensity Radiated Fields (HIRF) protection.

Before § 23.1308, amendment 23–57 (72 FR 44016, August 6, 2007), the requirements for HIRF protection were found in § 23.1309. The adoption of § 23.1308 was justified because there was an increased use of complex systems and equipment, including engine and flight controls, in small airplanes. These systems are more susceptible to the adverse effects of operation in the HIRF environment.

The electromagnetic HIRF environment results from the transmission of electromagnetic energy from radar, radio, television, and other ground-based, ship-borne, or airborne radio frequency transmitters. The HIRF environment changes as the number and types of transmitters change. During the 1990's, extensive studies were conducted to define the environment that then existed. The FAA codified this environment in amendment 23–57 in appendix J to part 23—HIRF Environments and Equipment HIRF Test Levels.

Proposed § 23.1325 would require the applicant to address the HIRF environment expected in service instead of solely relying on the HIRF environment codified in appendix J. The current appendix J to part 23 would become a means of compliance as the accepted expected HIRF environment, until other levels were accepted by the Administrator. This would allow the test levels to match the current threat as the environment changes over time. Additionally, the proposed language would clarify that the failure consequence of interest is at the airplane level, which allows credit for design and installation architecture.

vii. Proposed § 23.1330, System Power Generation, Storage, and Distribution

Proposed § 23.1330(a) would require that the power generation, storage, and distribution for any system be designed and installed to supply the power required for operation of connected loads during all likely operating conditions. Also, proposed § 23.1330(b) would require the design installation ensure no single failure or malfunction would prevent the system from supplying the essential loads required for continued safe flight and landing. Proposed § 23.1330 would also require the design and installation have enough capacity to supply essential loads, should the primary power source fail, for at least 30 minutes for airplanes certificated with a maximum altitude of 25,000 feet or less, and at least 60 minutes for airplanes certificated with a maximum altitude over 25,000 feet.

Proposed § 23.1330 would capture the safety intent of the current §§ 23.1310, Power source capacity and distribution; 23.1351, General; 23.1353, Storage battery design and installation; and 23.1357, Circuit protective devices. The intent is to ensure airplane power generation and the related distribution systems are designed for adequate capacity and safe operation under anticipated use and in the event of a failure or malfunction.

viii. Proposed § 23.1335, External and Cockpit Lighting

Proposed § 23.1335 would require an applicant to design and install all lights to prevent adverse effects on the performance of flightcrew duties. Proposed § 23.1335 would require position and anti-collision lights, if installed, to have the intensities, flash rate, colors, fields of coverage, and other characteristics to provide sufficient time for another aircraft to avoid a collision. Proposed § 23.1335 would require position lights, if installed, to include a red light on the left side of the airplane, a green light on the right side of the airplane, spaced laterally as far apart as practicable, and a white light facing aft, located on an aft portion of the airplane or on the wing tips.

Proposed § 23.1335 would require that an applicant design and install any taxi and landing lights, if required by operational rules, so they provide sufficient light for night operations. For seaplanes or amphibian airplanes, this section would also require riding lights to provide a white light visible in clear atmospheric conditions. Airplanes moored or maneuvering on water are by mairtime law considered watercraft; therefore, riding lights are required for seaplanes and amphibians during water operations.

To encourage the installation of internal and external lighting systems with new safety enhancing technology and streamline the certification process, the FAA proposes removing most of the current prescriptive requirements and the detailed means of compliance for these requirements from current part 23.

The current prescriptive requirements would be replaced with performance-based requirements. The FAA expects that current means of compliance would continue to be used for the traditional airplane designs under part 23.

Required lighting for the operation requested by an applicant would have to be installed and approved as part of the type design. The current rule requires that interior and exterior lighting function as intended without causing any safety hazard in normal operation. The proposed rule would require external lighting to make each airplane visible at night at a distance allowing each pilot to maneuver in sufficient time to avoid collision. The current rule specifies a specific amount of light illumination accounting for airframe obstructions. The FAA proposes removing this specified location and amount of illumination because it is more appropriate as means of compliance. The FAA does not consider small obstructions caused by airplane structure to be a safety issue.

This section would capture the safety intent of current §§ 23.1381, Instrument lights, paragraph (c); 23.1383, Taxi and landing lights, paragraphs (a), (b) and (c); 23.1385, Position light system installation, paragraphs (a), (b) and (c); 23.1387, Position light dihedral angles; 23.1389, position light distribution and intensities; 23.1391, Minimum intensities in the horizontal plane of position lights; 23.1393, Minimum intensities in any vertical plane of position lights; 23.1395, Maximum intensities in overlapping beams of position lights; 23.1397, color specifications; 23.1399, Riding light; and 23.1401, Anticollision light system, paragraphs (a), (a)(1), (b), (c), (d), (e), and (f).

ix. Proposed § 23.1400, Safety Equipment

Proposed § 23.1400 would require safety and survival equipment, required by the operating rules of this chapter, to be reliable, readily accessible, easily identifiable, and clearly marked to identify its method of operation.

The FAA proposes requirements for safety equipment needed for emergency landings and ditching when required by operational rules, and removal of the duplicative rules that are found in current part 23. Required safety equipment would have to be installed, located, and accessible for use in an emergency, and secured against emergency landing accelerations. The proposed rule would require safety, ditching, and survival equipment, be reachable, plainly marked for operation, and not be damaged in survivable emergency landings.

This section would capture the safety intent of current §§ 23.1411, Safety equipment—General, paragraphs (a) and (b)(1); and 23.1415; Ditching equipment, paragraphs (a), (c), and (d).

x. Proposed § 23.1405, Flight in Icing Conditions

Proposed § 23.1405 would require an applicant to demonstrate its ice protection system would provide for safe operation, if certification for flight in icing conditions is requested. Proposed § 23.1405 would also require these airplanes to be protected from stalling when the autopilot is operating in a vertical mode. Proposed § 23.1405 would require this demonstration be conducted in atmospheric icing conditions specified in part 1 of appendix C to part 25 of this chapter, and any additional icing conditions for which certification is requested.

Proposed § 23.1405 would capture the safety intent of current § 23.775(a) Windshields and windows, and § 23.1419, Ice protection. Proposed § 23.1405 would also increase safety by adding icing conditions beyond those specified in the current § 23.1419. The proposed § 23.1405 would only apply to airplanes seeking certification for flight in icing. The current § 23.1419 only applies to airplanes seeking certification for flight in icing; however, ice protection systems can be certified without certification for flight in icing.

The current ice protection system requirements in § 23.1419(a) would be captured in proposed § 23.1405(a)(1). The proposed rule would require an applicant to show systems are adequate in the icing conditions for which certification is requested. As in the current rule, ice protection systems would have to be shown to be adequate in the icing conditions of appendix C to part 25. Freezing drizzle and freezing rain icing conditions are optional icing conditions in which the airplane may be certificated to operate. These icing conditions, which the FAA added to appendix O to part 25 in amendment 25–140, are not being defined in proposed § 23.230. The FAA determined that the definition of these optional icing conditions is more appropriate as a means of compliance. Ice crystal conditions are added to this proposal for certain air data probes to harmonize with EASA requirements.

The Part 23 Icing ARC recommendations on activation and operation of ice protection systems would be used as a means of compliance to proposed § 23.1405(a)(1). This proposal would satisfy the intent of NTSB Safety Recommendations A–07–14 and A–07–15.

Proposed § 23.1405(a)(2) is the Part 23 Icing ARC recommendation for airplanes certified under part 23 in icing and is based on NTSB safety recommendation A–10–12. The target for this proposed rule is older airplanes adding an autopilot for first time, modifying certain autopilots on airplanes with a negative service history in icing, or significant changes that affect performance or flight characteristics. Proposed § 23.1405 would require, under the changed product rule, to add proposed § 23.1405(a)(2) to the certification basis without requiring the remainder of § 23.1405 for certain autopilot modifications. For new airplanes, a stall warning system that complies with proposed § 23.230 would comply with proposed § 23.1405(a)(2). The vertical mode is a prescriptive requirement to limit the applicability. Simple autopilots such as a wing leveler would not be affected by this requirement. Numerous icing accidents have shown that unrecognized airspeed loss can occur with autopilots in altitude hold mode or vertical speed mode. Demonstration, as a means of compliance, may include design and/or analysis and does not mean natural icing flight tests are required.

xi. Proposed § 23.1410, Pressurized System Elements

Proposed § 23.1410 would require the minimum burst pressure of—

- Hydraulic systems be at least 2.5 times the design operating pressure with the proof pressure at least 1.5 times the maximum operating pressure;
- Pressurization system elements be at least 2.0 times, and proof pressure be at least 1.5 times, the maximum normal operating pressure; and
- Pneumatic system elements be at least 3.0 times, and proof pressure be at least 1.5 times, the maximum normal operating pressure.

Additionally, this proposed section would also require that other pressurized system elements have pressure margins that take into account system design and operating conditions.

This section would capture the safety intent of current §§ 23.1435, Hydraulic system, paragraphs (a)(4) and (b); 23.1437, Accessories for multiengine airplanes; and 23.1438, Pressurization and pneumatic systems, paragraphs (a) and (b).

xii. Proposed § 23.1457, Cockpit Voice Recorders

The FAA is not proposing to revise current § 23.1457 because amendment

23–58 (73 FR 12542, March 7, 2008) and corrected on July 9, 2009 (74 FR 32799), was written to standardize the cockpit voice recorder rules to address the NTSB's recommendations (70 FR 9752, February 28, 2005). The FAA agrees with NTSB recommendation numbers A–96–89, A–96–171, A–99–18, and parts of A–99–16 and A–99–17 and believes changing the current rule to remove prescriptive requirements could hinder the conduct of future accident investigations and be detrimental to aviation accident investigations.

xiii. Proposed § 23.1459, Flight Data Recorders

The FAA is not making any substantive changes to the current § 23.1459 because amendment 23–58 (73 FR 12541, March 7, 2008) was written to standardize the flight data recorder rules to address the NTSB's recommendations. The FAA agrees with NTSB recommendation numbers A–96–89, A–96–171, A–99–18, and parts of numbers A–99–16 and A–99–17 and believes changing the current rule to remove prescriptive requirements could hinder the conduct of future accident investigations and be detrimental to aviation safety. Proposed § 23.1459(a)(1), however, is amended to revise current references to §§ 23.1323, Airspeed indicating system; 23.1325, Static pressure system; and 23.1327, Magnetic direction indicator, as those sections are not contained in this NPRM.

xiv. Current Subpart F Regulations Relocated to Other Proposed Subparts

The requirement currently in § 23.1419(a) to comply with subpart B requirements to show safe operating capability is moved to proposed § 23.230 as recommended by the Part 23 Icing ARC and Part 23 Reorganization ARC.

Ice protection of engine inlets would move to proposed § 23.940, Powerplant ice protection. The Part 23 Reorganization ARC had proposed that § 23.1405 include these requirements, as well as heated pitot probe requirements for IFR airplanes. The FAA decided to separate them since compliance with proposed §§ 23.940 and 23.1300 would be required for all airplanes, whereas compliance with § 23.1405 would be optional. The FAA wants to avoid potential confusion on TCDS interpretation as to whether an airplane is certified for flight in icing.

The requirements currently in § 23.1381, Instrument lights, paragraphs (a) and (b) would be relocated to proposed § 23.1500, Flightcrew Interface. The requirements currently in § 23.1411, Safety equipment—General, paragraph (b)(2) would be relocated to proposed § 23.600, Emergency conditions.

xv. Removal of Subpart F of the Current Regulations

When the FAA evaluated the current regulations, it determined that the prescriptive icing requirements in §§ 23.1323, Airspeed indicating system, and 23.1325, Static pressure system, would be means of compliance to proposed § 23.1405(a)(1). The current requirement for a heated pitot probe or an equivalent means on an IFR certified and a flight in icing conditions airplane in current § 23.1323(d) would become a means of compliance for proposed § 23.1300.

The part 23 re-write ARC had recommended that proposed § 23.1405 include the requirement for a heated pitot probe on an IFR certified airplane, but the FAA determined this would be better addressed on a performance standard under proposed § 23.1300, because proposed § 23.1405 would only apply to icing certified airplanes. High altitude mixed phase and ice crystal conditions for certain high-performance airplanes, and ice protection requirements for stall warning and angle of attack would be means of compliance. The proposed standard would harmonize with EASA requirements.

Current § 23.1416 would be removed since the requirements for proper inflation and annunciation of operation of pneumatic boots would be covered on a performance basis in proposed §§ 23.1300 and 23.1305. This would reflect that all types of ice protection systems have annunciation requirements, and would eliminate unnecessary annunciations. The Part 23 Icing ARC recommended this approach.

The analysis required in the current § 23.1419(a), and all the requirements in the current § 23.1419(b) and (c), would become means of compliance to proposed 1405(a) and would be removed.

Current § 23.1419(d) requires a means to detect critical ice accretions, including night lighting. The Part 23 Icing ARC had proposed a new § 23.1403 to replace these ice detection requirements, which would also address the SLD detection required by proposed § 23.230. These ice detection requirements are more appropriately addressed as a means of compliance to accommodate new technology. For example, visual ice accretion detection as a means to activate ice protection systems is no longer necessary on some designs, examples being primary ice detection systems and icing conditions detection systems. However, there would remain a requirement for pilots to detect severe ice accretions, and this would be addressed in proposed § 23.230(b).

When the FAA evaluated the current regulations, it determined that the prescriptive requirements in §§ 23.1323, Airspeed indicating system; 23.1325, Static pressure system; 23.1327, Magnetic direction indicator; 23.1329, Automatic pilot system; 23.1335, Flight director systems; 23.1337, Powerplant instruments installation; 23.1353, Storage battery design and installation; and 23.1357, Circuit protective devices, would be covered on a performance basis by proposed §§ 23.1300; 23.1305; 23.1310; and 23.1315.

Current § 23.1401, Anticollision light system, paragraph (a)(2) would be removed as introductory material. Current § 23.1415, ditching equipment, paragraph (b) would be removed but could serve as a means of compliance. The current §§ 23.1435, Hydraulic systems, paragraphs, (a), (a)(1), (a)(2), (a)(3), and (c); 23.1438, Pressurization and pneumatic systems, paragraph (c), would be removed as prescriptive design and means of compliance. Current § 23.1443, Minimum mass flow of supplemental oxygen, paragraph (d) would be removed as a definition. Current § 23.1445, paragraph (e) would be removed as redundant to current § 91.211, paragraph (a)(3).

7. Subpart G—Flightcrew Interface and Other Information

a. General Discussion

The FAA proposes to expand subpart G to address not only current operating limitations and information, but also the concept of flightcrew interface. Based on current technologies, the FAA anticipates that new airplanes will heavily rely on automation and systems that require new and novel pilot or flightcrew interface. The FAA is proposing to address the pilot interface issues found in subparts D and F with proposed § 23.1500. Otherwise, subpart G retains the safety requirements from the current rules without change. Refer to appendix 1 of this preamble for a cross-reference table detailing how the current regulations are addressed in the proposed part 23 regulations.

b. Specific Discussion of Changes

i. Proposed § 23.1500, Flightcrew Interface

Proposed § 23.1500 would require the pilot compartment and its equipment to allow the pilot(s) to perform their duties, including taxi, takeoff, climb,

cruise, descent, approach, and landing; and perform any maneuvers within the operating envelope of the airplane, without excessive concentration, skill, alertness, or fatigue. Proposed § 23.1500 would also require an applicant to install flight, navigation, surveillance, and powerplant controls and displays so qualified flightcrew could monitor and perform all tasks associated with the intended functions of systems and equipment in order to make the possibility that a flightcrew error could result in a catastrophic event highly unlikely. Proposed § 23.1500 would capture the safety intent of current part 23 rules that are directly related to the pilot or flightcrew interface with the airplane. Interfaces include controls, displays, and visibility requirements.

Current and anticipated technologies that affect how the pilot interfaces with the airplane are expected to expand faster than other technologies. The FAA believes that significant safety improvements can result from the evolution of how the pilot interfaces with the airplane. Pilot workload is a major factor in causing accidents, but it is almost impossible to connect workload-related mistakes to an accident after the accident has happened. Evidence from large airplane accidents, where we have recorded data as well as research, points to the importance of the pilot interface and associated mistakes as causal factors in aircraft accidents. The smart use of automation and phase-of-flight-based displays could reduce pilot workload and increase pilot awareness.

The converse is also true. Equipment is becoming available faster than manufacturers and the FAA can evaluate it. Determining the safety risks and recognizing the safety benefits of new technology available to the pilot is important. For this reason, the proposed language addresses the safety issues of the current §§ 23.699, Wing flap position indicator; 23.745 Nose/Tail wheel steering, 23.1303, Flight and navigation instruments, paragraph (g)(3); 23.1321, Arrangement and visibility, paragraphs (a),(b),(d), and (e); 23.1311, Electronic display instrument systems, paragraphs (a)(6) and (7); 23.771, Pilot compartment, paragraph (a), 23.773(a) Pilot compartment view, 23.777, Cockpit controls; 23.779, Motion and effect of cockpit controls; and 23.781, Cockpit control knob shape; are addressed in proposed § 23.1500(a) and (b). The proposed language would allow the FAA to rapidly evaluate new equipment for concentration, skill, alertness, and fatigue against pilot workload as is current practice. More importantly, the FAA would remove the prescriptive requirements from the current rules to allow for alternative approaches to pilot interface that would reduce pilot workload or increase safety.

ii. Proposed § 23.1505, Instrument Markings, Control Markings, and Placards

Proposed § 23.1505 would require each airplane to display in a conspicuous manner any placard and instrument marking necessary for operation. Proposed § 23.1505 would also require an applicant to clearly mark each cockpit control, other than primary flight controls, as to its function and method of operation and include instrument marking and placard information in the AFM. The consolidation of these sections appears large, but many of these sections contain one prescriptive requirement that, in many cases, is based on traditional airplanes, instruments, and equipment.

iii. Proposed § 23.1510, Airplane Flight Manual

Proposed § 23.1510 would require an applicant to furnish an AFM with each airplane that contains the operating limitations and procedures, performance information, loading information, and any other information necessary for the operation of the airplane.

The proposed rules capture the prescriptive list of information that is considered necessary for the operation of the traditional airplanes. The current rules contain very prescriptive and detailed information. Furthermore, that level of detail assumes a traditional airplane configuration and operation. The FAA proposes to remove this detail from the rule because it is more appropriate as means of compliance. Currently, the majority of airplanes certificated under part 23 already use an industry standard to develop their AFMs—General Aviation Manufactures Association Specification 1, Specification for Pilot's Operating Handbook.[26] The FAA already accepts this industry standard for many airplanes certificated under part 23 because it includes the information that is currently required in part 23. The FAA believes that allowing alternative approaches to information would facilitate new technology integration into airplanes certified under part 23.

The proposed § 23.1510(d) would capture the safety intent of the current §§ 23.1505, Airspeed limitations, thru 23.1527, Maximum operating altitude, specific to operating limitations and other limitations and information necessary for safe operation.

iv. Proposed § 23.1515, Instructions for Continued Airworthiness

Proposed § 23.1515 would require an applicant to prepare Instructions for Continued Airworthiness in accordance with proposed appendix A to this part, that are acceptable to the Administrator, prior to the delivery of the first airplane or issuance of a standard certification of airworthiness, whichever occurs later. This proposed section would capture the current § 23.1529 without change. The FAA proposes renaming Appendix G to Part 23—Instructions for Continued Airworthiness, to Appendix A to Part 23—Instructions for Continued Airworthiness.

8. Appendices to Part 23

a. General Discussion

Many of the appendices to part 23 contain information that the FAA believes would be more appropriate as a means of compliance, with the exception of Appendix G to Part 23–Instructions for Continued Airworthiness. Appendices A, B, C, D, E, F, H, and J would be removed and appendix G would be renamed Appendix A—Instructions for Continued Airworthiness.

b. Specific Discussion of Changes

i. Proposed Appendix A to Part 23—Instructions for Continued Airworthiness

The FAA proposes renaming Appendix G to Part 23—Instructions for Continued Airworthiness, as Appendix A to Part 23—Instructions for Continued Airworthiness.

ii. Removal of Appendices to Part 23

Appendix A to Part 23—Simplified Design Load Criteria. The FAA proposes to remove this appendix because the content is more appropriate for inclusion in methods of compliance.

Appendix B to Part 23—[Reserved]. The FAA proposes to remove this appendix because it has been reserved since amendment 23–42. There is no reason to include this appendix in the proposed revision to part 23.

Appendix C to Part 23—Basic Landing Conditions. The FAA proposes to remove this appendix because the content is more appropriate for inclusion in methods of compliance.

Appendix D to Part 23—Wheel Spin-Up and Spring-Back Loads. The FAA proposes to remove this appendix because the content is more appropriate for inclusion in methods of compliance.

Appendix E to Part 23—[Reserved]. The FAA proposes to remove this

[26] See *www.regulations.gov* (Docket #FAA–2015–1621).

appendix because the current appendix is reserved and contains no information.

Appendix F to Part 23—Test Procedure. The FAA proposes to remove this appendix because this is purely a means of showing compliance for materials that must comply with self-extinguishing flammability requirements.

Appendix H to Part 23—Installation of an Automatic Power Reserve (APR) System. The FAA proposes to remove this appendix because the FAA believes that the detailed and prescriptive language of appendix H is more appropriate as means of compliance.

Appendix I to Part 23—Seaplane Loads. The FAA proposes to remove this appendix because the content is more appropriate for inclusion in methods of compliance.

Appendix J to Part 23—HIRF Environments and Equipment HIRF Test Levels. The accepted HIRF environment is codified as appendix J to part 23—HIRF Environments and Equipment HIRF Test Levels. The proposed language in § 23.1325 would revise this to the expected HIRF environment. The current appendix J to part 23 would remain an accepted expected HIRF environment until the Administrator accepted other levels. Any new expected HIRF environment would be found in FAA guidance material or other standards accepted by the Administrator. This would allow the certification requirement to match the current threat agreed to over time. Additionally, the proposed language would clarify that the failure consequence of interest is at the airplane level, which allows credit for design and installation architecture.

B. Miscellaneous Amendments (§§ 21.9, 21.17, 21.24, 21.35, 21.50, 21.101, 35.1, 35.37, 91.205, 91.313, 91.323, 91.531, 121.310, 135.169, and Appendix E to Part 43)

1. Production of Replacement and Modification Articles (§ 21.9)

The FAA proposes amending § 21.9 by adding paragraph (a)(7) to provide applicants with an alternative method to obtain FAA approval to produce replacement and modification articles that are reasonably likely to be installed on type certificated aircraft. We also propose to revise paragraphs (b) and (c) to specify these articles would be suitable for use in a type certificated product. These proposed changes would allow an applicant to submit production information for a specific article, but would not require the producer of the article to apply for approval of the article's design or obtain approval of its quality system. Accordingly, approval to produce a modification or replacement article under proposed § 21.9(a)(7) would not constitute a production approval as defined in § 21.1(b)(6). The FAA intends to limit use of this procedure to articles whose improper operation or failure would not cause a hazard. Approval would be granted to the applicant on a case-by-case basis, specific to the installation proposed, accounting for potential risk and considering the safety continuum.

2. Designation of Applicable Regulations (§ 21.17)

The FAA proposes amending § 21.17, by removing the reference to § 23.2, because this section would be deleted. The requirements in § 23.2 are currently addressed in the operational rules. Since § 23.2 is a retroactive rule, it is appropriate for the requirement to be in the operating rules. As a result, the FAA also proposes amending § 91.205 by revising paragraphs (b)(13) and (b)(14) to ensure removing this requirement would not have any effect on the existing fleet.

3. Issuance of Type Certificate: Primary Category Aircraft (§ 21.24)

The FAA proposes amending § 21.24 by revising paragraph (a)(1)(i) to modify the phrase as defined by § 23.49 to include reference to amendment 23–62 (76 FR 75736, December 2,2011), effective on January 31, 2012. This revision is necessary to maintain a complete definition of stall speed in this section, as the current § 23.49 would be removed from the proposed rule.

4. Flight Tests (§ 21.35)

The FAA proposes amending § 21.35 by revising paragraph (b)(2) to delete the reference to reciprocating engines and expanding the exempted airplanes to include all low-speed part 23 airplanes 6,000 pounds or less. This proposed change would align the requirements for function and reliability testing with the proposed changes in part 23 that do not distinguish between propulsion types. This change would allow the FAA flexibility to address new propulsion types based on the changes to part 23.

5. Instructions for Continued Airworthiness and Manufacturer's Maintenance Manuals Having Airworthiness Limitations Sections (§ 21.50)

The FAA proposes amending § 21.50(b) to reference § 23.1515 rather than § 23.1529. This change is editorial and would align with the proposed part 23 numbering convention.

6. Designation of Applicable Regulations (§ 21.101)

The FAA proposes amending § 21.101 by removing the reference to § 23.2 as this section is proposed to be deleted and is addressed in the operating rules, and to refer to the proposed part 23 certification levels in paragraph (c). The current 6,000-pound reference would be augmented by the inclusion of simple airplanes, certification level 1 low-speed airplanes, and certification level 2 low-speed airplanes, in order to align the current rules with the proposed part 23 certification levels.

Additionally, the FAA recognizes that it may be impractical for airplanes certified under part 23, amendment 23–62, or prior amendments, to move up to the latest amendment for modifications. Section 21.101 would not be revised to address this circumstance, as this section allows for certification at a lower amendment level if meeting the current amendment is impractical. This current provision would allow for compliance to the certification requirements at amendment 23–62 or earlier when compliance to the latest amendment of part 23 was determined by the FAA to be impractical.

7. Applicability (§ 35.1)

The FAA proposes amending § 35.1 by replacing the reference to § 23.907 with proposed § 23.905(c).

8. Fatigue Limits and Evaluation (§ 35.37)

The FAA proposes amending § 35.37 by replacing the reference to § 23.907 with proposed § 23.905(c).

9. Altimeter System Test and Inspection (Appendix E to Part 43)

The FAA proposes amending appendix E to part 43 by revising paragraph (a)(2) to conform with proposed part 23 changes. This proposed change would affect owners and operators of part 23 certificated airplanes in controlled airspace under instrument flight rules who must comply with § 91.411. Concurrent with this rule change, AC 43–6, Altitude Reporting Equipment and Transponder System Maintenance and Inspection Practices, would be revised to include a static pressure system proof test acceptable to the Administrator. Additionally, while reviewing appendix E to part 43, paragraph (a)(2), we noted that it remains silent on parts 27 and 29 rotorcraft and Civil Air Regulations certificated aircraft. The static pressure system proof test in AC 43–6 ensures the accuracy needed to meet § 91.411 requirements.

10. Powered Civil Aircraft With Standard Category U.S. Airworthiness Certificates: Instrument and Equipment Requirements (§ 91.205)

The FAA proposes amending § 91.205 by revising paragraphs (b)(13) and (b)(14) to include the potential for allowing other approved restraint systems. Additionally, paragraph (b)(14) refers to § 23.561(b)(2), which would be retitled in the proposed revision for structural strength limits and would be addressed in the means of compliance. Section 91.205(b)(16) would be deleted and incorporated into (b)(14) with no additional requirements. The part 23 proposal would delete references to utility and acrobatic categories, as they would be incorporated into the normal categories that would be redefined into performance-based standards.

11. Restricted Category Civil Aircraft: Operating Limitations (§ 91.313)

The FAA proposes amending § 91.313(g) to include the potential for allowing other approved restraint systems. Additionally, paragraph (g) includes a regulatory reference to § 23.561(b)(2), which would be retitled in the proposed revision as § 23.600, which would be accompanied by accepted means of compliance. Approval for a shoulder harness or restraint system, therefore, would require withstanding the static inertia loads specified in § 23.600 during emergency conditions.

12. Increased Maximum Certification Weights for Certain Airplanes Operated in Alaska (§ 91.323)

The FAA proposes amending § 91.323 by removing reference to § 23.337 because this section would be revised and consolidated with other structural requirements. The relevant prescriptive requirement(s) maneuvering load factors found in § 23.337 would be added to the regulation in § 91.323(b)(3).

13. Second in Command Requirements (§ 91.531)

The FAA proposes amending § 91.531(1) and (3) to incorporate the new risk and performance levels proposed in this NPRM. The FAA proposes deleting the reference to utility, acrobatic, and commuter categories in part 23. Other divisions would be used to define levels of certification for normal category airplanes. This proposed amendment would ensure airplanes certificated in the commuter category in the past and airplanes certificated in the future under the proposed part 23 airworthiness and performance levels would be addressed in this rule.

14. Additional Emergency Equipment (§ 121.310)

The FAA proposes amending § 121.310(b)(2)(iii) to reflect the reference to § 23.811(b), effective June 16, 1994. This would be an update to the reference for conformity only. This amendment would make no change to the requirements of the rule.

15. Additional Airworthiness Requirements (§ 135.169)

The FAA proposes amending § 135.169(b) by deleting the terms, ''reciprocating-engine or turbopropeller-powered''. The current rule limits operation under this part to reciprocating-engine or turbopropeller-powered small airplanes. By amending the paragraph as proposed, other small airplanes, regardless of propulsion type and including turbojet-powered, would potentially be considered for certification under this part.

The FAA also proposes to allow a small airplane in normal category, in § 135.169(b)(8), to operate within the rules governing commuter and on demand operations. This action would be necessary as a result of the proposed part 23 rules which would sunset the commuter category for newly type certificated airplanes and create a normal category, certification level 4 airplane as equivalent to the commuter category by applying to 10–19 passengers. This proposed amendment would allow for the consideration of the new category airplane and to ensure a continued higher level of safety for commercial operations. Because of the ground-breaking nature of the part 23 proposals, the associated adjustment to performance-based airworthiness standards in future airplane designs and manufacturing, and the myriad of potential possibilities for attaining a means of compliance for airplane type certification, the FAA proposes to require the new normal category certification level 4 airplanes to meet the current airworthiness and performance standards of the commuter category found in part 23 thru amendment 23–62. These standards are envisioned to remain as requirements for the new normal category certification level 4 airplanes into the near-term future, but not the long-term. It is intended that once the new part 23 requirements have proven successful with the new normal category certification levels 1, 2, and 3 airplanes, the FAA would reconsider normal category certification level 4 airplanes for part 135 commercial operations.

VII. Regulatory Notices and Analyses

A. Regulatory Evaluation Summary

Changes to Federal regulations must undergo several economic analyses. First, Executive Order 12866 and Executive Order 13563 direct that each Federal agency shall propose or adopt a regulation only upon a reasoned determination that the benefits of the intended regulation justify its costs. Second, the Regulatory Flexibility Act of 1980 (Pub. L. 96–354) requires agencies to analyze the economic impact of regulatory changes on small entities. Third, the Trade Agreements Act (Pub. L. 96–39) prohibits agencies from setting standards that create unnecessary obstacles to the foreign commerce of the United States. In developing U.S. standards, this Trade Act requires agencies to consider international standards and, where appropriate, that they be the basis of U.S. standards. Fourth, the Unfunded Mandates Reform Act of 1995 (Pub. L. 104–4) requires agencies to prepare a written assessment of the costs, benefits, and other effects of proposed or final rules that include a Federal mandate likely to result in the expenditure by State, local, or tribal governments, in the aggregate, or by the private sector, of $100 million or more annually (adjusted for inflation with base year of 1995). This portion of the preamble summarizes the FAA's analysis of the economic impacts of this proposed rule. We suggest readers seeking greater detail read the full regulatory evaluation, a copy of which we have placed in the docket for this rulemaking.

In conducting these analyses, FAA has determined that this proposed rule: (1) Would have benefits that justify its costs, (2) would not be an an economically ''significant regulatory action'' as defined in section 3(f) of Executive Order 12866, (3) would be ''significant'' as defined in DOT's Regulatory Policies and Procedures; (4) would have a significant positive economic impact on small entities; (5) would not create unnecessary obstacles to the foreign commerce of the United States; and (6) would not impose an unfunded mandate on state, local, or tribal governments, or on the private sector by exceeding the threshold identified above. These analyses are summarized below.

1. Total Benefits and Costs of This Rule

The following table shows the estimated benefits and costs of the proposed rule. The major factors driving the expected costs of this proposal are the additional training tasks, database development, and documentation to

FAA and industry part 23 certification engineers. Benefits consist of safety benefits from preventing stall and spin accidents and savings from reducing the number of special conditions, exemptions, and equivalent levels of safety. If the proposed rule saves only one human life by improving stall characteristics and stall warnings, that alone would result in benefits outweighing the costs.

ESTIMATED BENEFITS AND COSTS FROM 2017 TO 2036

[2014 $ Millions]

	Costs	Safety benefits + cost savings = total benefits
Total	$3.9	$19.6 + $12.6 = $32.2.
Present value	$3.9	$6.2 + $5.8 = $12.0.

2. Who is potentially affected by this rule?

The proposal would affect U.S. manufacturers and operators of new part 23 type certificated airplanes.

3. Assumptions

The benefit and cost analysis for the regulatory evaluation is based on the following factors/assumptions:

- The analysis is conducted in constant dollars with 2014 as the base year.
- The final rule would be effective in 2017.
- The primary analysis period for costs and benefits extends for 20 years, from 2017 through 2036. This period was selected because annual costs and benefits will have reached a steady state by 2036.
- Future part 23 type certifications and deliveries are estimated from historical part 23 type certifications and deliveries.
- Costs for the new part 23 type certifications forecasted in the ''Fleet Discussion'' section of the regulatory evaluation would occur in year 1 of the analysis interval.
- Airplane deliveries from the forecasted part 23 type certificates would start in year 5 of the analysis interval.
- The FAA uses a seven percent discount rate for the benefits and costs as prescribed by OMB in Circular A–4.
- The baseline for estimating the costs and benefits of the proposed rule would be part 23, through amendment 62.
- The FAA estimates 335 FAA part 23 certification engineers would require additional training as a result of this proposal. The FAA assumes that the same number of industry part 23 certification engineers would also require additional training as a result of this proposal.
- The FAA estimates that this proposal would add 16 hours of training to FAA and industry part 23 certification engineers.
- Since this training program would be on-line, we estimate no travel costs for the engineers.
- FAA pay-band tables and the Bureau of Labor Statistics (BLS) determine the hourly wages used to estimate the costs to the FAA and applicants.
- Using the U.S. Department of Transportation guidance, the wage multiplier for employee benefits is 1.17.[27]

[27] On January 30, 2014, the DOT published a memo on ''Estimating Total Costs of Compensation Based on Wage Rates or Salaries.'' The memo directs the FAA that when a rule requires incremental hours per existing employee, the wage/salary multiplier is of smaller magnitude because not all categories of employer provided benefits increase with additional hours worked by an individual employee.

4. Benefits of This Rule

The major safety benefit of this proposed rule is to add stall characteristics and stall warnings that would result in airplane designs that are more resistant to depart controlled flight inadvertently. The largest number of accidents for small airplanes is a stall or departure-based LOC in flight. This proposal would also have cost savings by streamlining the certification process and encouraging new and innovative technology. Streamlining the certification process would reduce the issuance of special conditions, exemptions, and equivalent level of safety findings.

5. Costs of This Rule

The proposed rules major costs are the engineer training costs and the certification database creation costs. Additional costs would also accrue from the proposed controllability and stall sections that would increase scope over current requirements and manual upgrade costs.

In the following table, we summarize the total estimated compliance costs by category. The FAA notes that since we assumed that all costs occurred in Year 1 of the analysis interval, the 2014-dollar costs equal the present value costs.

TOTAL COST SUMMARY BY CATEGORY

Type of cost	Total costs (2014$) and P.V.
§ 23.200 Controllability	$276,939
§ 23.215 Stall characteristics, stall warning, and spins	500,000
Engineer Training Costs	1,149,418
Certification Database Costs	1,293,750
Manual Upgrade Costs	700,000
Total Costs	3,920,106

*These numbers are subject to rounding error.

B. Initial Regulatory Flexibility Determination

The Regulatory Flexibility Act of 1980 (Pub. L. 96–354) (RFA) establishes ''as a principle of regulatory issuance that agencies shall endeavor, consistent with the objectives of the rule and of applicable statutes, to fit regulatory and informational requirements to the scale of the businesses, organizations, and governmental jurisdictions subject to regulation. To achieve this principle, agencies are required to solicit and consider flexible regulatory proposals and to explain the rationale for their actions to assure that such proposals are given serious consideration.'' The RFA covers a wide-range of small entities, including small businesses, not-for-profit organizations, and small governmental jurisdictions.

Agencies must perform a review to determine whether a rule will have a significant economic impact on a substantial number of small entities. If the agency determines that it will, the agency must prepare a regulatory flexibility analysis as described in the RFA.

The FAA believes that this proposed rule could have a significant economic impact on a substantial number of entities because we believe that this rule could enable the creation of new part 23 type certificates and new manufacturers. The FAA has been working with U.S. and foreign small aircraft manufacturers since 2007 to review the life cycle of part 23 airplanes and determine what needed improvement.

The purpose of this analysis is to provide the reasoning underlying the FAA determination.

Under Section 603(b) of the RFA, the initial analysis must address:

- Description of reasons the agency is considering the action;
- Statement of the legal basis and objectives for the proposed rule;
- Description of the record keeping and other compliance requirements of the proposed rule;
- All federal rules that may duplicate, overlap, or conflict with the proposed rule;
- Description and an estimated number of small entities to which the proposed rule will apply; and
- Describe alternatives considered.

1. Reasons Why the Rule Is Being Proposed

The FAA proposes this action to amend the airworthiness standards for new part 23 type certificated airplanes to reflect the current needs of the small airplane industry, accommodate future trends, address emerging technologies, and enable the creation of new part 23 manufacturers and new type certificated airplanes. The proposed changes to part 23 are necessary to eliminate the current workload of exemptions, special conditions, and equivalent levels of safety findings necessary to certificate new part 23 airplanes. These proposed part 23 changes would also promote safety by enacting new regulations for controllability and stall standards and promote new technologies in part 23 airplanes.

2. Statement of the Legal Basis and Objectives

The *FAMRA* required the Administrator, in consultation with the aviation industry, to assess the aircraft certification and approval process. In addition, the *SARA* directs the FAA to create performance-based regulations for small airplanes and provide for the use of industry developed consensus standards to allow flexibility in the certification of new technology.

Accordingly, this proposed rule would amend Title 14 of the Code of Federal Regulations to revise the airworthiness standards for small airplanes by removing current prescriptive design requirements and replacing those requirements with risk and performance-based airworthiness standards.

The FAA's authority to issue rules on 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 III, Section 44701. Under that section, the FAA is charged with promoting safe flight of civil airplanes in air commerce by prescribing minimum standards required in the interest of safety for the design and performance of airplanes. This regulation is within the scope of that authority because it prescribes new performance-based safety standards for the design of normal category airplanes.

3. Projected Reporting, Recordkeeping and Other Requirements

The FAA expects no more than minimal new reporting and recordkeeping compliant requirements would result from this proposed rule because the prescriptive nature of part 23 would be in other FAA approved documents where future technology can readily be adopted into the regulatory framework. The FAA requests comment regarding the anticipated reduction in paperwork and recordkeeping burdens that may result from this revision.

4. Overlapping, Duplicative, or Conflicting Federal Rules

The proposed rule would not overlap, duplicate, or conflict with existing federal rules.

5. Estimated Number of Small Firms Potentially Impacted

Under the RFA, the FAA must determine whether a proposed or final rule significantly affects a substantial number of small entities. This determination is typically based on small entity size and cost thresholds that vary depending on the affected industry. Using the size standards from the Small Business Administration for Air Transportation and Aircraft Manufacturing, we defined companies as small entities if they have fewer than 1,500 employees.[28]

There are seven U.S. owned aircraft manufacturers who delivered part 23 airplanes in the 1998–2013 analysis interval. These manufacturers are Adam, American Champion, Cessna, Hawker Beechcraft, Maule, Quest, and Sino-Swearingen.

Using information provided by the Internet filings and news reports, manufacturers that are subsidiary businesses of larger businesses, manufacturers that are foreign owned, and businesses with more than 1,500 employees were eliminated from the list of small entities. Cessna and Hawker Beechcraft are businesses with more than 1,500 employees. For the remaining businesses, we obtained company revenue and employment from the above sources.

The base year for the final rule is 2014. Although the FAA forecasts traffic and air carrier fleets, we cannot determine either the number of new entrants or who will be in the part 23 airplane manufacturing business in the future. Therefore, we use current U.S. part 23 airplane manufacturers' revenue and employment in order to determine the number of small entities this proposed rule would affect.

The methodology discussed above resulted in the following list of five U.S. part 23 airplane manufacturers, with less than 1,500 employees.

Manufacturer	Number of employees	Annual revenue
Part 23 Manufacturer 1	2	$110,000
Part 23 Manufacturer 2	65	7,000,000
Part 23 Manufacturer 3	75	35,000,000
Part 23 Manufacturer 4	175	34,000,000
Part 23 Manufacturer 5	2	97,000

From this list of small entity U.S. airplane manufacturers, there are three manufacturers currently producing part 23 reciprocating engine airplanes; only one manufacturer producing turboprops and only one producing turbojets. The single manufacturer producing a part 23 turbojet has not delivered an airplane since 2009 and is still working on

[28] 13 CFR 121.201, Size Standards Used to Define Small Business Concerns, Sector 48–49 Transportation, Subsector 481 Air Transportation.

acquiring the means to start up its production line again. One of the manufacturers producing a part 23 reciprocating engine airplane has not delivered an airplane since 2007 and is working on acquiring the means to start up their production line again. The FAA is not aware that either of these manufacturers is considering a new airplane for part 23 type certification in the future and therefore this proposed rulemaking would most likely not add costs to these two manufacturers because the proposed rule only affects new part 23 type certificates.

For the remaining two reciprocating engine part 23 airplane manufacturers, their last type certificates were issued in 1961 and 1970. The 1961 type certificate was issued for the only airplane this manufacturer produces and the manufacturer with the 1970 type certificate produces one other airplane that was type certificated in 1941. The last small entity manufacturer produces only turboprop airplanes and it started delivering airplanes in 2007. Again, the FAA is not aware that any of these manufacturers is considering a new airplane for part 23 type certification in the future and therefore this proposed rulemaking would most likely not add costs for it.

While this rulemaking may enable the creation of new manufacturers, the FAA is not aware of any new small entity part 23 manufacturers who want a type certification in the future for a new part 23 airplane. However, by simplifying and lowering the costs for certification of new small airplanes, barriers to entry may be lowered and thus new manufacturers may emerge.

6. Cost and Affordability for Small Entities

In 2009, a joint FAA/industry team finalized the Part 23 CPS. This proposed rulemaking resulted from this study by the recommendation to use consensus standards to supplement the regulatory language. Since then, the FAA and the part 23 industry have worked together to develop common part 23 airplane certification requirements for this rulemaking. In 2011, with the Part 23 CPS as a foundation, the FAA formed the Part 23 Reorganization ARC. The ARC consisted of large and small entity domestic and international businesses. We contacted the part 23 airplane manufacturers, the ARC, and GAMA for specific cost estimates for each section change for the rule and they all believe that this proposed rule would have a minimal cost impact on their operations and in many cases, would have significant cost savings by streamlining the part 23 type certification process. Many of the ARC members collaborated and provided a joint cost estimate for the proposed rule.

The ARC has informed us that the proposed rule would save the manufacturers design time for the certification of part 23 airplanes by reducing the number of exemptions, equivalent level of safety findings and special conditions required to incorporate new and future technology into their new airplane certifications. The proposed rule would also require manuals to be updated and database development. We expect these updates to be minimal and request commen on these anticipated costs and overall reduction in paperwork burden.

The ARC has also informed us that every other section of this proposed rule would be cost-neutral since the majority of the prescriptive requirements in part 23 would be moved from part 23. The FAA expects that these current requirements would form the basis for consensus standards that would be used as a means of compliance to the proposed performance based regulations.

The FAA expects this proposed rule could have a positive economic impact to small entities because it would enable new businesses to produce new part 23 type certificated airplanes while maintaining a safe operating environment in the NAS. This proposal is based on the ARC's recommendations and would allow for the use of consensus standards that have been developed in partnership with industry. Therefore, the FAA believes that this proposed rule could have a positive significant economic impact on a substantial number of entities.

7. Alternative Analysis

a. Alternative 1

The FAA would continue to issue special conditions, exemptions, and equivalent level of safety findings to certificate part 23 airplanes. As this approach would not follow congressional direction, we choose not to continue with the status quo.

b. Alternative 2

The FAA would continue to enforce the current regulations that affect stall and controllability. The FAA rejected this alternative because the accident rate for part 23 airplanes identified a safety issue that had to be addressed.

c. Alternative 3

The FAA notes that a multi-engine part 23 aircraft manufacturer could decide it wants to comply with § 23.200(b) by making the airplane capable of climbing after a critical loss by installing larger engines. But this is a very expensive alternative that would raise certification costs and operating costs and we believe that part 23 aircraft manufacturers would not make the airplane capable of climbing after a critical loss by installing larger engines.

The FAA solicits comments regarding this determination.

C. International Trade Impact Assessment

The Trade Agreements Act of 1979 (Pub. L. 96–39), as amended by the Uruguay Round Agreements Act (Pub. L. 103–465), prohibits Federal agencies from establishing standards or engaging in related activities that create unnecessary obstacles to the foreign commerce of the United States. Pursuant to these Acts, the establishment of standards is not considered an unnecessary obstacle to the foreign commerce of the United States, so long as the standard has a legitimate domestic objective, such as the protection of safety, and does not operate in a manner that excludes imports that meet this objective. The statute also requires consideration of international standards and, where appropriate, that they be the basis for U.S. standards. The FAA has assessed the potential effect of this proposed rule and determined that the standards are necessary for aviation safety and would not create unnecessary obstacles to the foreign commerce of the United States.

D. Unfunded Mandates Assessment

Title II of the Unfunded Mandates Reform Act of 1995 (Pub. L. 104–4) requires each Federal agency to prepare a written statement assessing the effects of any Federal mandate in a proposed or final agency rule that may result in an expenditure of $100 million or more (in 1995 dollars) in any one year by State, local, and tribal governments, in the aggregate, or by the private sector; such a mandate is deemed to be a ''significant regulatory action.'' The FAA currently uses an inflation-adjusted value of $155.0 million in lieu of $100 million. This proposed rule does not contain such a mandate; therefore, the requirements of Title II of the Act do not apply.

E. Paperwork Reduction Act

The Paperwork Reduction Act of 1995 (44 U.S.C. 3507(d)) requires that the FAA consider the impact of paperwork and other information collection burdens imposed on the public. The information requirements for aircraft certification are covered by existing OMB No. 2120–0018. Burdens associated with special conditions,

ELOS, and exemptions are not quantified in this collection because the need to seek relief under one of these options is dependent on each applicant and is difficult to quantify. It is expected that this rulemaking would reduce the number of special conditions, ELOS, and exemptions filed, thus reducing paperwork and processing time for both the FAA and industry. It would also maintain the fundamental safety requirements from the current part 23 regulations but allow more flexibility in airplane designs, faster adoption of safety enhancing technology, and reduce the regulatory cost burden. To estimate savings driven by this change, the FAA counted the special conditions, ELOS, and exemption applications submitted to the FAA for part 23 aircraft between 2012 and 2013 and divided the number by two years for an average of 47 applications per year.[29] The ARC report offered a similar average of 37 applications per year.[30] Additionally, the FAA counted the number of pages per application for all 47 applications to obtain an average number of pages per application. For special conditions, there were approximately 21 pages, 16 pages for an exemption, and 15 pages per ELOS application. The FAA assumes that the applicant and each FAA office that reviews the application spend 8 hours on research, coordination, and review per page. The ARC also noted ''an ELOS finding or exemption can take the FAA between 4 to 12 months to develop and approve. The applicant spends roughly the same amount of time as the FAA in proposing what they need and responding to FAA questions for SC, exemption, or ELOS.'' [31]

The number of applications is multiplied by the number of pages and by the hourly wage for the applicant and different FAA offices to account for the cost to the FAA and the applicant. The estimated hourly wage is $74.10 for a Small Airplane Directorate employee,[32] $50.75 for an Aircraft Certificate Office employee,[33] and $60.58 for an engineer [34] employed by the applicant. Annual cost equals the sum of the associated costs of special conditions, exemptions, plus equivalent level of safety. Yearly cost totals roughly $502,469 for the Small Airplane Directorate, $344,172 for Aircraft Certificate Offices, and $410,823 for the applicants. Tables 1, 2, and 3 show cost by office and applicant as well as by special condition, exemption, and ELOS.

TABLE 1—SAVINGS FROM SPECIAL CONDITIONS (SC) *

Part 23 Section	Average number of SC (2012–2013)	Average number of pages	FAA SAD		FAA ACO		Applicant	
			Man-hours	Savings	Man-hours	Savings	Man-hours	Savings
143	0.5	20.8	83	$6,165	83	$4,223	83	$5,040
171	0.5	20.8	83	6,165	83	4,223	83	5,040
173	0.5	20.8	83	6,165	83	4,223	83	5,040
175	0.5	20.8	83	6,165	83	4,223	83	5,040
177	0.5	20.8	83	6,165	83	4,223	83	5,040
251	0.5	20.8	83	6,165	83	4,223	83	5,040
361	1	20.8	166	12,330	166	8,445	166	10,081
562	1	20.8	166	12,330	166	8,445	166	10,081
572	0.5	20.8	83	6,165	83	4,223	83	5,040
573	0.5	20.8	83	6,165	83	4,223	83	5,040
574	0.5	20.8	83	6,165	83	4,223	83	5,040
613	0.5	20.8	83	6,165	83	4,223	83	5,040
627	0.5	20.8	83	6,165	83	4,223	83	5,040
629	1.5	20.8	250	18,495	250	12,668	250	15,121
901	1	20.8	166	12,330	166	8,445	166	10,081
939	0.5	20.8	83	6,165	83	4,223	83	5,040
951	1	20.8	166	12,330	166	8,445	166	10,081
961	1	20.8	166	12,330	166	8,445	166	10,081
973	1	20.8	166	12,330	166	8,445	166	10,081
977	1.5	20.8	250	18,495	250	12,668	250	15,121
1141	0.5	20.8	83	6,165	83	4,223	83	5,040
1301	0.5	20.8	83	6,165	83	4,223	83	5,040
1305	1	20.8	166	12,330	166	8,445	166	10,081
1308	0.5	20.8	83	6,165	83	4,223	83	5,040
1309	1	20.8	166	12,330	166	8,445	166	10,081
1329	0.5	20.8	83	6,165	83	4,223	83	5,040
1337	0.5	20.8	83	6,165	83	4,223	83	5,040
1521	1	20.8	166	12,330	166	8,445	166	10,081
1557	1	20.8	166	12,330	166	8,445	166	10,081
3Pt Restraint with Airbag	0.5	20.8	83	6,165	83	4,223	83	5,040
Inflatable Restraint	0.5	20.8	83	6,165	83	4,223	83	5,040
Electronic Engine Controls	0.5	20.8	83	6,165	83	4,223	83	5,040

[29] *https://my.faa.gov/org/linebusiness/avs/offices/air/tools/cert.html.*

[30] A report from the 14 CFR part 23 Reorganization Aviation Rulemaking Committee to the Federal Aviation Administration; Recommendation for increasing the safety of small general aviation airplanes certificated to 14 CFR part 23, June 5, 2013, Table 7.1—Special Conditions, Exemptions, Equivalent Safety Findings, Page 55.

[31] Ibid., 54.

[32] 2014 FAA Bay Band, Average K Band Salary (Rest of the U.S.) plus wage multiplier for benefits *https://employees.faa.gov/org/staffoffices/ahr/program_policies/policy_guidance/hr_policies/hrpm/comp/comp_ref/2014payadjustment/.*

[33] 2014 FAA Bay Band, Average I Band Salary (Rest of the U.S.) plus wage multiplier for benefits *https://employees.faa.gov/org/staffoffices/ahr/program_policies/policy_guidance/hr_policies/hrpm/comp/comp_ref/2014payadjustment/.*

[34] National Occupational Employment and Wage Estimates United States, May 2014; Aerospace Engineer mean hourly wage, NAIC code 17–2011 plus wage multiplier for benefits *http://www.bls.gov/oes/current/oes_nat.htm#17-0000.* A more detailed discussion is provided in the ''Costs'' section below.

TABLE 1—SAVINGS FROM SPECIAL CONDITIONS (SC) *—Continued

Part 23 Section	Average number of SC (2012–2013)	Average number of pages	FAA SAD		FAA ACO		Applicant	
			Man-hours	Savings	Man-hours	Savings	Man-hours	Savings
Fuel Jettisoning	0.5	20.8	83	6,165	83	4,223	83	5,040
Load Alleviation System	0.5	20.8	83	6,165	83	4,223	83	5,040
Side Facing Seat with Airbag	0.5	20.8	83	6,165	83	4,223	83	5,040
Totals	24.5	728	4077	302,080	4077	206,914	4077	246,983

* These numbers are subject to rounding error.

TABLE 2—SAVINGS FROM EXEMPTIONS *

Part 23 Section	Average number exemptions (2012–2013)	Average number of pages	FAA SAD		FAA ACO		Applicant	
			Man-hours	Savings	Man-hours	Savings	Man-hours	Savings
1359	0.5	15.6	62.4	$4,624	62	$3,167	62	$3,780
1549	0.5	15.6	62.4	4,624	62	3,167	62	3,780
177	0.5	15.6	62.4	4,624	62	3,167	62	3,780
49	1	15.6	124.8	9,247	125	6,334	125	7,561
562	1	15.6	124.8	9,247	125	6,334	125	7,561
1419	0.5	15.6	62.4	4,624	62	3,167	62	3,780
Totals	4	94	499	36,989	499	25,336	499	30,243

* These numbers are subject to rounding error.

TABLE 3—SAVINGS FROM EQUIVALENT LEVEL OF SAFETY (ELOS) *

Part 23 Section	Average number ELOS (2012–2013)	Average number of pages	FAA SAD		FAA ACO		Applicant	
			Man-hours	Savings	Man-hours	Savings	Savings	Man-hours
145	1	14.9	119.2	$8,832	119	$6,050	119	$7,221
207	1	14.9	119.2	8,832	119	6,050	119	7,221
672	0.5	14.9	59.6	4,416	60	3,025	60	3,611
777	1.5	14.9	178.8	13,249	179	9,075	179	10,832
779	0.5	14.9	59.6	4,416	60	3,025	60	3,611
781	1.5	14.9	178.8	13,249	179	9,075	179	10,832
807	0.5	14.9	59.6	4,416	60	3,025	60	3,611
815	0.5	14.9	59.6	4,416	60	3,025	60	3,611
841	1	14.9	119.2	8,832	119	6,050	119	7,221
973	0.5	14.9	59.6	4,416	60	3,025	60	3,611
1092	0.5	14.9	59.6	4,416	60	3,025	60	3,611
1145	1	14.9	119.2	8,832	119	6,050	119	7,221
1305	1.5	14.9	178.8	13,249	179	9,075	179	10,832
1311	0.5	14.9	59.6	4,416	60	3,025	60	3,611
1353	0.5	14.9	59.6	4,416	60	3,025	60	3,611
1357	0.5	14.9	59.6	4,416	60	3,025	60	3,611
1397	0.5	14.9	59.6	4,416	60	3,025	60	3,611
1401	0.5	14.9	59.6	4,416	60	3,025	60	3,611
1419	0.5	14.9	59.6	4,416	60	3,025	60	3,611
1443	0.5	14.9	59.6	4,416	60	3,025	60	3,611
1505	0.5	14.9	59.6	4,416	60	3,025	60	3,611
1545	0.5	14.9	59.6	4,416	60	3,025	60	3,611
1549	2.5	14.9	298	22,081	298	15,125	298	18,054
Totals	19	343	2205	163,400	2205	111,923	2205	133,597

* These numbers are subject to rounding error.

Using these yearly cost estimates, over 20 years $25.1 million in man-hours would be spent on applying for and processing special conditions, exemptions, and ELOS. However under the proposed rule, the FAA believes that the need to demonstrate compliance through special conditions, exemptions, or ELOS would largely be eliminated. Instead new products will simply need to demonstrate compliance by following consensus standards acceptable to the Administrator, or by submitting their own novel demonstrations of compliance. As a conservative estimate, the FAA estimates that special conditions, exemptions, and ELOS would be reduced by half for a savings to the FAA and applicant of roughly $12.6 million ($5.8 million present value). Savings by year is shown in the chart below. The FAA asks for comment regarding the amount of reduction in the alternative means of compliance.

In addition to this savings, there would also be additional paperwork burden associated with proposed § 23.200. As proposed, this provision could result in a change to a limitation or a performance number in the flight manual, which would reqire an update to the training courseware or flight manual. Industry believes that this proposed change could cost from $100,000 to $150,000. Therefore, the FAA uses $125,000 (($100,000 + $150,000)/2) as an average cost for this proposed change.

There would also be additional paperwork associated with this requirement that is not part of the costs discussed above. The FAA estimates the paperwork costs for these proposed provisions by multiplying the number of hours the FAA estimates for each page of paperwork, by the number of pages for the training courseware, or flight manual, by the hourly rate of the person responsible for the update. The Small Aircraft Directorate of the FAA provided average hourly times and the number of additional pages of paperwork the proposal would add. The FAA estimates that this section would add a total of four pages to the training courseware and flight manual. The FAA also estimates that it would take a part 23 certification engineer eight hours to complete the one page required for each new type certification. The eight hours to complete a page includes the research, coordination, and review each document requires. Therefore, the FAA estimates the total paperwork costs for proposed controllability section would be about $1,939 (8 hours * 4 pages * $60.58 per hour) in 2014 dollars.

The FAA is expecting part 23 airplane manufacturers to update their engineering procedures manuals to reflect the changes from this proposed rulemaking. However, most of the engineering procedures manuals are not written around the requirements of part 23, but around the requirements of part 21. Since the part 23 changes would have minimal impact on the part 21 requirements, there should be little change in the engineering procedures manuals. Conversations with industry indicate that there may need to be some changes to the engineering manuals to describe how the accepted means of compliance must be related to the regulations. Depending on the complexity of each company's manual, industry estimates that these changes could run from about $50,000 up to $200,000. This would be a one-time cost per new type certification.

Since the FAA is unable to determine the complexity of each company's manual, we assume that the manufacturers of the two new part 23 reciprocating engine airplane type certifications, discussed in the ''Fleet Discussion'' section of the regulatory impact analysis, would spend $50,000 to make the changes to the engineering manual. We also assume that the one new part 23 turboprop airplane certification and the two new part 23 turbojet airplane certifications, discussed in the ''Fleet Discussion'' section, would use the more complex and costly approach of $200,000.

The FAA notes that either the simple approach or the more complex approach to updating the manuals could also either take place in-house or could be contracted out to a consultant.

Table 4 shows the total costs for the proposed changes to the controllability section.

TABLE 4—ESTIMATE COSTS FOR UPDATING ENGINEERING MANUALS

[2014 $]

Airplane	Number of estimated new type certificates	Simple approach	Complex approach	Total
Recip	2	$50,000	$0	$100,000
Turboprop	1	0	200,000	200,000
Turbojet	2	0	200,000	400,000
Total	.....	.....	.....	700,000

* These numbers are subject to rounding error.

F. International Compatibility and Cooperation

In keeping with U.S. obligations under the Convention on International Civil Aviation, it is FAA policy to conform to International Civil Aviation Organization (ICAO) Standards and Recommended Practices to the maximum extent practicable. The FAA has reviewed the corresponding ICAO Standards and Recommended Practices and has identified the following differences with these proposed regulations. The ICAO Standards for small airplanes use weight and propulsion to differentiate between some requirements. The proposed regulations use certification levels and performance to differentiate between some requirements. Furthermore, part 23 will still allow the certification of airplanes up to 19,000 pounds. If this proposal is adopted, the FAA intends to file these differences with ICAO. Executive Order (EO) 13609, Promoting International Regulatory Cooperation, (77 FR 26413, May 4, 2012) promotes international regulatory cooperation to meet shared challenges involving health, safety, labor, security, environmental, and other issues and reduce, eliminate, or prevent unnecessary differences in regulatory requirements. The FAA has analyzed this action under the policy and agency responsibilities of Executive Order 13609, Promoting International Regulatory Cooperation. The agency has determined that this action would eliminate differences between U.S. aviation standards and those of other CAAs by aligning the revised part 23 standards with the new CS–23 standards that are being developed concurrently by EASA. Several other CAAs are participating in this effort and intend to either adopt the new part 23 or CS–23 regulations or revise their airworthiness standards to align with these new regulations.

The Part 23 Reorganization ARC included participants from several foreign CAAs and international members from almost every GA manufacturer of both airplanes and avionics. It also included several Light-Sport Aircraft manufacturers who are interested in certificating their products using the airworthiness standards contained in part 23. The rulemaking and means of compliance documents are international efforts. Authorities from Europe, Canada, Brazil, China, and New Zealand all are working to produce similar rules. These rules, while not identical, are intended to allow the use

of the same set of industry developed means of compliance. Industry has told that FAA that it is very costly to address the differences that some contrived means of compliance imposes. If there is substantial agreement between the major CAAs to use the same industry means of compliance document, then U.S. manufactures expect a significant saving for exporting their products.

Furthermore, this project is a harmonization project between the FAA and EASA.

EASA has worked a parallel rulemaking program for CS–23. The FAA provided comments to the EASA A–NPA The EASA and other authorities will have an opportunity to comment on this NPRM when it is published. These efforts will allow the FAA, EASA and other authorities to work toward a harmonized set of regulations when the final rules are published.

G. Environmental Analysis

FAA Order 1050.1F identifies FAA actions that are categorically excluded from preparation of an environmental assessment or environmental impact statement under the National Environmental Policy Act in the absence of extraordinary circumstances. The FAA has determined this rulemaking action qualifies for the categorical exclusion identified in paragraph 5–6.6 and involves no extraordinary circumstances.

H. Regulations Affecting Intrastate Aviation in Alaska

Section 1205 of the FAA Reauthorization Act of 1996 (110 Stat. 3213) requires the Administrator, when modifying 14 CFR regulations in a manner affecting intrastate aviation in Alaska, to consider the extent to which Alaska is not served by transportation modes other than aviation, and to establish appropriate regulatory distinctions. Because this proposed rule would apply to GA airworthiness standards, it could, if adopted, affect intrastate aviation in Alaska. The FAA, therefore, specifically requests comments on whether there is justification for applying the proposed rule differently in intrastate operations in Alaska.

VIII. Executive Order Determination

A. Executive Order 13132, Federalism

The FAA has analyzed this proposed rule under the principles and criteria of Executive Order 13132, Federalism. The agency has determined that this action would not have a substantial direct effect on the States, or the relationship between the Federal Government and the States, or on the distribution of power and responsibilities among the various levels of government, and, therefore, would not have Federalism implications.

B. Executive Order 13211, Regulations That Significantly Affect Energy Supply, Distribution, or Use

The FAA analyzed this proposed rule under Executive Order 13211, Actions Concerning Regulations that Significantly Affect Energy Supply, Distribution, or Use (May 18, 2001). The agency has determined that it would not be a ''significant energy'' action under the executive order and would not be likely to have a significant adverse effect on the supply, distribution, or use of energy.

IX. Additional Information

A. Comments Invited

The FAA invites interested persons to participate in this rulemaking by submitting written comments, data, or views. The agency also invites comments relating to the economic, environmental, energy, or federalism impacts that might result from adopting the proposals in this document. The most helpful comments reference a specific portion of the proposal, explain the reason for any recommended change, and include supporting data. To ensure the docket does not contain duplicate comments, commenters should send only one copy of written comments, or if comments are filed electronically, commenters should submit only one time.

The FAA will file in the docket all comments it receives, as well as a report summarizing each substantive public contact with FAA personnel concerning this proposed rulemaking. Before acting on this proposal, the FAA will consider all comments it receives on or before the closing date for comments. The FAA will consider comments filed after the comment period has closed if it is possible to do so without incurring expense or delay. The agency may change this proposal in light of the comments it receives.

Proprietary or Confidential Business Information: Commenters should not file proprietary or confidential business information in the docket. Such information must be sent or delivered directly to the person identified in the **FOR FURTHER INFORMATION CONTACT** section of this document, and marked as proprietary or confidential. If submitting information on a disk or CD–ROM, mark the outside of the disk or CD–ROM, and identify electronically within the disk or CD–ROM the specific information that is proprietary or confidential.

Under 14 CFR 11.35(b), if the FAA is aware of proprietary information filed with a comment, the agency does not place it in the docket. It is held in a separate file to which the public does not have access, and the FAA places a note in the docket that it has received it. If the FAA receives a request to examine or copy this information, it treats it as any other request under the Freedom of Information Act (5 U.S.C. 552). The FAA processes such a request under Department of Transportation procedures found in 49 CFR part 7.

B. Availability of Rulemaking Documents

An electronic copy of rulemaking documents may be obtained from the Internet by—

1. Searching the Federal eRulemaking Portal (*http://www.regulations.gov*);

2. Visiting the FAA's Regulations and Policies Web page at *http://www.faa.gov/regulations_policies* or

3. Accessing the Government Printing Office's Web page at *http://www.gpo.gov/fdsys/*.

Copies may also be obtained by sending a request to the Federal Aviation Administration, Office of Rulemaking, ARM–1, 800 Independence Avenue SW., Washington, DC 20591, or by calling (202) 267–9680. Commenters must identify the docket or notice number of this rulemaking.

All documents the FAA considered in developing this proposed rule, including economic analyses and technical reports, may be accessed from the Internet through the Federal eRulemaking Portal referenced in item (1) above.

Appendix 1 to the Preamble—Current to Proposed Regulations Cross-Reference Table

The below cross-reference table is intended to permit easy access from proposed to current regulations. The preamble is organized topical, section-by-section, proposed to current regulations. This table should assist the reader in following the section discussions contained in the preamble.

Current section	Title	Proposed section	Proposed title
	Subpart A—General		
23.1	Applicability	23.1	Applicability.
23.2	Special retroactive requirements		—Deleted—
23.3	Airplane categories	23.5	Certification of normal category airplanes.
		23.10	Accepted means of compliance.
	Subpart B—Flight		
23.21	Proof of compliance	23.100	Weight and center of gravity.
23.23	Load distribution limits	23.100	Weight and center of gravity.
23.25	Weight limits	23.100	Weight and center of gravity.
23.29	Empty weight and corresponding center of gravity.	23.100	Weight and center of gravity.
23.31	Removable ballast	23.100	Weight and center of gravity.
23.33	Propeller speed and pitch limits	23.900	Powerplant installation.
23.45	Performance—General	23.105	Performance.
23.49	Stalling speed	23.110	Stall Speed.
23.51	Takeoff speeds	23.115	Takeoff performance.
23.53	Takeoff performance	23.115	Takeoff performance.
23.55	Accelerate-stop distance	23.115	Takeoff performance.
23.57	Takeoff path	23.115	Takeoff performance.
23.59	Takeoff distance and takeoff run	23.115	Takeoff performance.
23.61	Takeoff flight path	23.115	Takeoff performance.
23.63	Climb: General	23.120	Climb.
23.65	Climb: All engines operating	23.120	Climb.
23.66	Takeoff climb: one engine inoperative	23.125	Climb.
23.67	Climb: One engine inoperative	23.120	Climb.
23.69	Enroute climb/descent	23.125	Climb.
23.71	Glide: single engine airplanes	23.125	Climb.
23.73	Reference landing approach speed	23.130	Landing.
23.75	Landing distance	23.130	Landing.
23.77	Balked landing	23.120	Climb.
23.141	Flight Characteristics—General	23.200	Controllability.
23.143	Controllability and Maneuverability—General.	23.200	Controllability.
23.145	Longitudinal control	23.200	Controllability.
23.147	Directional and lateral control	23.200	Controllability.
23.149	Minimum control speed	23.200	Controllability.
23.151	Acrobatic maneuvers	23.200	Controllability.
23.153	Control during landings	23.200	Controllability.
23.155	Elevator control force in maneuvers	23.200	Controllability.
23.157	Rate of roll	23.200	Controllability.
23.161	Trim	23.205	Trim.
23.171	Stability—General	23.210	Stability.
23.173	Static longitudinal stability	23.210	Stability.
23.175	Demonstration of static longitudinal stability	23.210	Stability.
23.177	Static directional and lateral stability	23.210	Stability.
23.179	Instrument stick force measurements	23.210	Stability.
23.181	Dynamic stability	23.210	Stability.
23.201	Wings level stall	23.215	Stall characteristics, stall warning, and spins.
23.203	Turning Flight and accelerated turning stalls.	23.215	Stall characteristics, stall warning, and spins.
23.207	Stall Warning	23.215	Stall characteristics, stall warning, and spins.
23.221	Spinning	23.215	Stall characteristics, stall warning, and spins.
23.231	Longitudinal stability and control	23.220	Ground handling.
23.233	Directional stability and control	23.220	Ground handling.
23.235	Operation on unpaved surfaces	23.220	Ground handling.
23.237	Operation on water	23.220	Ground handling.
23.239	Spray characteristics	23.220	Ground handling.
23.251	Vibration and buffeting	23.225	Vibration, buffeting, and high-speed characteristics.
23.253	High speed characteristics	23.225	Vibration, buffeting, and high-speed characteristics.
23.255	Out of trim characteristics	23.225	Vibration, buffeting, and high-speed characteristics.
		23.230	Performance and flight characteristics requirements for flight in icing conditions.

Current section	Title	Proposed section	Proposed title
	Subpart C—Structure		
23.301	Loads	23.310, 23.330	Structural design loads, Limit and ultimate loads.
(a)		23.330	Limit and ultimate loads.
(b)		23.310	Structural design loads.
(c)		23.310	Structural design loads.
(d)		23.310	Structural design loads.
23.302	Canard or tandem wing configurations	23.310	Structural design loads.
23.303	Factors of safety	23.330	Limit and ultimate loads.
23.305	Strength and deformation	23.400	Structural strength.
		23.305	Interaction of systems and structures.
23.307	Proof of structure	23.400	Structure strength.
23.321	Flight Loads—General	23.310	Structural design loads.
(a)		23.310	Structural design loads.
(b)		23.300	Structural design envelope.
(c)		23.300	Structural design envelope.
23.331	Symmetrical flight conditions	23.310	Structural design loads.
23.333	Flight envelope	23.300	Structural design envelope.
(a)		23.300	Structural design envelope.
(b)		23.300	Structural design envelope.
(c)		23.315	Flight load conditions.
(d)		23.300	Structural design envelope.
23.335	Design airspeeds	23.300	Structural design envelope.
23.337	Limit maneuvering load factors	23.300	Flight load conditions.
(a)		23.300	Structural design envelope.
(b)		23.300	Structural design envelope.
(c)		Means of Compliance.	
23.341	Gust load factors	23.315	Flight load conditions.
23.343	Design fuel loads	23.300	Structural design envelope.
(a)		23.300	Structural design envelope.
(b)		23.300	Structural design envelope.
(c)		Means of Compliance.	
23.345	High lift devices	23.325	Component loading conditions.
23.347	Unsymmetrical flight loads	23.315	Flight load conditions.
23.349	Rolling conditions	23.315	Flight load conditions.
23.351	Yawing conditions	23.315	Flight load conditions.
23.361	Engine torque	23.325	Component loading conditions.
23.363	Side load on engine mount	23.325	Component loading conditions.
23.365	Pressurized cabin loads	23.325	Flight load conditions.
(e)		23.405	Structural durability.
23.367	Unsymmetrical loads due to engine failure	23.315	Flight load conditions.
23.369	Rear lift truss	Means of Compliance.	
23.371	Gyroscopic and aerodynamic loads	23.325	Component loading conditions.
23.373	Speed control devices	23.325	Component loading conditions.
23.391	Control surface loads	23.325	Component loading conditions.
23.393	Loads parallel to hinge line	23.325	Component loading conditions.
23.395	Control system loads	23.325	Component loading conditions.
23.397	Limit control forces and torques	23.325	Component loading conditions.
23.399	Dual control system	23.325	Component loading conditions.
23.405	Secondary control system	23.325	Component loading conditions.
23.407	Trim tab effects	23.325	Component loading conditions.
23.409	Tabs	23.325	Component loading conditions.
23.415	Ground gust conditions	23.325	Component loading conditions.
23.421	Balancing loads	Means of Compliance.	
23.423	Maneuvering loads	23.315	Flight load conditions.
23.425	Gust loads	23.315	Flight load conditions.
23.427	Unsymmetrical loads due to engine failure	23.315	Flight load conditions.
23.441	Maneuvering loads	23.315	Flight load conditions.
23.443	Gust loads	23.315	Flight load conditions.
23.445	Outboard fins or winglets	Means of Compliance.	
23.455	Ailerons	23.325	Component loading conditions.
23.459	Special devices	23.325	Component loading conditions.
23.471	Ground Loads—General	23.320	Ground and water load conditions.
23.473	Ground load conditions and assumptions	23.320	Ground and water load conditions.
23.477	Landing gear arrangement	23.320	Ground and water load conditions.
23.479	Level landing conditions	23.320	Ground and water load conditions.
23.481	Tail down landing conditions	23.320	Ground and water load conditions.
23.483	One-wheel landing conditions	23.320	Ground and water load conditions.
23.485	Side load conditions	23.320	Ground and water load conditions.
23.493	Braked roll conditions	23.320	Ground and water load conditions.
23.497	Supplementary conditions for tail wheels	23.320	Ground and water load conditions.
23.499	Supplementary conditions for nose wheels	23.320	Ground and water load conditions.
23.505	Supplementary conditions for skiplanes	23.320	Ground and water load conditions.

Current section	Title	Proposed section	Proposed title
23.507	Jacking loads	23.320	Ground and water load conditions.
23.509	Towing loads	23.320	Ground and water load conditions.
23.511	Ground load: unsymmetrical loads on multiple-wheel units.	23.320	Ground and water load conditions.
23.521	Water load conditions	23.320	Ground and water load conditions.
23.523	Design weights and center of gravity positions.	23.320	Ground and water load conditions.
23.525	Application of loads	23.320	Ground and water load conditions.
23.527	Hull and main float load factors	23.320	Ground and water load conditions.
23.529	Hull and main float landing conditions	23.320	Ground and water load conditions.
23.531	Hull and main float takeoff conditions	23.320	Ground and water load conditions.
23.533	Hull and main float bottom pressures	23.320	Ground and water load conditions.
23.535	Auxiliary float loads	23.320	Ground and water load conditions.
23.537	Seawing loads	23.320	Ground and water load conditions.
23.561	Emergency Landing Conditions—General	23.600	Emergency conditions.
23.562	Emergency landing dynamic conditions	23.600	Emergency conditions.
23.571	Metallic pressurized cabin structures	23.405	Structural durability.
23.572	Metallic wing, empennage, and associated structures.	23.405	Structural durability.
23.573	Damage tolerance and fatigue evaluation of structure.	23.405	Structural durability.
23.574	Metallic damage tolerance and fatigue evaluation of commuter category airplanes.	23.405	Structural durability.
23.575	Inspections and other procedures	23.405	Structural durability.
	Subpart D—Design and Construction		
23.601	General	23.500	Structural design.
23.603	Materials and workmanship	23.500	Structural design.
23.605	Fabrication methods	23.510	Materials and processes.
23.607	Fasteners	23.505	Protection of structure.
23.609	Protection of Structure	23.505	Protection of structure.
23.611	Accessibility	23.505	Protection of structure.
23.613	Material strength properties and design values.	23.510	Materials and processes.
23.619	Special factors	23.515	Special factors of safety.
23.621	Casting factors	23.515	Special factors of safety.
23.623	Bearing factors	23.515	Special factors of safety.
23.625	Fitting factors	23.515	Special factors of safety.
23.627	Fatigue strength	23.405	Structural durability.
23.629	Flutter	23.410	Aeroelasticity.
23.641	Proof of strength	Means of Compliance.	
23.651	Proof of strength	Means of Compliance.	
23.655	Installation	Means of Compliance.	
23.657	Hinges	23.515	Special factors of safety.
23.659	Mass balance	23.315	Flight load conditions.
23.671	Control Surfaces—General.		
(a)		23.500	Structural design.
(b)		23.1305	Function and installation.
23.672	Stability augmentation and automatic and power-operated systems.	23.1305	Function and installation.
23.673	Primary flight controls	23.1305	Function and installation.
23.675	Stops	23.1305	Function and installation.
23.677	Trim systems.		
(a)		23.700	Flight control systems.
(b)		23.700	Flight control systems.
(c)		23.410	Aeroelasticity.
(d)		23.700	Flight control systems.
23.679	Control system locks	23.1305	Function and installation.
23.681(a)	Limit load static tests	23.325(b)	Component loading conditions.
23.681(b)	Limit load static tests	23.515	Special factors of safety.
23.683	Operation tests	23.500(d)	Structural design.
23.685(a), (b), (c)	Control system details	23.500(d)	Structural design.
23.685(d)	Control system details	23.1305	Function and installation.
23.687	Spring devices	23.410 and 23.500	Aeroelasticity and Structural design.
23.689	Cable systems.		
(a)		23.700	Flight control systems.
(b)		23.325(b), 23.500(d)	Component loading conditions, Structural design.
(c)		23.325(b), 23.500(d)	Component loading conditions, Structural design.
(d)		23.325(b), 23.500(d)	Component loading conditions, Structural design.

Current section	Title	Proposed section	Proposed title
(e)		23.325(b), 23.500(d)	Component loading conditions, Structural design.
(f)		23.700	Flight control systems.
23.691	Artificial stall barrier system.		
(a)		23.700	Flight control systems.
(b)		23.700	Flight control systems.
(c)		23.1305	Function and installation.
(d)		23.700	Flight control systems.
(e)		23.700	Flight control systems.
(f)		23.700	Flight control systems.
(g)		23.1315	Equipment, systems and Installations.
23.693	Joints	23.515	Special factors of safety.
23.697	Wing flap controls.		
(a)		23.700	Flight control systems.
(b) and (c)		23.200	Controllability.
23.699	Wing flap position indicator	23.1500	Flightcrew interface.
23.701	Flap interconnection	Means of Compliance.	
23.703	Takeoff warning system.		
(a)		23.700	Flight control systems.
(b)		23.700	Flight control systems.
(c)		Definition.	
23.721	General	23.910	Powerplant installation hazard assessment.
23.723	Shock absorption tests	Means of Compliance.	
23.725	Limit drop tests	Means of Compliance.	
23.726	Ground load dynamic tests	Means of Compliance.	
23.727	Reserve energy absorption drop tests	Means of Compliance.	
23.729	Landing gear extension and retraction system.		
(a)		23.705	Landing gear systems.
(b)		23.705	Landing gear systems.
(c)		23.705	Landing gear systems.
(d)		Means of Compliance.	
(e)		23.705	Landing gear systems.
(f)		23.1315	Equipment, systems and installation.
(g)		Means of Compliance.	
23.731	Wheels	23.705	Landing gear systems.
23.733	Tires.		
(a)		23.705	Landing gear systems.
(b)		Means of Compliance.	
(c)		Means of Compliance.	
23.735	Brakes	23.705.	
(a)		23.705	Landing gear systems.
(1)		Means of Compliance.	
(2)		Means of Compliance.	
(b)		23.705	Landing gear systems.
(c)		Means of Compliance.	
(d)		1315	Equipment, systems and installation.
(e)		705	Landing gear systems.
(1)		Means of Compliance.	
(2)		Means of Compliance.	
23.737	Skis	23.705	Landing gear systems.
23.745	Nose/Tail wheel steering	23.1500	Flightcrew interface.
23.751	Main float buoyancy.		
(a)		710	Buoyancy for seaplanes and amphibians.
(b)		Means of Compliance.	
23.753	Main float design	23.320	Ground and water load conditions.
23.755	Hulls	23.710	Buoyancy for seaplanes and amphibians.
23.757	Auxiliary floats	23.710	Buoyancy for seaplanes and amphibians.
23.771	Pilot compartment.		
(a)		23.1500	Flightcrew interface.
(b)		755	Occupant physical environment.
(c)		755	Occupant physical environment.
23.773	Pilot compartment view.		
(a)		1500	Flightcrew interface.
(b)		23.755	Occupant physical environment.
23.775	Windshields and windows.		
(a), (b), (c), (d)		23.755	Occupant physical environment.
(e)		Means of Compliance.	
(f)		23.1405	Flight in icing conditions.
(g)		Means of Compliance.	
(h)		23.755	Occupant physical environment.
23.777	Cockpit controls	23.1500	Flightcrew interface.
23.779	Motion and effect of cockpit controls	23.1500	Flightcrew interface.
23.781	Cockpit control knob shape	23.1500	Flightcrew interface.

Current section	Title	Proposed section	Proposed title
23.783	Doors.		
(a), (b), (c), (d)		23.750	Means of egress and emergency exits.
(e), (f), (g)		Means of Compliance.	
23.785	Seats, berths, litters, safety belts, and shoulder harnesses.	23.515 and 23.600	Special factors of safety, Emergency landing conditions.
23.787	Baggage and cargo compartments	23.600(e)	Emergency landing conditions.
23.791	Passenger information signs	23.755	Occupant physical environment.
23.803	Emergency evacuation.		
(a)		23.750	Means of egress and emergency exits.
(b)		Means of Compliance.	
23.805	Flightcrew emergency exits	23.750	Means of egress and emergency exits.
23.807	Emergency exits.		
(a)(3), (b)(1), (c), (d)(1), (d)(4).		Means of Compliance.	
Balance of 23.807		23.750	Means of egress and emergency exits.
23.811	Emergency exit marking	23.750	Means of egress and emergency exits.
23.812	Emergency lighting	23.750	Means of egress and emergency exits.
23.813	Emergency exit access.		
(a)		23.750	Means of egress and emergency exits.
(b)		Means of Compliance.	
CS–VLA 853		23.750	Means of egress and emergency exits.
23.815	Width of aisle	23.750	Means of egress and emergency exits.
23.831	Ventilation	23.755	Occupant physical environment.
23.841(a), (b)(6), (c) ,(d).	Pressurized cabins	23.755	Occupant physical environment.
(b)(1) through (5) and (7).		Means of Compliance.	
23.843	Pressurization tests	23.755	Occupant physical environment.
23.851	Fire extinguishers.		
(a) and (b)		23.800	Fire protection outside designated fire zones.
(c)		Means of Compliance.	
23.853	Passenger and crew compartment interiors.		
(a)		23.800	Fire protection outside designated fire zones.
(b)(c) and (d)(1)(2).		Means of Compliance.	
(d)(3)(i), (d)(3)(iii), (d)(3)(iv).		23.800	Fire protection outside designated fire zones.
(e)		23.800	Fire protection outside designated fire zones.
(f)		23.800	Fire protection outside designated fire zones.
23.855	Cargo and baggage compartment fire protection.	23.800	Fire protection outside designated fire zones.
23.856	Thermal/acoustic insulation materials	23.800	Fire protection outside designated fire zones.
23.859	Combustion heater fire protection.		
(a)		23.800	Fire protection outside designated fire zones.
(b) thru (i)		Means of Compliance.	
23.863	Flammable fluid fire protection.		
(a) and (d)		23.800	Fire protection outside designated fire zones.
(b) and (c)		Means of Compliance	Fire protection outside designated fire zones.
23.865	Fire protection of flight controls, engine mounts, and other flight structure.	23.805	Fire protection in designated fire zones.
23.867	Electrical bonding and protection against lightning and static electricity.		
(a) and (c)		23.810	Lightning protection of structure.
(b)		23.1320	Electrical and electronic system lightning protection.
23.871	Leveling means	Means of Compliance.	
	Subpart E—Powerplant		
23.901	Installation	23.900(c)	Powerplant Installation.
(a), (b), (f)		23.900(b).	
(c)		23.900(b).	
(d) and (e)		23.900(b)	Note: In addition to 900(b) these rules are covered under Part 33.63, 76, 77 and 78.
23.903	Engines.		

Current section	Title	Proposed section	Proposed title
(a)		23.900(c).	
(a)(2)		23.940(b)	Powerplant ice protection.
(b)(c)		23.910 and 23.920	Powerplant installation hazard assessment; Reversing systems.
(b)(1)		23.405(d)	Structural durability.
(d) thru (g)		23.925	Powerplant operational characteristics.
23.904	Automatic power reserve system	23.915	Automatic power control systems.
23.905	Propellers.		
(a)		23.910(a)	Powerplant installation hazard assessment.
(b), (d), (g)			Note: Intent covered under part 35.
(c)		23.905	Propeller installation.
(e)		23.940	Powerplant ice protection.
(f)		23.905	Propeller installation.
(h)		23.910	Powerplant installation hazard assessment.
23.907	Propeller vibration and fatigue		Note: Intent covered under part 35.
23.909	Turbocharger systems.		
(a) and (c)		23.900	Powerplant installation.
(b), (d), (e)		23.910	Powerplant installation hazard assessment.
23.925	Propeller clearance	23.905(c)	Installation.
23.929	Engine installation ice protection	23.940	Powerplant ice protection.
23.933	Reversing systems	23.920.	
(a)		23.920	Reversing systems.
(b)		23.920	Reversing systems.
23.934	Turbojet and turbofan engine thrust reverser systems tests.	23.920	Note: In addition to § 23.920, this rule is covered under § 33.97.
23.937	Turbopropeller-drag limiting systems	23.920.	
(a)		23.920	Reversing systems.
(b)		23.920	Reversing systems.
23.939	Powerplant operating characteristics	23.925	In addition to 925 this rule is covered under Part 33, subpart D and F—Block Tests.
23.943	Negative acceleration	23.925	Operational characteristics.
23.951	Fuel System—General	23.930(a)(3).	
(a) and (b)		23.930(a)(3)	Fuel systems.
(c)		23.930(a)(3).	
(d)		23.930(a)(3)	Intent covered under Part 34.
23.953	Fuel system independence	23.930	Fuel systems.
23.954	Fuel system lightning protection	23.930	Fuel systems.
23.955	Fuel flow	23.930	Fuel systems.
23.957	Flow between interconnected tanks	23.930(a)(7)	Fuel systems.
(a)		23.930(a)(7).	
(b)		23.930(a)(7).	
23.959	Unusable fuel supply	23.930(c)	Hazard assessment.
23.961	Fuel system hot weather operation	23.930(a)(3)	Fuel systems.
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(a) and (b)		23.930(d)	Fuel systems.
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23.1001	Fuel jettisoning system	23.930(b)(5).	
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23.1063	Coolant tank tests	23.940(b)	Intent covered under Part 33.
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23.1121	Exhaust System—General	23.935.	
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(h)		23.910	Hazard assessment.
23.1123	Exhaust system	23.910	Hazard assessment.
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23.1141	Powerplant controls: general (a)(c)(g)	23.1505(b).	
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23.1307	Miscellaneous equipment	23.1300 and 23.1310	Airplane level systems requirements; Flight, navigation, and powerplant instruments.
23.1308	High-Intensity Radiated Fields (HIRF) protection.	23.1325	High-intensity Radiated Fields (HIRF) protection.
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(b)			—Deleted—.
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(b)		23.1305(c)	Function and installation.
23.1310	Power source capacity and distribution	23.1330	System power generation, storage, and distribution.
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23.1321	Arrangement and visibility	23.1300 and 23.1310	Airplane level systems requirements; Flight, navigation, and powerplant instruments.
23.1322	Warning, caution, and advisory lights	23.1305(b) and (c)	Flight, navigation, and powerplant instruments.
23.1323	Airspeed indicating system	23.1300, 23.1305, 23.1310, and 1315.	Airplane level systems requirements; Function and installation; Flight, navigation, and powerplant instruments; and Equipment, systems, and installations.
(d)		23.1405	Flight in icing conditions.
23.1325	Static pressure system	23.1300, 23.1310, and 23.1315	Airplane level systems requirements; Flight, navigation, and powerplant instruments; and Equipment, systems, and installations.
(b)(3) and (g)		1405	Flight in icing conditions.
23.1326	Pitot heat indication systems	23.1305	Function and installation.
23.1327	Magnetic direction indicator	23.1300, 23.1305 and 23.1310	Airplane level systems requirements; Function and installation; Flight, navigation, and powerplant instruments.
23.1329	Automatic pilot system	23.1300, 23.1305 and 23.1315	Airplane level systems requirements; Function and installation; Equipment, systems, and installations.
(a)		23.1300 and 23.1315	Airplane level systems requirements; Equipment, systems, and installations.
(b)		23.700 and 23.1500	Flight control systems; Flightcrew interface.
(c)		23.1305	Function and installation.
(d)		23.700 and 23.1500	Flight control systems; Flightcrew interface.
(e), (f), (g)		23.1300 and 23.1315	Airplane level systems requirements; Equipment, systems, and installations.
(h)		23.1305	Function and installation.
23.1331	Instruments using a power source.		
(a)		23.1305(c)	Function and installation.
(b)		23.1315(b) and 23.1330(b)	Equipment, systems, and installations; System power generation, storage, and distribution.
(c)		23.1310(b)	Flight, navigation, and powerplant instruments.
23.1335	Flight director systems	23.1300, 23.1305, 23.1315, and 23.1500.	Airplane level systems; Function and installation; Equipment systems and installations; and Flightcrew interface.
23.1337	Powerplant instruments installation.		
(a)		23.800(g)	Fire protection outside designated fire zones.
		23.930	Fuel systems.
(b)		23.1305(c) and (d)	Function and installation.

Current section	Title	Proposed section	Proposed title
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		23.1315(b)	Equipment, systems, and installations.
(c)		23.1315(b)	Equipment, systems, and installations.
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23.1351	Electrical Systems—General	23.1300	Airplane level systems requirements.
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23.1353	Storage battery design and installation	23.1300	Airplane level systems requirements.
		23.1305	Function and installation.
		23.1315	Equipment, systems, and installations.
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23.1357	Circuit protective devices	23.1300	Airplane level systems requirements.
		23.1305	Function and installation.
		23.1315	Equipment, systems, and installations.
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(a)		Means of Compliance.	
(b)		805	Flammability in designated fire zones.
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23.1361	Master switch arrangement	23.1300 and 23.1305	Airplane level systems requirements; Function and installation.
23.1365	Electrical cables and equipment	23.1305	Function and installation.
(b)		23.805	Flammability in designated fire zones.
(a), (c) thru (f)		Means of Compliance.	
23.1367	Switches.		
(a) and (b)		23.1305	Function and installation.
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(a) and (b)		23.1500	Flightcrew interface.
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23.1383(a), (b), (c).	Taxi and landing lights	23.1335	External and cockpit lighting.
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23.1387	Position light system dihedral angles	23.1335	External and cockpit lighting.
23.1389	Position light distribution and intensities	23.1335	External and cockpit lighting.
23.1391	Minimum intensities in the horizontal plane of position lights.	23.1335	External and cockpit lighting.
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(a), (a)(1)		23.1335	External and cockpit lighting.
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(a), (b)(1)		23.1400	Safety equipment.
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23.1415	Ditching equipment	23.1400	Safety equipment.
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(a)(4) and (b)		23.1410	Pressurized system elements.

Current section	Title	Proposed section	Proposed title
(a), (a)(1) through (3), (c).	.....	Means of Compliance.	
23.1437	Accessories for multiengine airplanes	23.1410	Pressurized system elements.
23.1438	Pressurization and pneumatic systems.		
(a), (b)	.....	23.1410	Pressurized system elements.
(c)	.....	Means of Compliance.	
		23.1410(e)	Pressurized system elements.
23.1441	Oxygen equipment and supply.		
(a)	.....	Means of Compliance.	
(b)	.....	23.1315	Equipment, systems and installation.
(c), (d), (e)	.....	23.755	Occupant physical environment.
23.1443(a), (b), (c).	Minimum mass flow of supplemental oxygen.	23.755	Occupant physical environment.
(d)	.....	Definition.	
23.1445	Oxygen distribution system	23.755	Occupant physical environment.
23.1447	Equipment standards for oxygen dispensing units.		
(a), (b), (c), (d), (f)	.....	23.755	Occupant physical environment.
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23.1449	Means for determining use of oxygen	23.755	Occupant physical environment.
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(a)	.....	Means of Compliance.	
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(a)(1)	.....	23.1459	Flight data recorders.
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23.1507	Operating maneuvering speed	23.1505	Instrument markings, control markings, and placards.
23.1511	Flap extended speed	23.1505	Instrument markings, control markings, and placards.
23.1513	Minimum control speed	23.1505	Instrument markings, control markings, and placards.
23.1519	Weight and center of gravity	23.1505	Instrument markings, control markings, and placards.
23.1521	Powerplant limitations	23.1505	Instrument markings, control markings, and placards.
23.1522	Auxiliary power unit limitations	23.1505	Instrument markings, control markings, and placards.
23.1523	Minimum flight crew	23.1505	Instrument markings, control markings, and placards.
23.1524	Maximum passenger seating configuration	23.1505	Instrument markings, control markings, and placards.
23.1525	Kinds of operation	23.1300	Airplane level system requirements.
		23.1505	Instrument markings, control markings, and placards.
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23.1529	Instructions for continued airworthiness	23.1515	Instructions for continued airworthiness.
23.1541	Marking and Placards—General	23.1505	Instrument markings, control markings, and placards.
23.1543	Instrument marking: general	23.1505	Instrument markings, control markings, and placards.
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23.1549	Powerplant and auxiliary power unit instruments.	23.1505	Instrument markings, control markings, and placards.
23.1551	Oil quantity indicator	23.1505	Instrument markings, control markings, and placards.

Current section	Title	Proposed section	Proposed title
23.1553	Fuel quantity indicator	23.1505	Instrument markings, control markings, and placards.
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23.1557	Miscellaneous marking and placards	23.1505	Instrument markings, control markings, and placards.
23.1559	Operating limitations placard	23.1505	Instrument markings, control markings, and placards.
23.1561	Safety equipment	23.1505	Instrument markings, control markings, and placards.
23.1563	Airspeed placards	23.1505	Instrument markings, control markings, and placards.
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23.1581	Airplane Flight Manual and Approved Manual Material—General.	23.1510	Airplane flight manual.
23.1583	Operating limitations	23.1510	Airplane flight manual.
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Appendix A	Simplified Design Load Criteria	Means of Compliance.	
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Appendix J	HIRF Environments and Equipment HIRF Test Levels.	Means of Compliance.	

Appendix 2 to the Preamble—Abbreviations and Acronyms Frequently Used in This Document

AD Airworthiness Directive
AFM Airplane Flight Manual
ARC Aviation Rulemaking Committee
ASTM ASTM International
CAA Civil Aviation Authority
CAR Civil Aviation Regulations
Cf Confer (to identify a source or a usage citation for a word or phrase)
CPS Certification Process Study
CS Certification Specification
CS–VLA Certification Specification—Very Light Aeroplanes
EASA European Aviation Safety Agency
ELOS Equivalent Level of Safety
FR Federal Register
GA General Aviation
HIRF High-Intensity Radiated Field
IFR Instrument Flight Rules
KCAS Knots Calibrated Airspeeds
LOC Loss of Control
NPRM Notice of Proposed Rulemaking
NTSB National Transportation Safety Board
OMB Office of Management and Budget
SAE SAE International
SLD Supercooled Large Droplet
TCDS Type Certificate Data Sheet
V_A Design Maneuvering Speed
V_C Design Cruising Speed
V_D Design Dive Speed
V_{MC} Minimum Control Speed
V_{MO}/M_{MO} Maximum Operating Limit Speed
VFR Visual Flight Rules
V_{SO} Stalling speed or the minimum steady flight speed in the landing configuration

List of Subjects

14 CFR Part 21

Aircraft, Aviation safety, Recording and recordkeeping requirements.

14 CFR Part 23

Aircraft, Aviation Safety, Signs and symbols.

14 CFR Part 35

Aircraft, Aviation safety.

14 CFR Part 43

Aircraft, Aviation safety, Reporting and recordkeeping requirements.

14 CFR Part 91

Air traffic control, Aircraft, Airmen, Airports, Aviation safety, Reporting and recordkeeping requirements.

14 CFR Part 121

Aircraft, Airmen, Aviation safety, Reporting and recordkeeping requirements.

14 CFR Part 135

Aircraft, Airmen, Aviation safety, Reporting and recordkeeping requirements.

The Proposed Amendment

In consideration of the foregoing, the Federal Aviation Administration proposes to amend chapter I of title 14, Code of Federal Regulations as follows:

PART 21—CERTIFICATION PROCEDURES FOR PRODUCTS AND ARTICLES

■ 1. The authority citation for part 21 is revised to read as follows:

Authority: 42 U.S.C. 7572; 49 U.S.C. 106(f), 106(g), 40105, 40113, 44701–44702, 44704, 44707, 44709, 44711, 44713, 44715, 45303.

■ 2. In § 21.9, revise paragraphs (a)(5), (a)(6), (b), and (c) introductory text, and add paragraph (a)(7) to read as follows:

§ 21.9 Replacement and modification articles.

(a) * * *

(5) Produced by an owner or operator for maintaining or altering that owner or operator's product;

(6) Fabricated by an appropriately rated certificate holder with a quality system, and consumed in the repair or alteration of a product or article in

accordance with part 43 of this chapter; or

(7) Produced in any other manner approved by the FAA.

(b) Except as provided in paragraphs (a)(1), (a)(2) and (a)(7) of this section, a person who produces a replacement or modification article for sale may not represent that part as suitable for installation on a type-certificated product.

(c) Except as provided in paragraphs (a)(1), (a)(2) and (a)(7) of this section, a person may not sell or represent an article as suitable for installation on an aircraft type-certificated under § 21.25(a)(2) or § 21.27 unless that article—

* * * * *

■ 3. In § 21.17, revise paragraph (a) introductory text to read as follows:

§ 21.17 Designation of applicable regulations.

(a) Except as provided in §§ 25.2, 27.2, 29.2, and in parts 26, 34, and 36 of this subchapter, an applicant for a type certificate must show that the aircraft, aircraft engine, or propeller concerned meets—

* * * * *

■ 4. In § 21.24, revise paragraph (a)(1)(i) to read as follows:

§ 21.24 Issuance of type certificate: primary category aircraft.

(a) * * *

(1) * * *

(i) Is unpowered; is an airplane powered by a single, naturally aspirated engine with a 61-knot or less V_{so} stall speed as defined in § 23.49 of this chapter, at amendment 23–62, effective on Jan 31, 2012; or is a rotorcraft with a 6-pound per square foot main rotor disc loading limitation, under sea level standard day conditions;

* * * * *

■ 5. In § 21.35, revise paragraph (b)(2) to read as follows:

§ 21.35 Flight tests.

* * * * *

(b) * * *

(2) For aircraft to be certificated under this subchapter, except gliders, and except for low-speed airplanes, as defined in part 23 of this chapter, of 6,000 pounds or less maximum weight that are to be certificated under part 23 of this chapter, to determine whether there is reasonable assurance that the aircraft, its components, and its equipment are reliable and function properly.

* * * * *

■ 6. In § 21.50, revise paragraph (b) to read as follows:

§ 21.50 Instructions for continued airworthiness and manufacturer's maintenance manuals having airworthiness limitations sections.

* * * * *

(b) The holder of a design approval, including either a type certificate or supplemental type certificate for an aircraft, aircraft engine, or propeller for which application was made after January 28, 1981, must furnish at least one set of complete Instructions for Continued Airworthiness to the owner of each type aircraft, aircraft engine, or propeller upon its delivery, or upon issuance of the first standard airworthiness certificate for the affected aircraft, whichever occurs later. The Instructions for Continued Airworthiness must be prepared in accordance with §§ 23.1515, 25.1529, 25.1729, 27.1529, 29.1529, 31.82, 33.4, 35.4, or part 26 of this subchapter, or as specified in the applicable airworthiness criteria for special classes of aircraft defined in § 21.17(b), as applicable. If the holder of a design approval chooses to designate parts as commercial, it must include in the Instructions for Continued Airworthiness a list of commercial parts submitted in accordance with the provisions of paragraph (c) of this section. Thereafter, the holder of a design approval must make those instructions available to any other person required by this chapter to comply with any of the terms of those instructions. In addition, changes to the Instructions for Continued Airworthiness shall be made available to any person required by this chapter to comply with any of those instructions.

* * * * *

■ 7. In § 21.101 revise paragraphs (b) introductory text, and (c) to read as follows:

§ 21.101 Designation of applicable regulations.

* * * * *

(b) Except as provided in paragraph (g) of this section, if paragraphs (b)(1), (2), or (3) of this section apply, an applicant may show that the change and areas affected by the change comply with an earlier amendment of a regulation required by paragraph (a) of this section, and of any other regulation the FAA finds is directly related. However, the earlier amended regulation may not precede either the corresponding regulation incorporated by reference in the type certificate, or any regulation in §§ 25.2, 27.2, or § 29.2 of this chapter that is related to the change. The applicant may show compliance with an earlier amendment of a regulation for any of the following:

* * * * *

(c) An applicant for a change to an aircraft (other than a rotorcraft) of 6,000 pounds or less maximum weight, to a non-turbine rotorcraft of 3,000 pounds or less maximum weight, to a simple, to a level 1 low speed, or to a level 2 low speed airplane may show that the change and areas affected by the change comply with the regulations incorporated by reference in the type certificate. However, if the FAA finds that the change is significant in an area, the FAA may designate compliance with an amendment to the regulation incorporated by reference in the type certificate that applies to the change and any regulation that the FAA finds is directly related, unless the FAA also finds that compliance with that amendment or regulation would not contribute materially to the level of safety of the product or would be impractical.

* * * * *

■ 8. Revise part 23 to read as follows:

PART 23—AIRWORTHINESS STANDARDS: NORMAL CATEGORY AIRPLANES

Sec.

Authority: 49 U.S.C. 106(f), 106(g), 40113, 44701–44702, 44704, Pub. L. 113–53, 127 Stat. 584 (49 U.S.C. 44704) note.

Subpart A—General

§ 23.1 Applicability and definitions.

(a) This part prescribes airworthiness standards for the issuance of type certificates, and changes to those certificates, for airplanes in the normal category.

(b) For the purposes of this part, the following definitions apply:

(1) *Continued safe flight and landing* means an airplane is capable of continued controlled flight and landing, possibly using emergency procedures, without requiring exceptional pilot skill or strength. Upon landing, some airplane damage may occur as a result of a failure condition.

(2) *Designated fire zone* means a zone where catastrophic consequences from fire in that zone must be mitigated by containing the fire in that zone.

(3) *Empty weight* means the weight of the airplane with fixed ballast, unusable fuel, full operating fluids, and other fluids required for normal operation of airplane systems.

§ 23.5 Certification of normal category airplanes.

(a) Certification in the normal category applies to airplanes with a passenger-seating configuration of 19 or less and a maximum certificated takeoff weight of 19,000 pounds or less.

(b) Airplane certification levels are:

(1) Level 1—for airplanes with a maximum seating configuration of 0 to 1 passengers.

(2) Level 2—for airplanes with a maximum seating configuration of 2 to 6 passengers.

(3) Level 3—for airplanes with a maximum seating configuration of 7 to 9 passengers.

(4) Level 4—for airplanes with a maximum seating configuration of 10 to 19 passengers.

(c) Airplane performance levels are:

(1) Low speed—for airplanes with a V_C or $V_{MO} \leq 250$ Knots Calibrated Airspeed (KCAS) (and $M_{MO} \leq 0.6$).

(2) High speed—for airplanes with a V_C or $V_{MO} > 250$ KCAS (or $M_{MO} > 0.6$).

(d) Simple—Simple is defined as a level 1 airplane with a V_C or $V_{MO} \leq 250$ KCAS (and $M_{MO} \leq 0.6$), a $V_{SO} \leq 45$ KCAS and approved only for VFR operations.

(e) Airplanes not certified for aerobatics may be used to perform any maneuver incident to normal flying, including—

(1) Stalls (except whip stalls); and

(2) Lazy eights, chandelles, and steep turns, in which the angle of bank is not more than 60 degrees.

(f) Airplanes certified for aerobatics may be used to perform maneuvers without limitations, other than those limitations necessary to avoid damage or injury.

§ 23.10 Accepted means of compliance.

(a) An applicant must show the FAA how it will demonstrate compliance with this part using a means of compliance, which may include consensus standards, accepted by the Administrator.

(b) A person requesting acceptance of a means of compliance must provide the means of compliance to the FAA in a form and manner specified by the Administrator.

Subpart B—Flight

Performance

§ 23.100 Weight and center of gravity.

(a) The applicant must determine weights and centers of gravity that provide limits for the safe operation of the airplane.

(b) The applicant must show compliance with each requirement of this subpart at each combination of weight and center of gravity within the airplane's range of loading conditions using tolerances acceptable to the Administrator.

(c) The condition of the airplane at the time of determining its empty weight and center of gravity must be well defined and easily repeatable.

§ 23.105 Performance data.

(a) Unless otherwise prescribed, an airplane must meet the performance requirements of this subpart in—

(1) Still air and standard atmospheric conditions at sea level for all airplanes; and

(2) Ambient atmospheric conditions within the operating envelope for—

(i) Level 1 high-speed and level 2 high-speed airplanes; and

(ii) Levels 3 and 4 airplanes.

(b) Unless otherwise prescribed, the applicant must develop the performance data required by this subpart for the following conditions:

(1) Airport altitudes from sea level to 10,000 feet (3,048 meters); and

(2) Temperatures from standard to 30° Celsius above standard or the maximum ambient atmospheric temperature at which compliance with propulsion cooling requirements in climb is shown, if lower.

(c) The procedures used for determining takeoff and landing distances must be executable consistently by pilots of average skill in atmospheric conditions expected to be encountered in service.

(d) Performance data determined in accordance with paragraph (b) of this section must account for losses due to atmospheric conditions, cooling needs, and other demands on power sources.

§ 23.110 Stall speed.

The applicant must determine the airplane stall speed or the minimum steady flight speed for each flight configuration used in normal operations, including takeoff, climb, cruise, descent, approach, and landing. Each determination must account for the most adverse conditions for each flight configuration with power set at idle or zero thrust.

§ 23.115 Takeoff performance.

(a) The applicant must determine airplane takeoff performance accounting for—

(1) Stall speed safety margins;

(2) Minimum control speeds; and

(3) Climb gradients.

(b) For all airplanes, takeoff performance includes the determination of ground roll and initial climb distance to 50 feet (15 meters) above the takeoff surface.

(c) For levels 1, 2, and 3 high-speed multiengine airplanes, multiengine airplanes with a maximum takeoff weight greater than 12,500 pounds and level 4 multiengine airplanes, takeoff performance includes a determination the following distances after a sudden critical loss of thrust:

(1) Accelerate-stop;

(2) Ground roll and initial climb to 50 feet (15 meters) above the takeoff surface; and

(3) Net takeoff flight path.

§ 23.120 Climb requirements.

The applicant must demonstrate the following minimum climb performance out of ground effect:

(a) With all engines operating and in the initial climb configuration—

(1) For levels 1 and 2 low speed airplanes, a climb gradient at sea level of 8.3 percent for landplanes and 6.7 percent for seaplanes and amphibians; and

(2) For levels 1 and 2 high-speed airplanes and all level 3 airplanes, a climb gradient at takeoff of 4 percent.

(b) After a critical loss of thrust on multiengine airplanes—

(1) For levels 1and 2 low-speed airplanes that do not meet single engine crashworthiness requirements, a 1.5 percent climb gradient at a pressure altitude of 5,000 feet (1,524 meters) in the cruise configuration;

(2) For levels 1 and 2 high-speed airplanes, and level 3 low-speed airplanes, a 1 percent climb gradient at 400 feet (122 meters) above the takeoff surface with the landing gear retracted and flaps in the takeoff configuration;

(3) For level 3 high-speed airplanes and all level 4 airplanes, a 2 percent climb gradient at 400 feet (122 meters) above the takeoff surface with the landing gear retracted and flaps in the approach configuration;

(4) At sea level for level 1 and level 2 low-speed airplanes; and

(5) At the landing surface for all other airplanes.

(c) For a balked landing, a climb gradient of 3 percent with—

(1) Takeoff power on each engine;

(2) Landing gear extended; and

(3) Flaps in the landing configuration.

§ 23.125 Climb information.

(a) The applicant must determine climb performance—

(1) For all single engine airplanes;

(2) For level 3 multiengine airplanes, following a critical loss of thrust on takeoff in the initial climb configuration; and

(3) For all multiengine airplanes, during the enroute phase of flight with all engines operating and after a critical loss of thrust in the cruise configuration.

(b) For single engine airplanes, the applicant must determine the glide performance of the airplane after a complete loss of thrust.

§ 23.130 Landing.

The applicant must determine the following, for standard temperatures at each weight and altitude within the operational limits for landing:

(a) The distance, starting from a height of 50 feet (15 meters) above the landing surface, required to land and come to a stop, or for water operations, reach a speed of 3 knots.

(b) The approach and landing speeds, configurations, and procedures, which allow a pilot of average skill to meet the landing distance consistently and without causing damage or injury.

Flight Characteristics

§ 23.200 Controllability.

(a) The airplane must be controllable and maneuverable, without requiring exceptional piloting skill, alertness, or strength, within the operating envelope—

(1) At all loading conditions for which certification is requested;

(2) During low-speed operations, including stalls;

(3) With any probable flight control or propulsion system failure; and

(4) During configuration changes.

(b) The airplane must be able to complete a landing without causing damage or serious injury, in the landing configuration at a speed of V_{REF} minus 5 knots using the approach gradient equal to the steepest used in the landing distance determination.

(c) For levels 1 and 2 multiengine airplanes that cannot climb after a critical loss of thrust, V_{MC} must not exceed V_{S1} or V_{S0} for all practical weights and configurations within the operating envelope of the airplane.

(d) If the applicant requests certification of an airplane for aerobatics, the applicant must demonstrate those aerobatic maneuvers for which certification is requested and determine entry speeds.

§ 23.205 Trim.

(a) The airplane must maintain longitudinal, lateral, and directional trim under the following conditions:

(1) For levels 1, 2, and 3 airplanes, in cruise, without further force upon, or movement of, the primary flight controls or corresponding trim controls by the pilot, or the flight control system.

(2) For level 4 airplanes in normal operations, without further force upon, or movement of, the primary flight controls or corresponding trim controls by the pilot, or the flight control system.

(b) The airplane must maintain longitudinal trim under the following conditions:

(1) Climb.

(2) Level flight.

(3) Descent.

(4) Approach.

(c) Residual forces must not fatigue or distract the pilot during likely emergency operations, including a critical loss of thrust on multiengine airplanes.

§ 23.210 Stability.

(a) Airplanes not certified for aerobatics must—

(1) Have static longitudinal, lateral, and directional stability in normal operations;

(2) Have dynamic short period and combined lateral-directional stability in normal operations; and

(3) Provide stable control force feedback throughout the operating envelope.

(b) No airplane may exhibit any divergent longitudinal stability characteristic so unstable as to increase the pilot's workload or otherwise endanger the airplane and its occupants.

§ 23.215 Stall characteristics, stall warning, and spins.

(a) The airplane must have controllable stall characteristics in straight flight, turning flight, and accelerated turning flight with a clear and distinctive stall warning that provides sufficient margin to prevent inadvertent stalling.

(b) Levels 1 and 2 airplanes and level 3 single-engine airplanes, not certified for aerobatics, must not have a tendency to inadvertently depart controlled flight.

(c) Airplanes certified for aerobatics must have controllable stall characteristics and the ability to recover within one and one-half additional turns after initiation of the first control action from any point in a spin, not exceeding six turns or any greater number of turns for which certification is requested, while remaining within the operating limitations of the airplane.

(d) Spin characteristics in airplanes certified for aerobatics must not result in unrecoverable spins—

(1) With any use of the flight or engine power controls; or

(2) Due to pilot disorientation or incapacitation.

§ 23.220 Ground and water handling characteristics.

(a) For airplanes intended for operation on land or water, the airplane must have controllable longitudinal and directional handling characteristics during taxi, takeoff, and landing operations.

(b) For airplanes intended for operation on water, the following must be established and included in the Airplane Flight Manual (AFM):

(1) The maximum wave height at which the aircraft demonstrates compliance to paragraph (a) of this section. This wave height does not constitute an operating limitation.

(2) Any necessary water handling procedures.

§ 23.225 Vibration, buffeting, and high-speed characteristics.

(a) Vibration and buffeting, for operations up to V_D/M_D, must not interfere with the control of the airplane or cause fatigue to the flightcrew. Stall warning buffet within these limits is allowable.

(b) For high-speed airplanes and all airplanes with a maximum operating altitude greater than 25,000 feet (7,620 meters) pressure altitude, there must be no perceptible buffeting in cruise configuration at 1g and at any speed up to V_{MO}/M_{MO}, except stall buffeting.

(c) For high-speed airplanes, the applicant must determine the positive maneuvering load factors at which the onset of perceptible buffet occurs in the cruise configuration within the operational envelope. Likely inadvertent excursions beyond this boundary must not result in structural damage.

(d) High-speed airplanes must have recovery characteristics that do not result in structural damage or loss of control, beginning at any likely speed up to V_{MO}/M_{MO}, following—

(1) An inadvertent speed increase; and

(2) A high-speed trim upset.

§ 23.230 Performance and flight characteristics requirements for flight in icing conditions.

(a) If an applicant requests certification for flight in icing conditions as specified in part 1 of appendix C to part 25 of this chapter and any additional atmospheric icing conditions for which an applicant requests certification, the applicant must demonstrate the following:

(1) Compliance with each requirement of this subpart, except those applicable to spins and any that must be demonstrated at speeds in excess of—

(i) 250 knots CAS;

(ii) V_{MO} or M_{MO}; or

(iii) A speed at which the applicant demonstrates the airframe will be free of ice accretion.

(2) The stall warning for flight in icing conditions and non-icing conditions is the same.

(b) If an applicant requests certification for flight in icing conditions, the applicant must provide a means to detect any icing conditions for which certification is not requested and demonstrate the aircraft's ability to avoid or exit those conditions.

(c) The applicant must develop an operating limitation to prohibit intentional flight, including takeoff and landing, into icing conditions for which the airplane is not certified to operate.

Subpart C—Structures

§ 23.300 Structural design envelope.

The applicant must determine the structural design envelope, which describes the range and limits of airplane design and operational parameters for which the applicant will show compliance with the requirements of this subpart. The applicant must account for all airplane design and operational parameters that affect structural loads, strength, durability, and aeroelasticity, including:

(a) Structural design airspeeds and Mach numbers, including—

(1) The design maneuvering airspeed, V_A, which may be no less than the airspeed at which the airplane will stall at the maximum design maneuvering load factor;

(2) The design cruising airspeed, V_C or M_C, which may be no less than the maximum speed expected in normal operations;

(3) The design dive airspeed, V_D or M_D, which is the airspeed that will not be exceeded by inadvertent airspeed increases when operating at V_C or M_C;

(4) Any other design airspeed limitations required for the operation of high lift devices, landing gear, and other equipment or devices; and

(5) For level 4 airplanes, a rough air penetration speed, V_B.

(b) Design maneuvering load factors not less than those, which service history shows, may occur within the structural design envelope.

(c) Inertial properties including weight, center of gravity, and mass moments of inertia, accounting for—

(1) All weights from the airplane empty weight to the maximum weight; and

(2) The weight and distribution of occupants, payload, and fuel.

(d) Range of motion for control surfaces, high lift devices, or other moveable surfaces, including tolerances.

(e) All altitudes up to the maximum altitude.

§ 23.305 Interaction of systems and structures.

For airplanes equipped with systems that affect structural performance, either directly or as a result of failure or malfunction, the applicant must account for the influence and failure conditions of these systems when showing compliance with the requirements of this subpart.

Structural Loads

§ 23.310 Structural design loads.

The applicant must:

(a) Determine structural design loads resulting from any externally or internally applied pressure, force, or moment which may occur in flight, ground and water operations, ground and water handling, and while the airplane is parked or moored.

(b) Determine the loads required by paragraph (a) of this section at all critical combinations of parameters, on and within the boundaries of the structural design envelope.

(c) The magnitude and distribution of these loads must be based on physical principles and may be no less than service history shows will occur within the structural design envelope.

§ 23.315 Flight load conditions.

The applicant must determine the structural design loads resulting from the following flight conditions:

(a) Vertical and horizontal atmospheric gusts where the magnitude and gradient of these gusts are based on measured gust statistics.

(b) Symmetric and asymmetric maneuvers.

(c) For canted lifting surfaces, vertical and horizontal loads acting simultaneously resulting from gust and maneuver conditions.

(d) For multiengine airplanes, failure of the powerplant unit which results in the most severe structural loads.

§ 23.320 Ground and water load conditions.

The applicant must determine the structural design loads resulting from the following ground and water operations:

(a) For airplanes intended for operation on land—taxi, takeoff, landing, and ground handling conditions occurring in normal and adverse attitudes and configurations.

(b) For airplanes intended for operation on water—taxi, takeoff, landing, and water handling conditions occurring in normal and adverse attitudes and configurations in the most severe sea conditions expected in operation.

(c) Jacking and towing conditions.

§ 23.325 Component loading conditions.

The applicant must determine the structural design loads acting on:

(a) Each engine mount and its supporting structure resulting from engine operation combined with gusts and maneuvers.

(b) Each flight control and high lift surface, their associated system and supporting structure resulting from—

(1) The inertia of each surface and mass balance attachment;

(2) Gusts and maneuvers;

(3) Pilot or automated system inputs;

(4) System induced conditions, including jamming and friction; and

(5) Ground operations, including downwind taxi and ground gusts.

(c) A pressurized cabin resulting from the pressurization differential—

(1) From zero up to the maximum relief valve setting combined with gust and maneuver loads;

(2) From zero up to the maximum relief valve setting combined with ground and water loads if the airplane may land with the cabin pressurized; and

(3) At the maximum relief valve setting multiplied by 1.33, omitting all other loads.

§ 23.330 Limit and ultimate loads.

Unless special or other factors of safety are necessary to meet the requirements of this subpart, the applicant must determine—

(a) The limit loads, which are equal to the structural design loads; and

(b) The ultimate loads, which are equal to the limit loads multiplied by a 1.5 factor of safety.

Structural Performance

§ 23.400 Structural strength.

The applicant must demonstrate that the structure will support:

(a) Limit loads without—

(1) Interference with the operation of the airplane; and

(2) Detrimental permanent deformation.

(b) Ultimate loads.

§ 23.405 Structural durability.

(a) The applicant must develop and implement procedures to prevent structural failures due to foreseeable causes of strength degradation, which could result in serious or fatal injuries, loss of the airplane, or extended periods of operation with reduced safety margins. The Instructions for Continued Airworthiness must include procedures developed under this section.

(b) If a pressurized cabin has two or more compartments separated by bulkheads or a floor, the applicant must design the structure for a sudden release of pressure in any compartment that has a door or window, considering failure of the largest door or window opening in the compartment.

(c) For airplanes with maximum operating altitude greater than 41,000 feet, the procedures developed for compliance to paragraph (a) of this section must be capable of detecting damage to the pressurized cabin structure before the damage could result in rapid decompression that would result in serious or fatal injuries.

(d) The airplane must be capable of continued safe flight and landing with structural damage caused by high-energy fragments from an uncontained engine or rotating machinery failure.

§ 23.410 Aeroelasticity.

(a) The airplane must be free from flutter, control reversal, and divergence—

(1) At all speeds within and sufficiently beyond the structural design envelope;

(2) For any configuration and condition of operation;

(3) Accounting for critical degrees of freedom; and

(4) Accounting for any critical failures or malfunctions.

(b) The applicant must establish and account for tolerances for all quantities that affect flutter.

Design

§ 23.500 Structural design.

(a) The applicant must design each part, article, and assembly for the expected operating conditions of the airplane.

(b) Design data must adequately define the part, article, or assembly configuration, its design features, and any materials and processes used.

(c) The applicant must determine the suitability of each design detail and part having an important bearing on safety in operations.

(d) The control system must be free from jamming, excessive friction, and excessive deflection when—

(1) The control system and its supporting structure are subjected to loads corresponding to the limit airloads;

(2) The primary controls are subjected to the lesser of the limit airloads or limit pilot forces; and

(3) The secondary controls are subjected to loads not less than those corresponding to maximum pilot effort.

§ 23.505 Protection of structure.

(a) The applicant must protect each part of the airplane, including small parts such as fasteners, against deterioration or loss of strength due to any cause likely to occur in the expected operational environment.

(b) Each part of the airplane must have adequate provisions for ventilation and drainage.

(c) For each part that requires maintenance, preventive maintenance, or servicing, the applicant must incorporate a means into the aircraft design to allow such actions to be accomplished.

§ 23.510 Materials and processes.

(a) The applicant must determine the suitability and durability of materials used for parts, articles, and assemblies, the failure of which could prevent continued safe flight and landing. The applicant must account for the effects of likely environmental conditions expected in service.

(b) The methods and processes of fabrication and assembly used must produce consistently sound structures. If a fabrication process requires close control to reach this objective, the applicant must perform the process under an approved process specification.

(c) Except as provided in paragraphs (f) and (g) of this section, the applicant must select design values that ensure material strength with probabilities that account for the criticality of the structural element. Design values must

account for the probability of structural failure due to material variability.

(d) If material strength properties are required, a determination of those properties must be based on sufficient tests of material meeting specifications to establish design values on a statistical basis.

(e) If thermal effects are significant on an essential component or structure under normal operating conditions, the applicant must determine those effects on allowable stresses used for design.

(f) Design values, greater than the minimums specified by this section, may be used, where only guaranteed minimum values are normally allowed, if a specimen of each individual item is tested before use to determine that the actual strength properties of that particular item will equal or exceed those used in the design.

(g) An applicant may use other material design values if approved by the Administrator.

§ 23.515 Special factors of safety.

(a) The applicant must determine a special factor of safety for any critical design value that is—

(1) Uncertain;

(2) Used for a part, article, or assembly that is likely to deteriorate in service before normal replacement; or

(3) Subject to appreciable variability because of uncertainties in manufacturing processes or inspection methods.

(b) The applicant must determine a special factor of safety using quality controls and specifications that account for each—

(1) Structural application;

(2) Inspection method;

(3) Structural test requirement;

(4) Sampling percentage; and

(5) Process and material control.

(c) The applicant must apply any special factor of safety in the design for each part of the structure by multiplying each limit load and ultimate load by the special factor of safety.

Structural Occupant Protection

§ 23.600 Emergency conditions.

(a) The airplane, even when damaged in an emergency landing, must protect each occupant against injury that would preclude egress when—

(1) Properly using safety equipment and features provided for in the design;

(2) The occupant experiences ultimate static inertia loads likely to occur in an emergency landing; and

(3) Items of mass, including engines or auxiliary power units (APUs), within or aft of the cabin, that could injure an occupant, experience ultimate static inertia loads likely to occur in an emergency landing.

(b) The emergency landing conditions specified in paragraph (a) of this section, must—

(1) Include dynamic conditions that are likely to occur with an impact at stall speed, accounting for variations in aircraft mass, flight path angle, flight pitch angle, yaw, and airplane configuration, including likely failure conditions at impact; and

(2) Not exceed established human injury criteria for human tolerance due to restraint or contact with objects in the airplane.

(c) The airplane must have seating and restraints for all occupants. The airplane seating, restraints, and cabin interior must account for likely flight and emergency landing conditions.

(d) Each occupant restraint system must consist of a seat, a method to restrain the occupant's pelvis and torso, and a single action restraint release. For all flight and ground loads during normal operation and any emergency landing conditions, the restraint system must perform its intended function and not create a hazard that could cause a secondary injury to an occupant. The restraint system must not prevent occupant egress or interfere with the operation of the airplane when not in use.

(e) Each baggage and cargo compartment must—

(1) Be designed for its maximum weight of contents and for the critical load distributions at the maximum load factors corresponding to the flight and ground load conditions determined under this part;

(2) Have a means to prevent the contents of the compartment from becoming a hazard by impacting occupants or shifting; and

(3) Protect any controls, wiring, lines, equipment, or accessories whose damage or failure would affect operations.

Subpart D—Design and Construction

§ 23.700 Flight control systems.

(a) The applicant must design airplane flight control systems to:

(1) Prevent major, hazardous, and catastrophic hazards, including—

(i) Failure;

(ii) Operational hazards;

(iii) Flutter;

(iv) Asymmetry; and

(v) Misconfiguration.

(2) Operate easily, smoothly, and positively enough to allow normal operation.

(b) The applicant must design trim systems to:

(1) Prevent inadvertent, incorrect, or abrupt trim operation.

(2) Provide a means to indicate—

(i) The direction of trim control movement relative to airplane motion;

(ii) The trim position with respect to the trim range;

(iii) The neutral position for lateral and directional trim; and

(iv) For all airplanes, except simple airplanes, the range for takeoff for all applicant requested center of gravity ranges and configurations.

(3) Except for simple airplanes, provide control for continued safe flight and landing when any one connecting or transmitting element in the primary flight control system fails.

(4) Limit the range of travel to allow safe flight and landing, if an adjustable stabilizer is used.

(c) For an airplane equipped with an artificial stall barrier system, the system must—

(1) Prevent uncommanded control or thrust action; and

(2) Provide for a preflight check.

(d) For level 3 high-speed and all level 4 airplanes, an applicant must install a takeoff warning system on the airplane unless the applicant demonstrates the airplane, for each configuration, can takeoff at the limits of the trim and flap ranges.

§ 23.705 Landing gear systems.

(a) For airplanes with retractable landing gear:

(1) The landing gear and retracting mechanism, including the wheel well doors, must be able to withstand operational and flight loads.

(2) The airplane must have—

(i) A positive means to keep the landing gear extended;

(ii) A secondary means of extension for landing gear that cannot be extended using the primary means;

(iii) A means to inform the pilot that each landing gear is secured in the extended and retracted positions; and

(iv) Except for airplanes intended for operation on water, a warning to the pilot if the thrust and configuration is selected for landing and the landing gear is not fully extended and locked.

(3) If the landing gear bay is used as the location for equipment other than the landing gear, that equipment must be designed and installed to avoid damage from tire burst and from items that may enter the landing gear bay.

(b) The design of each landing gear wheel, tire, and ski must account for critical loads, including those experienced during landing and rejected takeoff.

(c) A reliable means of stopping the airplane must provide kinetic energy absorption within the airplane's design specifications for landing.

(d) For levels 3 and 4 multiengine airplanes, the braking system must provide kinetic energy absorption within the airplane's design specifications for rejected takeoff.

§ 23.710 Buoyancy for seaplanes and amphibians.

Airplanes intended for operations on water, must—

(a) Provide buoyancy of 80 percent in excess of the buoyancy required to support the maximum weight of the airplane in fresh water; and

(b) Have sufficient watertight compartments so the airplane will stay afloat at rest in calm water without capsizing if any two compartments of any main float or hull are flooded.

Occupant System Design Protection

§ 23.750 Means of egress and emergency exits.

(a) The airplane cabin exit design must provide for evacuation of the airplane within 90 seconds in conditions likely to occur following an emergency landing. Likely conditions exclude ditching for all but levels 3 and 4 multiengine airplanes.

(b) Each exit must have a means to be opened from both inside and outside the airplane, when the internal locking mechanism is in the locked and unlocked position. The means of opening must be simple, obvious, and marked inside and outside the airplane.

(c) Airplane evacuation paths must protect occupants from serious injury from the propulsion system.

(d) Each exit must not be obstructed by a seat or seat back, unless the seat or seat back can be easily moved in one action to clear the exit.

(e) Airplanes certified for aerobatics must have a means to egress the airplane in flight.

(f) Doors, canopies, and exits must be protected from opening inadvertently in flight.

§ 23.755 Occupant physical environment.

(a) The applicant must design the airplane to—

(1) Allow clear communication between the flightcrew and passengers;

(2) Provide a clear, sufficiently undistorted external view to enable the flightcrew to perform any maneuvers within the operating limitations of the airplane;

(3) Protect the pilot from serious injury due to high energy rotating failures in systems and equipment; and

(4) Protect the occupants from serious injury due to damage to windshields, windows, and canopies.

(b) For level 4 airplanes, each windshield and its supporting structure directly in front of the pilot must—

(1) Withstand, without penetration, the impact equivalent to a two-pound bird when the velocity of the airplane is equal to the airplane's maximum approach flap speed; and

(2) Allow for continued safe flight and landing after the loss of vision through any one panel.

(c) The airplane must provide each occupant with air at a breathable pressure, free of hazardous concentrations of gases and vapors, during normal operations and likely failures.

(d) If an oxygen system is installed in the airplane, it must include—

(1) A means to allow the flightcrew to determine the quantity of oxygen available in each source of supply on the ground and in flight;

(2) A means to determine whether oxygen is being delivered; and

(3) A means to permit the flightcrew to turn on and shut off the oxygen supply at any high-pressure source in flight.

(e) If a pressurization system is installed in the airplane, it must include—

(1) A warning if an unsafe condition exists; and

(2) A pressurization system test.

Fire and High Energy Protection

§ 23.800 Fire protection outside designated fire zones.

Outside designated fire zones:

(a) The following materials must be self-extinguishing—

(1) Insulation on electrical wire and electrical cable;

(2) For levels 1, 2, and 3 airplanes, materials in the baggage and cargo compartments inaccessible in flight; and

(3) For level 4 airplanes, materials in the cockpit, cabin, baggage, and cargo compartments.

(b) The following materials must be flame resistant—

(1) For levels 1, 2 and 3 airplanes, materials in each compartment accessible in flight; and

(2) Any electrical cable installation that would overheat in the event of circuit overload or fault.

(c) Thermal acoustic materials, if installed, must not be a flame propagation hazard.

(d) Sources of heat that are capable of igniting adjacent objects must be shielded and insulated to prevent such ignition.

(e) For level 4 airplanes, each baggage and cargo compartment must—

(1) Be located where a fire would be visible to the pilots, or equipped with a fire detection system and warning system; and

(2) Be accessible for the manual extinguishing of a fire, have a built-in fire extinguishing system, or be constructed and sealed to contain any fire within the compartment.

(f) There must be a means to extinguish any fire in the cabin such that—

(1) The pilot, while seated, can easily access the fire extinguishing means; and

(2) For levels 3 and 4 airplanes, passengers have a fire extinguishing means available within the passenger compartment.

(g) Each area where flammable fluids or vapors might escape by leakage of a fluid system must—

(1) Be defined; and

(2) Have a means to make fluid and vapor ignition, and the resultant hazard, if ignition occurs, improbable.

(h) Combustion heater installations must be protected from uncontained fire.

§ 23.805 Fire protection in designated fire zones.

Inside designated fire zones:

(a) Flight controls, engine mounts, and other flight structures within or adjacent to those zones must be capable of withstanding the effects of a fire.

(b) Engines must remain attached to the airplane in the event of a fire or electrical arcing.

(c) Terminals, equipment, and electrical cables used during emergency procedures must be fire-resistant.

§ 23.810 Lightning protection of structure.

(a) For airplanes approved for instrument flight rules, no structural failure preventing continued safe flight and landing may occur from exposure to the direct effects of lightning.

(b) Airplanes approved only for visual flight rules must achieve lightning protection by following FAA accepted design practices.

Subpart E—Powerplant

§ 23.900 Powerplant installation.

(a) For the purpose of this subpart, the airplane powerplant installation must include each component necessary for propulsion, affects propulsion safety, or provides auxiliary power to the airplane.

(b) The applicant must construct and arrange each powerplant installation to account for likely hazards in operation and maintenance.

(c) Except for simple airplanes, each aircraft power unit must be type certificated.

§ 23.905 Propeller installation.

(a) Except for simple airplanes, each propeller must be type certificated.

(b) Each pusher propeller must be marked so that it is conspicuous under daylight conditions.

(c) Each propeller installation must account for vibration and fatigue.

§ 23.910 Powerplant installation hazard assessment.

The applicant must assess each powerplant separately and in relation to other airplane systems and installations to show that a failure of any powerplant system component or accessory will not—

(a) Prevent continued safe flight and landing;

(b) Cause serious injury that may be avoided; and

(c) Require immediate action by crewmembers for continued operation of any remaining powerplant system.

§ 23.915 Automatic power control systems.

A power or thrust augmentation system that automatically controls the power or thrust on the operating powerplant, must—

(a) Provide indication to the flightcrew when the system is operating;

(b) Provide a means for the pilot to deactivate the automatic function; and

(c) Prevent inadvertent deactivation.

§ 23.920 Reversing systems.

The airplane must be capable of continued safe flight and landing under any available reversing system setting.

§ 23.925 Powerplant operational characteristics.

(a) The powerplant must operate at any negative acceleration that may occur during normal and emergency operation, within the airplane operating limitations.

(b) The pilot must have the capability to stop and restart the powerplant in flight.

(c) The airplane must have an independent power source for restarting each powerplant following an in-flight shutdown.

§ 23.930 Fuel system

(a) Each fuel system must—

(1) Provide an independent fuel supply to each powerplant in at least one configuration;

(2) Avoid ignition from unplanned sources;

(3) Provide the fuel required to achieve maximum power or thrust plus a margin for likely variables, in all temperature and altitude conditions within the airplane operating envelope;

(4) Provide a means to remove the fuel from the airplane;

(5) Be capable of retaining fuel when subject to inertia loads under expected operating conditions; and

(6) Prevent hazardous contamination of the fuel supply.

(b) Each fuel storage system must—

(1) Withstand the loads and pressures under expected operating conditions;

(2) Provide a means to prevent loss of fuel during any maneuver under operating conditions for which certification is requested;

(3) Prevent discharge when transferring fuel;

(4) Provide fuel for at least one-half hour of operation at maximum continuous power or thrust; and

(5) Be capable of jettisoning fuel if required for landing.

(c) If a pressure refueling system is installed, it must have a means to—

(1) Prevent the escape of hazardous quantities of fuel;

(2) Automatically shut-off before exceeding the maximum fuel quantity of the airplane; and

(3) Provide an indication of a failure at the fueling station.

§ 23.935 Powerplant induction and exhaust systems.

The air induction system for each power unit and its accessories must—

(a) Supply the air required by that power unit and its accessories under expected operating conditions; and

(b) Provide a means to discharge potential harmful material.

§ 23.940 Powerplant ice protection.

(a) The airplane design must prevent foreseeable accumulation of ice or snow that adversely affects powerplant operation.

(b) The powerplant design must prevent any accumulation of ice or snow that adversely affects powerplant operation, in those icing conditions for which certification is requested.

§ 23.1000 Powerplant fire protection.

(a) A powerplant may only be installed in a designated fire zone.

(b) Each component, line, and fitting carrying flammable fluids, gases, or air subject to fire conditions must be fire resistant, except components storing concentrated flammable material must be fireproof or enclosed by a fireproof shield.

(c) The applicant must provide a means to shut off fuel or flammable material for each powerplant that must—

(1) Not restrict fuel to remaining units; and

(2) Prevent inadvertent operation.

(d) For levels 3 and 4 airplanes with a powerplant located outside the pilot's view that uses combustible fuel, the applicant must install a fire extinguishing system.

(e) For levels 3 and 4 airplanes, the applicant must install a fire detection system in each designated fire zone.

(f) Each fire detection system must provide a means to alert the flightcrew in the event of a detection of fire or failure of the system.

(g) There must be a means to check the fire detection system in flight.

Subpart F—Equipment

§ 23.1300 Airplane level systems requirements.

(a) The equipment and systems required for an airplane to operate safely in the kinds of operations for which certification is requested (Day VFR, Night VFR, IFR) must be designed and installed to—

(1) Meet the level of safety applicable to the certification and performance level of the airplane; and

(2) Perform their intended function throughout the operating and environmental limits specified by the applicant.

(b) Non-required airplane equipment and systems, considered separately and in relation to other systems, must be designed and installed so their operation or failure does not have an adverse effect on the airplane or its occupants.

§ 23.1305 Function and installation.

(a) Each item of installed equipment must—

(1) Perform its intended function;

(2) Be installed according to limitations specified for that equipment; and

(3) Be labeled, if applicable, as to its identification, function or operating limitations, or any combination of these factors.

(b) There must be a discernable means of providing system operating parameters required to operate the airplane, including warnings, cautions, and normal indications to the responsible crewmember.

(c) Information concerning an unsafe system operating condition must be provided in a timely manner to the crewmember responsible for taking corrective action. Presentation of this information must be clear enough to avoid likely crewmember errors.

§ 23.1310 Flight, navigation, and powerplant instruments.

(a) Installed systems must provide the flightcrew member who sets or monitors flight parameters for the flight, navigation, and powerplant the information necessary to do so during each phase of flight. This information must include—

(1) Parameters and trends, as needed for normal, abnormal, and emergency operation; and

(2) Limitations, unless the applicant shows each limitation will not be exceeded in all intended operations.

(b) Indication systems that integrate the display of flight or powerplant parameters to operate the airplane or are required by the operating rules of this chapter must—

(1) Not inhibit the primary display of flight or powerplant parameters needed by any flightcrew member in any normal mode of operation; and

(2) In combination with other systems, be designed and installed so information essential for continued safe flight and landing will be available to the flightcrew in a timely manner after any single failure or probable combination of failures.

§ 23.1315 Equipment, systems, and installations.

For any airplane system or equipment whose failure or abnormal operation has not been specifically addressed by another requirement in this part, the applicant must:

(a) Examine the design and installation of airplane systems and equipment, separately and in relation to other airplane systems and equipment to determine—

(1) If a failure would prevent continued safe flight and landing; and

(2) If any other failure would significantly reduce the capability of the airplane or the ability of the flightcrew to cope with adverse operating conditions.

(b) Design and install each system and equipment, examined separately and in relation to other airplane systems and equipment, such that—

(1) Each catastrophic failure condition is extremely improbable;

(2) Each hazardous failure condition is extremely remote; and

(3) Each major failure condition is remote.

§ 23.1320 Electrical and electronic system lightning protection.

For an airplane approved for IFR operations:

(a) Each electrical or electronic system that performs a function, the failure of which would prevent the continued safe flight and landing of the airplane, must be designed and installed such that—

(1) The airplane system level function continues to perform during and after the time the airplane is exposed to lightning; and

(2) The system automatically recovers normal operation of that function in a timely manner after the airplane is exposed to lightning unless the system's recovery conflicts with other operational or functional requirements of the system.

(b) Each electrical and electronic system that performs a function, the failure of which would reduce the capability of the airplane or the ability of the flightcrew to respond to an adverse operating condition, must be designed and installed such that the function recovers normal operation in a timely manner after the airplane is exposed to lightning.

§ 23.1325 High-intensity Radiated Fields (HIRF) protection.

(a) Electrical and electronic systems that perform a function, the failure of which would prevent the continued safe flight and landing of the airplane, must be designed and installed such that—

(1) The airplane system level function is not adversely affected during and after the time the airplane is exposed to the HIRF environment; and

(2) The system automatically recovers normal operation of that function in a timely manner after the airplane is exposed to the HIRF environment, unless the system's recovery conflicts with other operational or functional requirements of the system.

(b) For airplanes approved for IFR operations, the applicant must design and install each electrical and electronic system that performs a function, the failure of which would reduce the capability of the airplane or the ability of the flightcrew to respond to an adverse operating condition, so the function recovers normal operation in a timely manner after the airplane is exposed to the HIRF environment.

§ 23.1330 System power generation, storage, and distribution.

The power generation, storage, and distribution for any system must be designed and installed to—

(a) Supply the power required for operation of connected loads during all likely operating conditions;

(b) Ensure no single failure or malfunction will prevent the system from supplying the essential loads required for continued safe flight and landing; and

(c) Have enough capacity, if the primary source fails, to supply essential loads, including non-continuous essential loads for the time needed to complete the function, for—

(1) At least 30 minutes for airplanes certificated with a maximum altitude of 25,000 feet (7,620 meters) or less; and

(2) At least 60 minutes for airplanes certificated with a maximum altitude over 25,000 feet (7,620 meters).

§ 23.1335 External and cockpit lighting.

(a) The applicant must design and install all lights to prevent adverse effects on the performance of flightcrew duties.

(b) Any position and anti-collision lights, if required by part 91 of this chapter, must have the intensities, flash rate, colors, fields of coverage, and other characteristics to provide sufficient time for another aircraft to avoid a collision.

(c) Any position lights, if required by part 91 of this chapter, must include a red light on the left side of the airplane, a green light on the right side of the airplane, spaced laterally as far apart as space allows, and a white light facing aft, located on an aft portion of the airplane or on the wing tips.

(d) The applicant must design and install taxi and landing lights so they provide sufficient light for night operations.

(e) For seaplanes or amphibian airplanes, riding lights must provide a white light visible in clear atmospheric conditions.

§ 23.1400 Safety equipment.

Safety and survival equipment, required by the operating rules of this chapter, must be reliable, readily accessible, easily identifiable, and clearly marked to identify its method of operation.

§ 23.1405 Flight in icing conditions.

(a) If an applicant requests certification for flight in icing conditions, the applicant must demonstrate that—

(1) The ice protection system provides for safe operation; and

(2) The airplane is protected from stalling when the autopilot is operating in a vertical mode.

(b) The demonstration specified in paragraph (a) of this section, must be conducted in atmospheric icing conditions specified in part 1 of appendix C to part 25 of this chapter, and any additional icing conditions for which certification is requested.

§ 23.1410 Pressurized systems elements.

(a) The minimum burst pressure of hydraulic systems must be at least 2.5 times the design operating pressure. The proof pressure must be at least 1.5 times the maximum operating pressure.

(b) On multiengine airplanes, engine driven accessories essential to safe operation must be distributed among multiple engines.

(c) The minimum burst pressure of cabin pressurization system elements must be at least 2.0 times, and proof pressure must be at least 1.5 times, the maximum normal operating pressure.

(d) The minimum burst pressure of pneumatic system elements must be at least 3.0 times, and proof pressure must be at least 1.5 times, the maximum normal operating pressure.

(e) Other pressurized system elements must have pressure margins that take into account system design and operating conditions.

§ 23.1457 Cockpit voice recorders.

(a) Each cockpit voice recorder required by the operating rules of this chapter must be approved and must be installed so that it will record the following:

(1) Voice communications transmitted from or received in the airplane by radio.

(2) Voice communications of flightcrew members on the flight deck.

(3) Voice communications of flightcrew members on the flight deck, using the airplane's interphone system.

(4) Voice or audio signals identifying navigation or approach aids introduced into a headset or speaker.

(5) Voice communications of flightcrew members using the passenger loudspeaker system, if there is such a system and if the fourth channel is available in accordance with the requirements of paragraph (c)(4)(ii) of this section.

(6) If datalink communication equipment is installed, all datalink communications, using an approved data message set. Datalink messages must be recorded as the output signal from the communications unit that translates the signal into usable data.

(b) The recording requirements of paragraph (a)(2) of this section must be met by installing a cockpit-mounted area microphone, located in the best position for recording voice communications originating at the first and second pilot stations and voice communications of other crewmembers on the flight deck when directed to those stations. The microphone must be so located and, if necessary, the preamplifiers and filters of the recorder must be so adjusted or supplemented, so that the intelligibility of the recorded communications is as high as practicable when recorded under flight cockpit noise conditions and played back. Repeated aural or visual playback of the record may be used in evaluating intelligibility.

(c) Each cockpit voice recorder must be installed so that the part of the communication or audio signals specified in paragraph (a) of this section obtained from each of the following sources is recorded on a separate channel:

(1) For the first channel, from each boom, mask, or handheld microphone, headset, or speaker used at the first pilot station.

(2) For the second channel from each boom, mask, or handheld microphone, headset, or speaker used at the second pilot station.

(3) For the third channel—from the cockpit-mounted area microphone.

(4) For the fourth channel from:

(i) Each boom, mask, or handheld microphone, headset, or speaker used at the station for the third and fourth crewmembers.

(ii) If the stations specified in paragraph (c)(4)(i) of this section are not required or if the signal at such a station is picked up by another channel, each microphone on the flight deck that is used with the passenger loudspeaker system, if its signals are not picked up by another channel.

(5) And that as far as is practicable all sounds received by the microphone listed in paragraphs (c)(1), (2), and (4) of this section must be recorded without interruption irrespective of the position of the interphone-transmitter key switch. The design shall ensure that sidetone for the flightcrew is produced only when the interphone, public address system, or radio transmitters are in use.

(d) Each cockpit voice recorder must be installed so that:

(1) (i) It receives its electrical power from the bus that provides the maximum reliability for operation of the cockpit voice recorder without jeopardizing service to essential or emergency loads.

(ii) It remains powered for as long as possible without jeopardizing emergency operation of the airplane.

(2) There is an automatic means to simultaneously stop the recorder and prevent each erasure feature from functioning, within 10 minutes after crash impact.

(3) There is an aural or visual means for preflight checking of the recorder for proper operation.

(4) Any single electrical failure external to the recorder does not disable both the cockpit voice recorder and the flight data recorder.

(5) It has an independent power source—

(i) That provides 10±1 minutes of electrical power to operate both the cockpit voice recorder and cockpit-mounted area microphone;

(ii) That is located as close as practicable to the cockpit voice recorder; and

(iii) To which the cockpit voice recorder and cockpit-mounted area microphone are switched automatically in the event that all other power to the cockpit voice recorder is interrupted either by normal shutdown or by any other loss of power to the electrical power bus.

(6) It is in a separate container from the flight data recorder when both are required. If used to comply with only the cockpit voice recorder requirements, a combination unit may be installed.

(e) The recorder container must be located and mounted to minimize the probability of rupture of the container as a result of crash impact and consequent heat damage to the recorder from fire.

(1) Except as provided in paragraph (e)(2) of this section, the recorder container must be located as far aft as practicable, but need not be outside of the pressurized compartment, and may not be located where aft-mounted engines may crush the container during impact.

(2) If two separate combination digital flight data recorder and cockpit voice recorder units are installed instead of one cockpit voice recorder and one digital flight data recorder, the combination unit that is installed to comply with the cockpit voice recorder requirements may be located near the cockpit.

(f) If the cockpit voice recorder has a bulk erasure device, the installation must be designed to minimize the probability of inadvertent operation and actuation of the device during crash impact.

(g) Each recorder container must—

(1) Be either bright orange or bright yellow;

(2) Have reflective tape affixed to its external surface to facilitate its location under water; and

(3) Have an underwater locating device, when required by the operating rules of this chapter, on or adjacent to the container, which is secured in such manner that they are not likely to be separated during crash impact.

§ 23.1459 Flight data recorders.

(a) Each flight recorder required by the operating rules of this chapter must be installed so that—

(1) It is supplied with airspeed, altitude, and directional data obtained from sources that meet the aircraft level system requirements of § 23.1300 and the functionality specified in § 23.1305;

(2) The vertical acceleration sensor is rigidly attached, and located longitudinally either within the approved center of gravity limits of the airplane, or at a distance forward or aft of these limits that does not exceed 25 percent of the airplane's mean aerodynamic chord;

(3)(i) It receives its electrical power from the bus that provides the

maximum reliability for operation of the flight data recorder without jeopardizing service to essential or emergency loads;

(ii) It remains powered for as long as possible without jeopardizing emergency operation of the airplane;

(4) There is an aural or visual means for preflight checking of the recorder for proper recording of data in the storage medium;

(5) Except for recorders powered solely by the engine-driven electrical generator system, there is an automatic means to simultaneously stop a recorder that has a data erasure feature and prevent each erasure feature from functioning, within 10 minutes after crash impact;

(6) Any single electrical failure external to the recorder does not disable both the cockpit voice recorder and the flight data recorder; and

(7) It is in a separate container from the cockpit voice recorder when both are required. If used to comply with only the flight data recorder requirements, a combination unit may be installed. If a combination unit is installed as a cockpit voice recorder to comply with § 23.1457(e)(2), a combination unit must be used to comply with this flight data recorder requirement.

(b) Each non-ejectable record container must be located and mounted so as to minimize the probability of container rupture resulting from crash impact and subsequent damage to the record from fire. In meeting this requirement, the record container must be located as far aft as practicable, but need not be aft of the pressurized compartment, and may not be where aft-mounted engines may crush the container upon impact.

(c) A correlation must be established between the flight recorder readings of airspeed, altitude, and heading and the corresponding readings (taking into account correction factors) of the first pilot's instruments. The correlation must cover the airspeed range over which the airplane is to be operated, the range of altitude to which the airplane is limited, and 360 degrees of heading. Correlation may be established on the ground as appropriate.

(d) Each recorder container must—

(1) Be either bright orange or bright yellow;

(2) Have reflective tape affixed to its external surface to facilitate its location under water; and

(3) Have an underwater locating device, when required by the operating rules of this chapter, on or adjacent to the container, which is secured in such a manner that they are not likely to be separated during crash impact.

(e) Any novel or unique design or operational characteristics of the aircraft shall be evaluated to determine if any dedicated parameters must be recorded on flight recorders in addition to or in place of existing requirements.

Subpart G—Flightcrew Interface and Other Information

§ 23.1500 Flightcrew interface.

(a) The pilot compartment and its equipment must allow each pilot to perform his or her duties, including taxi, takeoff, climb, cruise, descent, approach, landing, and perform any maneuvers within the operating envelope of the airplane, without excessive concentration, skill, alertness, or fatigue.

(b) The applicant must install flight, navigation, surveillance, and powerplant controls and displays so qualified flightcrew can monitor and perform all tasks associated with the intended functions of systems and equipment. The system and equipment design must make the possibility that a flightcrew error could result in a catastrophic event highly unlikely.

§ 23.1505 Instrument markings, control markings, and placards.

(a) Each airplane must display in a conspicuous manner any placard and instrument marking necessary for operation.

(b) The applicant must clearly mark each cockpit control, other than primary flight controls, as to its function and method of operation.

(c) The applicant must include instrument marking and placard information in the Airplane Flight Manual.

§ 23.1510 Airplane flight manual.

The applicant must provide an Airplane Flight Manual that must be delivered with each airplane that contains the following information—

(a) Operating limitations and procedures;

(b) Performance information;

(c) Loading information; and

(d) Any other information necessary for the operation of the airplane.

§ 23.1515 Instructions for continued airworthiness.

The applicant must prepare Instructions for Continued Airworthiness, in accordance with appendix A of this part, that are acceptable to the Administrator prior to the delivery of the first airplane or issuance of a standard certification of airworthiness, whichever occurs later.

Appendix A to Part 23—Instructions for Continued Airworthiness

A23.1 *General*

(a) This appendix specifies requirements for the preparation of Instructions for Continued Airworthiness as required by this part.

(b) The Instructions for Continued Airworthiness for each airplane must include the Instructions for Continued Airworthiness for each engine and propeller (hereinafter designated ''products''), for each appliance required by this chapter, and any required information relating to the interface of those appliances and products with the airplane. If Instructions for Continued Airworthiness are not supplied by the manufacturer of an appliance or product installed in the airplane, the Instructions for Continued Airworthiness for the airplane must include the information essential to the continued airworthiness of the airplane.

(c) The applicant must submit to the FAA a program to show how changes to the Instructions for Continued Airworthiness made by the applicant or by the manufacturers of products and appliances installed in the airplane will be distributed.

A23.2 Format

(a) The Instructions for Continued Airworthiness must be in the form of a manual or manuals as appropriate for the quantity of data to be provided.

(b) The format of the manual or manuals must provide for a practical arrangement.

A23.3 Content

The contents of the manual or manuals must be prepared in the English language. The Instructions for Continued Airworthiness must contain the following manuals or sections and information:

(a) Airplane maintenance manual or section.

(1) Introduction information that includes an explanation of the airplane's features and data to the extent necessary for maintenance or preventive maintenance.

(2) A description of the airplane and its systems and installations including its engines, propellers, and appliances.

(3) Basic control and operation information describing how the airplane components and systems are controlled and how they operate, including any special procedures and limitations that apply.

(4) Servicing information that covers details regarding servicing points, capacities of tanks, reservoirs, types of fluids to be used, pressures applicable

to the various systems, location of access panels for inspection and servicing, locations of lubrication points, lubricants to be used, equipment required for servicing, tow instructions and limitations, mooring, jacking, and leveling information.

(b) Maintenance Instructions

(1) Scheduling information for each part of the airplane and its engines, auxiliary power units, propellers, accessories, instruments, and equipment that provides the recommended periods at which they should be cleaned, inspected, adjusted, tested, and lubricated, and the degree of inspection, the applicable wear tolerances, and work recommended at these periods. However, the applicant may refer to an accessory, instrument, or equipment manufacturer as the source of this information if the applicant shows that the item has an exceptionally high degree of complexity requiring specialized maintenance techniques, test equipment, or expertise. The recommended overhaul periods and necessary cross reference to the Airworthiness Limitations section of the manual must also be included. In addition, the applicant must include an inspection program that includes the frequency and extent of the inspections necessary to provide for the continued airworthiness of the airplane.

(2) Troubleshooting information describing probable malfunctions, how to recognize those malfunctions, and the remedial action for those malfunctions.

(3) Information describing the order and method of removing and replacing products and parts with any necessary precautions to be taken.

(4) Other general procedural instructions including procedures for system testing during ground running, symmetry checks, weighing and determining the center of gravity, lifting and shoring, and storage limitations.

(c) Diagrams of structural access plates and information needed to gain access for inspections when access plates are not provided.

(d) Details for the application of special inspection techniques including radiographic and ultrasonic testing where such processes are specified by the applicant.

(e) Information needed to apply protective treatments to the structure after inspection.

(f) All data relative to structural fasteners such as identification, discard recommendations, and torque values.

(g) A list of special tools needed.

(h) In addition, for level 4 airplanes, the following information must be furnished—

(1) Electrical loads applicable to the various systems;

(2) Methods of balancing control surfaces;

(3) Identification of primary and secondary structures; and

(4) Special repair methods applicable to the airplane.

A23.4 Airworthiness limitations section

The Instructions for Continued Airworthiness must contain a section titled Airworthiness Limitations that is segregated and clearly distinguishable from the rest of the document. This section must set forth each mandatory replacement time, structural inspection interval, and related structural inspection procedure required for type certification. If the Instructions for Continued Airworthiness consist of multiple documents, the section required by this paragraph must be included in the principal manual. This section must contain a legible statement in a prominent location that reads ''The Airworthiness Limitations section is FAA approved and specifies maintenance required under §§ 43.16 and 91.403 of Title 14 of the Code of Federal Regulations unless an alternative program has been FAA approved.''

PART 35—AIRWORTHINESS STANDARDS: PROPELLERS

■ 9. The authority citation for part 35 is revised to read as follows:

Authority: 49 U.S.C. 106(f), 106(g), 40113, 44701–44702, 44704.

■ 10. In § 35.1, revise paragraph (c) to read as follows:

§ 35.1 Applicability.

* * * * *

(c) An applicant is eligible for a propeller type certificate and changes to those certificates after demonstrating compliance with subparts A, B, and C of this part. However, the propeller may not be installed on an airplane unless the applicant has shown compliance with either § 23.905(c) or § 25.907 of this chapter, as applicable, or compliance is not required for installation on that airplane.

* * * * *

■ 11. In § 35.37, revise paragraph (c)(1) to read as follows:

§ 35.37 Fatigue limits and evaluation.

* * * * *

(c) * * *

(1) The intended airplane by complying with § 23.905(c) or § 25.907 of this chapter, as applicable; or

* * * * *

PART 43—MAINTENANCE, PREVENTIVE MAINTENANCE, REBUILDING, AND ALTERATION

■ 12. The authority citation for part 43 is revised to read as follows:

Authority: 42 U.S.C. 7572; 49 U.S.C. 106(f), 106(g), 40105, 40113, 44701–44702, 44704, 44707, 44709, 44711, 44713, 44715, 45303.

■ 13. In part 43, appendix E, revise the introductory text and paragraph (a)(2) to read as follows:

Appendix E to Part 43—Altimeter System Test and Inspection

Each person performing the altimeter system tests and inspections required by § 91.411 must comply with the following:

(a) * * *

(2) Perform a proof test to demonstrate the integrity of the static pressure system in a manner acceptable to the Administrator. For airplanes certificated under part 25 of this chapter, determine that leakage is within the tolerances established by § 25.1325.

* * * * *

PART 91—GENERAL OPERATING AND FLIGHT RULES

■ 14. The authority citation for part 91 continues to read as follows:

Authority: 49 U.S.C. 106(f), 106(g), 1155, 40101, 40103, 40105, 40113, 40120, 44101, 44111, 44701, 44704, 44709, 44711, 44712, 44715, 44716, 44717, 44722, 46306, 46315, 46316, 46504, 46506–46507, 47122, 47508, 47528–47531, 47534, articles 12 and 29 of the Convention on International Civil Aviation (61 Stat. 1180), (126 Stat. 11).

■ 15. In § 91.205, revise paragraphs (b)(13) and (b)(14), and remove paragraph (b)(16) to read as follows:

§ 91.205 Powered civil aircraft with standard category U.S. airworthiness certificates: Instrument and equipment requirements.

* * * * *

(b) * * *

(13) An approved safety belt with an approved metal-to-metal latching device, or other approved restraint system for each occupant 2 years of age or older.

(14) For small civil airplanes manufactured after July 18, 1978, an approved shoulder harness or restraint system for each front seat. For small civil airplanes manufactured after December 12, 1986, an approved shoulder harness or restraint system for all seats. Shoulder harnesses installed at flightcrew stations must permit the flightcrew member, when seated and with the safety belt and shoulder harness fastened, to perform all

functions necessary for flight operations. For purposes of this paragraph—

(i) The date of manufacture of an airplane is the date the inspection acceptance records reflect that the airplane is complete and meets the FAA-approved type design data; and

(ii) A front seat is a seat located at a flightcrew member station or any seat located alongside such a seat.

* * * * *

■ 16. In § 91.313, revise paragraph (g) introductory text to read as follows:

§ 91.313 Restricted category civil aircraft: Operating limitations.

* * * * *

(g) No person may operate a small restricted-category civil airplane manufactured after July 18, 1978, unless an approved shoulder harness or restraint system is installed for each front seat. The shoulder harness or restraint system installation at each flightcrew station must permit the flightcrew member, when seated and with the safety belt and shoulder harness fastened or the restraint system engaged, to perform all functions necessary for flight operation. For purposes of this paragraph—

* * * * *

■ 17. In § 91.323, revise paragraph (b)(3) to read as follows:

§ 91.323 Increased maximum certificated weights for certain airplanes operated in Alaska.

* * * * *

(b) * * *

(3) The weight at which the airplane meets the positive maneuvering load factor *n, where n* = 2.1 + (24,000/(W + 10,000)) and W = design maximum takeoff weight, except that *n* need not be more than 3.8; or

* * * * *

■ 18. In § 91.531, revise paragraphs (a)(1) and (a)(3) to read as follows:

§ 91.531 Second in command requirements.

(a) * * *

(1) A large airplane or normal category level 4 airplane, except that a person may operate an airplane certificated under SFAR 41 without a pilot who is designated as second in command if that airplane is certificated for operation with one pilot.

* * *

(3) A commuter category airplane or normal category level 3 airplane, except that a person may operate those airplanes notwithstanding paragraph (a)(1) of this section, that have a passenger seating configuration, excluding pilot seats, of nine or less without a pilot who is designated as second in command if that airplane is type certificated for operations with one pilot.

* * * * *

PART 121—OPERATING REQUIREMENTS: DOMESTIC, FLAG, AND SUPPLEMENTAL OPERATIONS

■ 19. The authority citation for part 121 continues to read as follows:

Authority: 49 U.S.C. 106(f), 106(g), 40103, 40113, 40119, 41706, 42301 preceding note added by Pub. L. 112–95, Sec. 412, 126 Stat. 89, 44101, 44701–44702, 44705, 44709–44711, 44713, 44716–44717, 44722, 44729, 44732; 46105; Pub. L. 111–216, 124 Stat. 2348 (49 U.S.C. 44701 note); Pub. L. 112–95, 126 Stat. 62 (49 U.S.C. 44732 note).

■ 20. In § 121.310, revise paragraph (b)(2)(iii) to read as follows:

§ 121.310 Additional emergency equipment.

* * * * *

(b) * * *

(2) * * *

(iii) For a nontransport category turbopropeller powered airplane type certificated after December 31, 1964, each passenger emergency exit marking and each locating sign must be manufactured to meet the requirements of § 23.811(b) of this chapter in effect on June 16, 1994. On these airplanes, no sign may continue to be used if its luminescence (brightness) decreases to below 100 microlamberts.

* * * * *

PART 135—OPERATING REQUIREMENTS: COMMUTER AND ON DEMAND OPERATIONS AND RULES GOVERNING PERSONS ON BOARD SUCH AIRCRAFT

■ 21. The authority citation for part 135 continues to read as follows:

Authority: 49 U.S.C. 106(f), 106(g), 41706, 40113, 44701–44702, 44705, 44709, 44711–44713, 44715–44717, 44722, 44730, 45101–45105; Pub. L. 112–95, 126 Stat. 58 (49 U.S.C. 44730).

■ 22. In § 135.169, revise paragraphs (b) introductory text, (b)(6), and (b)(7), and add paragraph (b)(8) to read as follows:

§ 135.169 Additional airworthiness requirements.

* * * * *

(b) No person may operate a small airplane that has a passenger seating configuration, excluding pilot seats, of 10 seats or more unless it is type certificated—

* * * * *

(6) In the normal category and complies with section 1.(b) of Special Federal Aviation Regulation No. 41;

(7) In the commuter category; or

(8) In the normal category, using a means of compliance accepted by the Administrator equivalent to the airworthiness standards applicable to the certification of airplanes in the commuter category found in part 23 of this chapter through amendment 23–62, effective January 31, 2012.

* * * * *

Issued under authority provided by 49 U.S.C. 106(f), 44701(a), 44703 and Pub. L. 113–53 (127 Stat. 584; 49 U.S.C. 44704 note) in Washington, DC, on March 7, 2016.

Dorenda D. Baker,

Director, Aircraft Certification Service.

[FR Doc. 2016–05493 Filed 3–9–16; 11:15 am]

BILLING CODE 4910–13–P

FEDERAL REGISTER

Vol. 81 Monday,
No. 49 March 14, 2016

Part III

National Credit Union Administration

12 CFR Parts 701, 723, and 741
Member Business Loans; Commercial Lending; Final Rule

NATIONAL CREDIT UNION ADMINISTRATION

12 CFR Parts 701, 723, and 741

RIN 3133–AE37

Member Business Loans; Commercial Lending

AGENCY: National Credit Union Administration (NCUA).

ACTION: Final rule.

SUMMARY: As part of NCUA's Regulatory Modernization Initiative, the NCUA Board (Board) is amending its member business loans (MBL) rule to provide federally insured credit unions with greater flexibility and individual autonomy in safely and soundly providing commercial and business loans to serve their members. The final amendments modernize the regulatory requirements that govern credit union commercial lending activities by replacing the current rule's prescriptive requirements and limitations—such as collateral and security requirements, equity requirements, and loan limits—with a broad principles-based regulatory approach. As such, the amendments also eliminate the current MBL waiver process, which is unnecessary under a principles-based rule.

DATES: This final rule is effective January 1, 2017, except for amendatory instruction number 4 adding § 723.7(f), which is effective May 13, 2016.

FOR FURTHER INFORMATION CONTACT: Vincent Vieten, Member Business Loan Program Officer, or Lin Li, Credit Risk Program Officer, Office of Examination and Insurance, at 1775 Duke Street, Alexandria, Virginia or telephone (703) 518–6360 or Pamela Yu, Senior Staff Attorney, Office of General Counsel, at the above address or telephone (703) 518–6540.

SUPPLEMENTARY INFORMATION:

I. Background

The Board promulgated its first regulation governing MBLs in 1987 (previously section 701.21(h) and currently part 723 of NCUA's regulations) and has since made a number of revisions to the rule, including substantive amendments to incorporate provisions included in Section 107A of the Federal Credit Union Act (FCU Act). Section 107A was enacted into law in 1998 in Title II of the Credit Union Membership Access Act (CUMAA).[1] Among other things, CUMAA limited the aggregate amount of MBLs that a credit union may make to the lesser of 1.75 times the actual net worth of the credit union or 1.75 times the minimum net worth required under the FCU Act for a credit union to be well capitalized.[2] The statutory MBL limit is incorporated in part 723 of NCUA's regulations.[3] Part 723 also defines MBLs,[4] establishes minimum safety and soundness standards for making MBLs, and implements various statutory exceptions from the aggregate MBL limit.[5]

The Board has not significantly amended part 723 since 2003.[6] Over the past 12 years, however, the credit union industry has gained valuable experience as the level of commercial loan activity has increased[7] and as credit unions navigated the 2008–2009 recession. Once an ancillary product offered by a small number of credit unions, business lending is now becoming a core service offered by many credit unions as they strive to meet the expanding needs of their small business members. Today, credit unions represent an important source of credit for small businesses.

[1] 12 U.S.C. 1757a; Public Law 105–219, 112 Stat. 913 (1998).

[2] 12 U.S.C. 1757a.

[3] 12 CFR part 723.

[4] Under the current rule, an MBL is any loan, line of credit, or letter of credit, where the proceeds will be used for a commercial, corporate, other business investment property or venture, or agricultural purpose. 12 CFR 723.1(a). However, there are several exceptions to this general definition. The following are not member business loans: (1) A loan fully secured by a lien on a 1 to 4 family dwelling that is the member's primary residence; (2) A loan fully secured by shares in the credit union making the extension of credit or deposits in other financial institutions; (3) Loan(s) to a member or an associated member which, when the net member business loan balances are added together, are equal to less than $50,000; (4) A loan where a federal or state agency (or its political subdivision) fully insures repayment, or fully guarantees repayment, or provides an advance commitment to purchase in full; or (5) A loan granted by a corporate credit union to another credit union. 12 CFR 723.1(b).

[5] 12 U.S.C. 1757a.

[6] *See* 68 FR 56537 (Oct. 1, 2003).

[7] Based on Call Report data as of September 2015, total business loans including unfunded commitments at federally insured credit unions grew from $13.4 billion in 2004 to $56 billion in September 2015, an annualized growth rate of 14 percent. Business loans have also become a larger share of credit unions' loans and assets. During the same time period, business loans outstanding as a percentage of total assets grew from 1.9 percent to 4.5 percent, and business loans as a percentage of total loans grew from 3.0 percent to 6.8 percent. The percentage of credit unions offering business loans also increased significantly.

% OF CREDIT UNIONS THAT OFFER BUSINESS LOANS

Credit unions with total assets . . .	2004 (%)	September 2015 (%)
Below $100 million ...	13	21
Between $100 and $500 million	53	77
Greater than $500 million	72	94
Total throughout industry	19	36

II. Proposed Rule

In 2011, Chairman Matz announced NCUA's Regulatory Modernization Initiative, consistent with President Obama's Executive Order 13579. NCUA remains committed to regulatory modernization, including modifying, streamlining, refining, or repealing outdated regulations. In addition to making regulatory changes as the need arises, the Board has a policy of continually reviewing NCUA's regulations to ''update, clarify and simplify existing regulations and eliminate redundant and unnecessary provisions.'' [8] To carry out this policy, NCUA identifies one-third of its existing regulations for review each year and provides notice of this review so the public may comment. In 2013, NCUA reviewed its MBL rule as part of this process. Public comments on the rule included general requests for regulatory relief and more flexibility in the MBL rule. Specific requests for relief focused on provisions regarding the loan-to-value (LTV) ratio requirement, the personal guarantee requirement, vehicle lending, and construction and development lending. Commenters also requested changes to streamline the waiver process. Other commenters broadly called for NCUA to eliminate from the MBL rule any prescriptive requirements that are not specifically required by the FCU Act.

Recognizing that credit unions generally have conducted business lending safely, and that NCUA has been largely successful in effectively supervising credit unions in this area, the Board determined the time was right for NCUA to modernize the MBL rule and to permit credit unions a greater degree of autonomy in optimizing their MBL programs to meet the specific needs of their member-borrowers. Specifically, at its June 18, 2015 meeting, the Board issued for a 60-day comment period a proposed rule to

[8] NCUA Interpretive Ruling and Policy Statement (IRPS) 87–2, Developing and Reviewing Government Regulations, (Sept. 18, 1987), as amended by IRPS 03–2 (May 29, 2003) and 13–1 (Jan. 18, 2013).

amend the MBL rule and provide reasonable regulatory relief to federally insured credit unions.[9]

The proposed rule would provide credit unions with greater flexibility and individual autonomy in safely and soundly serving the business borrowers in their membership. The proposed rule would significantly alter the overall approach to regulating business lending, by shifting from a prescriptive rule to a principles-based rule. Specifically, the proposed rule would eliminate detailed collateral criteria and portfolio limits focusing instead on broad, yet well-defined, principles that clarify regulatory expectations for federally insured credit unions engaged in business lending activities.

The proposal also sought to eliminate some unintended consequences of the current prescriptive approach, such as causing credit unions to manage their lending practices to regulatory restrictions instead of focusing on sound risk management practices. The proposal also would eliminate the current MBL waiver process, which in some cases had hampered credit unions' ability to meet the commercial credit needs of their members. The current waiver process requires significant time and resources from both credit unions and NCUA, and has at times prevented credit unions from timely acting on borrowers' applications.[10]

The proposal would also modernize the MBL rule by providing greater emphasis on risk management. The current rule does not distinguish between commercial loans and MBLs. MBLs are defined by the FCU Act and the current MBL rule, but commercial loans are not. As a result, the safety and soundness risk management requirements contained in the MBL rule have not always been consistently applied to commercial loans that are not MBLs. Thus, the proposed rule distinguished between the specific category of statutorily defined MBLs and the broader universe of commercial loans that a credit union may extend to a borrower for commercial, industrial, agricultural, and professional purposes. Prudent risk assessment is necessary for all commercial loans, and the proposal focused on the principles and supervisory expectations for safe and sound commercial lending.

The proposed rule also incorporated a broader, more practical approach to ensuring that credit unions have the pertinent staff expertise and organizational discipline necessary to support a safe and sound commercial loan program. It also reinforced that a credit union's board of directors is ultimately responsible for the credit union's commercial loan risk, and that the board must establish adequate controls and provide sound governance for the credit union's commercial lending program.

III. Public Comments

The public comment period for the proposed MBL rule ended on August 31, 2015. NCUA received nearly 3,100 comments on the proposal. However, many commenters submitted multiple or duplicate comments or letters that contained, or appeared to be mostly based on, form language or standardized industry talking points and included minimal unique substantive comment (''form letters''). Approximately 85 percent of the total comments received appeared to be form letters or duplicative submissions.

Approximately three-quarters of the total comments received on the proposed rule were submitted by banks, bank trade associations, or other bank-affiliated parties. Of these, roughly 95 percent appeared to be form letters. The remaining one-quarter of the total comments received were submitted by credit union or other trade associations, state credit union leagues, federal credit unions, federally insured state-chartered credit unions, credit union service organizations (CUSOs), state supervisory authorities (SSAs), members of Congress, individuals, and other commenters. Of these, slightly more than half appeared to be form letters. Overall, nearly 500 comments were generally unique comments or comments consisting mostly of original or unique content.

General Comments

With the exception of bank commenters, most commenters expressed overall support for the proposal to modernize the MBL rule, in particular the conceptual shift from the current prescriptive regulation to a principles-based regulatory approach. A significant number of commenters fully supported the proposal. Most commenters, however, indicated overall support for the rule but expressed concern about some aspect of the proposal, or recommended adjustments or provided suggestions on ways to improve specific provisions of the rule.

Commenters indicated support for the rule for one or more of the following reasons. A significant number of commenters indicated that a principles-based rule will provide credit unions with the necessary flexibility to develop and maintain MBL programs to best fit their members' needs, and provide much needed regulatory relief. Commenters noted the shift to a regulation based on broad principles represents a sound rulemaking approach. Commenters also indicated that safety and soundness for commercial lending is better achieved through supervision and examination, rather than through prescriptive one-size-fits-all regulatory requirements. Moreover, commenters stated the amendments will allow each credit union to tailor its MBL program to fit its specific risk tolerances and strategic goals, thus enabling credit unions to act in service of their members, rather than in compliance with strict regulation. Other commenters noted that the amendments will allow credit unions to establish credit risk management programs that are appropriate for the size, complexity, and risk profile of their organization and to operate MBL programs in a safe and sound manner. Commenters also stated that credit unions with the appropriate experience, sound lending practices, and strong leadership should be allowed more autonomy in their lending decisions. These commenters noted that the current prescriptive rule hinders credit unions' ability to compete for and conduct sound business lending. Commenters also noted that the amendments simplify and improve the regulation. Additionally, many commenters expressed support for the removal of the many restrictions in the current rule not mandated by the FCU Act.

A significant number of commenters, while generally supportive of the overall rule, also provided substantive input on the specific provisions of the proposed rule. Comments on specific aspects of the proposal are further detailed in the section-by-section analysis below.

Bank commenters generally expressed opposition to the proposal, in overall concept and principle. Most bank commenters indicated they opposed the rule for one or more of the following general policy reasons. A significant number of bank commenters suggested that the proposal disregards Congressional intent to limit credit union business lending. Other bank commenters maintained that credit unions are not fulfilling their mission and purpose by increasing their business lending activity. Bank commenters further argued that there is no public benefit to credit union expansion into commercial lending, and that the proposed changes could result in unfair competition for banks or have

[9] 80 FR 37898 (July 1, 2015).

[10] There are currently over 1,000 active MBL-related waivers. In 2014 and 2015, NCUA processed 336 and 225 MBL waivers, respectively.

a negative impact on the bank industry. Other bank commenters expressed concern that credit unions are ill-prepared to expand their commercial lending activity and allowing credit unions to increase their share of the commercial lending market could cause another financial crisis. Bank commenters also asserted that the proposal poses safety and soundness concerns that could place the National Credit Union Share Insurance Fund (NCUSIF) and American taxpayers at risk. In addition, bank commenters suggested that NCUA is ill-prepared to supervise credit union commercial lending. Bank commenters also generally argued that the credit union tax-exemption is unfair and credit unions should therefore not be permitted to increase their business lending activities.

A small number of commenters expressed neutrality or did not expressly support or oppose the proposal. For example, one commenter questioned whether the proposal will truly benefit any credit unions other than the largest component of the industry, for example, those credit unions with assets greater than $1 billion. In addition, a few commenters indicated the amendments may create uncertainty for credit unions. In addition, a number of commenters asserted that the proposed rule could have gone further in providing relief and flexibility to credit unions involved in business lending, for example, by redefining the parameters of the statutory exemptions for credit unions chartered for the purpose of making, or that have a history of primarily making MBLs.

Discussion

The Board emphasizes that the proposed amendments are fully consistent with the provisions of the FCU Act. As amended by CUMAA, the FCU Act, among other things, limits the aggregate amount of MBLs that a credit union may make to the lesser of 1.75 times the actual net worth of the credit union or 1.75 times the minimum net worth required under the FCU Act for a credit union to be well capitalized.[11] The FCU Act, however, does not mandate prescriptive safety and soundness standards for credit union business loans. The current MBL rule's prescriptive requirements, including the collateral and security requirements, equity requirements, and loan limits, were established under the Board's broad safety and soundness mandate and general rulemaking authority.[12] The Board is within its statutory authority in promulgating this final rule to remove those prescriptive requirements. The amendments do not expand credit unions' business loan authority or modify the statutory MBL limit established by Congress in CUMAA.

Credit unions have a long history of meeting the business lending needs of their members. This history dates back to the U.S. credit union industry's inception in 1908. From their roots, credit unions have played a role in supplying credit to farmers, immigrants, and small business owners. In fact, the first credit union chartered in the United States, St. Mary's Bank Credit Union, had as its primary lending focus ''to establish neighborhood business.''

In enacting CUMAA in 1998, Congress stated:

> Credit unions . . . are exempt from Federal . . . taxes because they are member-owned, democratically operated, not-for profit organizations generally managed by volunteer boards of directors and because they have the specified mission of meeting the credit and savings needs of consumers, especially persons of modest means.

Congress has long recognized that credit unions should have authority to grant member business loans. Indeed, the FCU Act clearly provides that credit unions may be chartered for the purpose of making or have a history of primarily making MBLs. Congress has also recognized the importance of making capital available to lower-income communities by exempting all low-income designated credit unions from the MBL cap. Today, many credit union members are small business owners who need access to reliable commercial credit. Credit unions that offer member-business loans continue to fulfill their missions of meeting the credit and savings needs of their members.

According to a 2001 study for the Small Business Administration (SBA), while banks tend to reduce lending during economic stress, credit unions continue to lend to small businesses. This means that, in the past, credit unions have partially offset the fluctuations in the amounts of small business loans supplied by banks.[13] For example, while lending at banks contracted during the recent recession, credit unions continued to lend. Between year-end 2007 and 2010, total loans at banks decreased by 7 percent, while credit union lending increased by 7 percent. During this period, total commercial loans at banks decreased by 13 percent, whereas total credit union MBLs increased by 41 percent, including a 63 percent increase in SBA loans.[14]

While credit unions play an important role in the overall lending market, the volume of business lending by credit unions is still minor in comparison to banks. As of September 30, 2015, credit unions held $52.7 billion in member business loans outstanding. FDIC-insured banks and savings institutions held $3.8 trillion in business loans. Thus, credit union business lending is only 1.4 percent of total business lending done by financial institutions.[15]

Nevertheless, results from the 2011 SBA study suggest that credit union lending to small businesses adds to the overall availability of small business loans.[16] Empirical results suggest that each dollar of new member business lending by credit unions generated 81 cents of an entirely new credit source for small businesses. In other words, the majority of credit union member business lending is new lending that would not have occurred otherwise. As a whole, the report's findings suggest that credit union lending to small businesses could play an increasingly important role in ensuring the sector has adequate access to credit.

As noted above, over the last 5 years, NCUA has endeavored to modernize its regulations by providing responsible regulatory relief to credit unions. However, regulatory modernization has also meant, in some cases, revising or adopting rules that are unpopular with the credit union industry. Examples include the Board's recent modernization of its rules on interest rate risk, loan participations, CUSOs, liquidity and contingency funding, and risk-based capital (RBC). These prudent rule changes were opposed by industry stakeholders, but necessary to ensuring the safety and soundness of the credit union industry, and they demonstrate NCUA's continued commitment to responsible regulation.

[11] 12 U.S.C. 1757a.

[12] The Board has broad rulemaking authority to ensure the industry and the NCUSIF remains safe and sound. Section 120 of the FCU Act authorizes the Board to prescribe rules and regulations for the administration of the FCU Act. 12 U.S.C. 1766(a). Further, Title II of the FCU Act provides that the Board may insure members' accounts and administer the NCUSIF, and may prescribe regulations for FICUs that are necessary to carry out that purpose. 12 U.S.C. 1781(b)(9), 1789(11).

[13] James A. Wilcox, *The Increasing Importance of Credit Unions in Business Lending,* SBA Office of Advocacy (Sept. 2011).

[14] *Id.* Data includes all FDIC insured institutions. Commercial loans include loans secured by nonfarm nonresidential properties, farmland, and multifamily residential properties, construction and development loans, farm loans and commercial and industrial loans.

[15] *Id.*

[16] *Id.*

As stated in the preamble to the proposed rule, the Board emphasizes that credit unions generally have conducted business lending safely, and the supervision process has been largely successful in addressing most of those credit unions that did not perform as well. NCUA has been insuring and supervising credit unions that make member business loans since it became an independent agency in 1970. Credit union business loan portfolios have generally performed well. Delinquency and net charge-off rates over the last 10 years are comparable to similar sized banks, including during the recession. Member business loans have not been a disproportionate contributor to credit union failures or NCUSIF losses. According to the Office of Inspector General's Material Loss Reviews, only five credit unions that failed at a loss to the NCUSIF between 2010 and 2014 were cited as having member business loans as a contributing factor to the failure.

Credit unions have made MBLs successfully through various economic cycles, including the recent recession. Consider the following:

- As of September, 2015, 98 percent of the credit unions that have member business loans are well capitalized.
- As of September, 2015, 83 percent of credit unions making business loans have a composite CAMEL rating of 1 or 2, compared to 71 percent of credit unions that do not make business loans.
- Business loan delinquency and loss performance data for credit unions and banks over the last 10 years indicate credit union business lending has performed on par with similar size banks over this time period.

Further, credit unions are subject to more stringent capital (net worth) standards than banks, with both a higher statutory leverage requirement and a higher risk weight tier for concentrations of business loans.

Accordingly, and for the reasons discussed in greater detail below, the Board is adopting this final rule to modernize NCUA's current regulations regarding business lending by shifting from a prescriptive rule to a principles-based rule.

IV. Final Rule

After careful consideration of all the public comments, the Board has made several changes based on the comments. Initially, the Board made changes for improved clarity of several definitions, including ''associated borrower,'' ''commercial loan,'' and ''loan-to-value ratio.'' In addition, the Board has modified the single-borrower limitation to exclude the government-guaranteed portion of a loan; narrowed the scope of ineligible borrowers under the rule's prohibited activities provision to allow senior staff who are not involved in the credit union's loan underwriting, servicing, and collection process to be eligible to receive commercial loans; shortened the final rule's implementation timeline; and provided provisions to allow any business lending rule adopted by a state supervisory authority that at least covers all the provisions in part 723 and is no less restrictive, upon determination by NCUA, to govern in place of part 723 for federally insured state-chartered credit unions in the state. The final rule is discussed in greater detail below.

Supervision

The final rule will provide federally insured credit unions with greater flexibility and individual autonomy in safely and soundly making commercial and business loans to meet the needs of their membership. The amendments modernize the regulatory requirements that govern credit union commercial lending activities by replacing the current rule's prescriptive requirements and limitations, such as collateral and security requirements, equity requirements, and loan limits, with broad principles to govern safe and sound commercial lending. The amendments also eliminate the current MBL waiver process, which is unnecessary under a principles-based rule. The principles are predicated on NCUA's expectation that credit unions will maintain prudent risk management practices and sufficient capital commensurate with the risks associated with their commercial lending activities.

The Board emphasizes that the final rule represents a meaningful shift in regulatory approach, and supervisory expectations will adapt accordingly. NCUA remains committed to rigorous and prudential supervision of credit union commercial lending activities. Moving forward, oversight will focus on the effectiveness of the risk management process and the aggregate risk profile of the credit union's loan portfolio, as opposed to compliance with prescriptive measures. Responsible risk management and comprehensive due diligence remain crucial to safe and sound commercial lending, and credit unions are expected to embrace these overarching principles in administering, underwriting, and servicing commercial loans.

The Board recognizes that clear and timely supervisory guidance is important to the effective implementation of this final rule. Thus, before this final rule takes effect in whole, NCUA will issue supervisory guidance to examiners that will be shared with credit unions. The Board notes that the guiding principles of the rule are consistent with prevailing sound practices found in well-managed commercial lending programs. In turn, the supervisory guidance will also be consistent with these principles and align closely with the standards in place by federal banking agencies.

A significant number of commenters expressed concern about supervisory expectations with respect to the amended rule. Several commenters were concerned that if the supervisory guidance does not fully and clearly define NCUA's expectations, credit unions may face uncertainty in implementing changes to their commercial loan policies and procedures. Several commenters suggested the forthcoming guidance should provide credit unions with a safe harbor by clearly detailing the minimum requirements that are acceptable for a safe and sound business lending program. Other commenters urged NCUA to draw on existing commercial lending guidance issued by federal banking agencies.

Many commenters noted that supervisory guidance should not be cited by examiners as equivalent to regulation and rule of law. Commenters expressed concern that the current prescriptive regulatory requirements will simply migrate over into supervisory guidance, mitigating the rule's improved flexibility. Other commenters were concerned that the guidance will be even more restrictive than the current regulation.

Commenters were also concerned about examiner judgment and consistency under the new rule. Commenters expressed concern that examiners will not be properly trained or have adequate expertise to properly evaluate individual credit union lending policies under a principles-based rule. Commenters also stated the principles-based approach will require a significant amount of judgment by examiners, and that clear guidance prior to implementation should be provided to examiners to ensure exam consistency. Commenters also noted the importance of adequate training for examiners.

Commenters asked for clarification on the appeals process if a conflict arises during the MBL examination process. At least one commenter requested detail on how the principles-based rule will be enforced.

A number of commenters also suggested the supervisory guidance

should be formally issued for public comment or asked for the opportunity to review the guidance before the final rule is implemented.

While the Board appreciates the value in affording the opportunity for public comment, formal notice-and-comment procedures for the forthcoming supervisory guidance are not required. The Board notes that supervisory guidance does not require notice and comment rulemaking under the Administrative Procedure Act (APA), and thus, it does not have the force and effect of law or regulation.[17] The purpose of supervisory guidance and other interpretive rules is generally ''to advise the public of the agency's construction of the statutes and rules that it administers.'' [18] The final rule is intended to provide credit unions with greater flexibility and autonomy in providing business loans to their members. The forthcoming supervisory guidance regarding credit union commercial lending is not intended to supplant credit unions' business decisions or to impose the same rigid and prescriptive requirements contained in the current MBL rule. Rather, the guidance will provide examiners and credit unions with clear information about NCUA's supervisory expectations with respect to the final rule, and establish a consistent framework for the exam and supervision process for the review of credit union commercial lending.

The Board agrees clear and detailed supervisory expectations are both necessary and important and that it is incumbent on NCUA to develop comprehensive guidance and training for its examiners. By having detailed guidance that includes representative examples, examiners and credit unions will have a mutual understanding of the key supervisory expectations. The Board views comprehensive guidance as crucial to achieving a smooth transition to a more flexible standard as well as to mitigate the risk of inconsistent enforcement. The Board does not agree that guidance should be limited to a description of minimum expectations. Rather, it believes the guidance should provide a range of acceptable practices that are commensurate with the size, risk and complexity typically found in credit unions' MBL programs. Such guidance will provide examiners and credit unions greater understanding of how to scale their expectations to differing and unique circumstances. The forthcoming guidance will require some degree of specificity and include examples that relate to a broadly representative variety of potential scenarios and conditions. Importantly, the guidance will provide sufficient detail and clarity for the agency's supervisory expectations and ensure proper consistency of interpretation.

NCUA guidance and training will include a comprehensive focus upon the core elements of a sound MBL program including: Overarching principles for managing commercial loan risk; critical components of commercial loan policies; the credit approval process; credit risk-rating systems; structuring of credit packages to properly align members' needs with financial abilities to repay; and credit risk management processes for underwriting, ongoing loan administration and risk monitoring. The guidance and training will further address various aspects of business lending such as the use of personal guarantees, collateral valuation and management, construction and development lending, loan collection, and appropriate reporting to senior management and the board of directors.

The Board emphasizes that it is not NCUA's goal to second-guess credit unions' reasonable business decisions, and it anticipates that open communications between a credit union and its examiner should resolve most disputes about which commenters have raised concern. Nevertheless, conflicts may arise during the MBL examination process. All rights and procedures generally available to a credit union in appealing an NCUA examination matter are likewise available to a credit union under this final rule.

Delayed Implementation

The final rule's shift to a principles-based rule represents a fundamental change in approach that will require a period of adjustment for both credit unions and examiners. Accordingly, the Board proposed to delay implementation of the final rule for 18 months, to allow NCUA and state supervisory authorities adequate time to adjust to the new requirements, including training staff, and for affected credit unions to make necessary changes to their commercial lending policies, processes, and procedures in compliance with the new rule. Many commenters supported the proposed 18-month implementation timeframe, and some commenters advocated for a longer timeframe. Most commenters, however, urged the Board to make the final rule effective as soon as possible. Some commenters suggested implementation timelines between 6 to 12 months would allow sufficient time to train examination staff while providing regulatory relief more quickly.

The Board will provide some measure of regulatory relief to credit unions as soon as reasonably possible. The Board notes that many commenters in particular asked that implementation of the personal guarantee provision be expedited to allow credit unions to better serve their members. Accordingly, the personal guarantee provision in § 723.5(b) of this final rule will become effective 60 days after publication in the **Federal Register**. Implementation of the remaining provisions of this final rule will be delayed until January 1, 2017, to allow adequate time for both regulators and credit unions to adjust to the new requirements.

To better facilitate an early implementation of the personal guarantee provision, the Board has made modifications to § 723.5(b) in order to improve its reading as a stand-alone provision. The final rule adds a transitional provision, § 723.5(b)(1), to clarify that during the final rule's implementation period (*i.e.,* between the effective date of § 723.5(b) and the January 1, 2017 effective date of the remainder of the rule) a credit union that makes a member business loan, as defined in current § 723.1, and decides not to require a personal guarantee on the loan is not required to seek a waiver for the current requirement for personal liability and guarantee pursuant to current § 723.10. However, it must determine and document in the loan file that mitigating factors sufficiently offset the relevant risk.

V. Section-by-Section Analysis

A detailed discussion of the final rule's key provisions follows.

§ 723.1—Purpose and Scope

Section 723.1 of the proposed rule articulated and summarized the rule's overall purpose. It also described which credit unions and loans are covered by Part 723, and which other regulations apply to commercial loans made by federally-insured credit unions.

[17] Section 4(b)(A) of the APA provides that, unless another statute states otherwise, the notice-and-comment requirement does not apply to ''interpretative rules, general statements of policy, or rules of agency organization, procedure, or practice.'' 5 U.S.C. 553(b)(A). The term ''interpretative rule,'' or ''interpretive rule,'' is not defined by the APA, but the United States Supreme Court has noted that the critical feature of interpretive rules is that they are ''issued by an agency to advise the public of the agency's construction of the statutes and rules which it administers.'' *Perez* v. *Mortgage Bankers Ass'n,* 135 S. Ct. 1199, 1203–04, 191 L. Ed. 2d 186 (2015) (citing, *Shalala* v. *Guernsey Memorial Hospital,* 514 U.S. 87, 99, 115 S. Ct. 1232, 131 L.Ed.2d 106 (1995)).

[18] *Id.*

Other Regulations That Apply

One commenter suggested proposed § 723.1(c) could be improved by more clearly delineating between those other regulations that are applicable to FCUs and to FISCUs. The Board agrees that greater clarity is desirable and has revised the language in the final rule to more clearly distinguish between the other lending regulations that apply to FCUs versus FISCUs.

Exemption for Small Credit Unions

The proposed rule exempted from the requirements of proposed § 723.3 and § 723.4 credit unions with both assets less than $250 million and total commercial loans less than 15 percent of net worth that are not regularly originating and selling or participating out commercial loans (qualifying credit unions). Accordingly, qualifying credit unions, especially smaller institutions which are only occasionally granting a loan(s) that meets the rule's commercial loan definition, would be alleviated from the burden of having to develop a full commercial loan policy and commercial lending organizational infrastructure.

A number of commenters disagreed with exempting institutions under $250 million from certain requirements. Commenters argued that these smaller institutions should not be exempted, since limited involvement and lack of familiarity with commercial lending is likely to lead to mistakes or misjudgments as to risk management that could result in losses to the credit union. Another commenter noted that commercial lending presents an elevated level of risk compared with consumer lending, and credit unions engaged in commercial lending must understand the inherent differences between consumer and commercial credit. This commenter expressed concern that the exemption minimizes the importance of these differences and may have negative consequences for the safety and soundness of the credit union industry. One commenter stated that any credit union engaging in commercial lending above the most de minimis of portfolios should have a commercial lending policy, procedure, and program in place commensurate with its activity. Another commenter said while it may not be necessary for certain institutions to have an extensive commercial lending infrastructure, it is important from a safety and soundness perspective for any financial institution to develop and follow appropriate policies for any type of lending they may engage in, regardless of the frequency with which they originate such loans. Another commenter argued that there should be no exemptions for policy and infrastructure based on asset size, and credit unions that intend to make commercial loans should have a full policy and an infrastructure to support commercial lending on any scale.

The majority of commenters, however, were supportive of the exemption. A significant number of commenters agreed that smaller credit unions, and credit unions that hold a de minimis number and amount of commercial loans, should be provided relief from the policy and infrastructure requirements. Most commenters supported a $250 million asset threshold for exemption. However, a number of commenters asserted that the exemption could be improved by raising the asset threshold to allow more credit unions to receive regulatory relief. For example, some commenters argued the asset threshold for exemption should be raised to $500 million or eliminated entirely. Commenters advocating for eliminating or raising the asset threshold argued that relief should be focused on a credit union's complexity and asset size alone does not determine its complexity. At least one commenter indicated the asset size threshold is unnecessary and not a good proxy for determining the risk of a credit union with a de minimis amount of commercial loans. Another commenter recommended the exemption should be available to all credit unions, regardless of asset size, through an exception that would remove the $250 million asset threshold but retain the 15 percent of net worth limitation. Thus, larger credit unions with only minimal engagement in commercial lending relative to their net worth and assets could also receive relief.

The Board reiterates its intent in providing an exemption from § 723.3 and § 723.4 is to avoid the inclusion of credit unions that infrequently originate minimal amounts of loans that technically meet the regulatory commercial loan definition. In the final rule, a credit union with less than $250 million in assets that holds a relatively small amount of commercial loans compared to its net worth and originates and sells commercial loan participations infrequently is alleviated from the burden of more rigorous staffing and infrastructure requirements. The Board has clarified in this final rule how both the 15 percent of net worth and regularly originating and selling or participating out commercial loans standards in the proposed rule will be measured by specifying credit unions with less than $250 million in assets must satisfy both of the following conditions:

- The credit union's aggregate amount of outstanding commercial loan balances and unfunded commitments,[19] plus any outstanding commercial loan balances and unfunded commitments of participations sold, plus any outstanding commercial loan balances and unfunded commitments sold and serviced by the credit union total less than 15 percent of the credit union's net worth.
- In a given calendar year the amount of originated and sold commercial loans the credit union does not continue to service total less than 15 percent of the credit union's net worth.

The exemption provision is not intended to create a means by which a credit union can frequently generate and sell substantial amounts of commercial loans, while keeping its held-in-portfolio amount below 15 percent of net worth, to strategically avoid the requirements of § 723.3 and § 723.4. As such, the final rule includes language that makes it clear the ''less than 15 percent of net worth'' exemption threshold is measured against all commercial loans originated by the credit union to include commercial loans on the balance sheet, commercial loans sold and serviced, and commercial loans sold and not serviced. By adopting this clarifying language in the final rule, it will be easier for credit unions to determine when they qualify for the exemption.

As discussed in the preamble to the proposed rule, the 15 percent of net worth threshold is consistent with the longstanding single-obligor limit common in the credit union and banking industries. The Board regards 15 percent as a prudent level for exempting credit unions from § 723.3 and § 723.4 and it coheres to standard industry practices. The $250 million asset threshold is consistent with similar provisions the Board adopted in NCUA's derivatives [20] and liquidity and contingency funding plans [21] regulations.

With regard to commenters' suggestions to raise or eliminate the asset size threshold, extending this exemption to credit unions over $250 million in assets could encourage some credit unions, regardless of their capacity and member business loan needs, to unduly restrict the volume of

[19] The aggregate amount of outstanding commercial loan balances and unfunded commitments amounts include any such balances outstanding, including those that were originated and purchased by the credit union.

[20] 12 CFR part 703.

[21] 12 CFR 741.12.

business lending—a vital source of working capital and job creation—to avoid higher prudential standards. The Board recognizes that credit unions under $250 million in assets have more limited staff and facility resources and are generally not engaged in business lending on a material scale. The exemption acknowledges that small portfolio exposures coupled with a generally inactive business lending program do not warrant the adoption of the broader risk management standards included in the rule. Conversely, credit unions that are holding a substantial portfolio of business loans, and that are $250 million in assets or greater, have sufficient size and capacity to incorporate these common prudential standards into their operations. Accordingly, the less than $250 million threshold is retained as part of the exemption criteria in the final rule.

The Board emphasizes that while credit unions qualifying for the exemption will not be required to meet the policy and infrastructure requirements of § 723.3 and § 723.4, all credit unions need to have a board-approved loan policy covering their lending activity in general. Qualifying credit unions merely need to make sure their existing loan policy provides for the types of commercial loans granted, including satisfying all the other applicable commercial lending requirements in the rule.

§ 723.2—Definitions

For clarity and improvement, the proposed rule modified the definitions for certain terms in the current rule, included new definitions for terms not currently defined in the MBL rule, and moved definitions to more relevant sections of the proposed regulation. The modified, new, and moved definitions are discussed below.

Modified definitions:

Associated borrower

The proposed rule replaced the current rule's definition of ''associated member'' with the term ''associated borrower,'' and updated the definition to improve clarity and to incorporate elements of the combination rules applicable to banks. The proposed definition also introduced the concepts of direct benefit, common enterprise, and control into the associated borrower definition.

Commenters generally expressed support for the proposed definition of associated borrower. At least one commenter appreciated that it provides more consistency with the combination rules applicable to other banking institutions. Another commenter stated the new definition better aligns the calculation of aggregate loan exposure with all financial institutions, as well as requiring credit unions to place greater emphasis on evaluating and underwriting an entire relationship as opposed to a stand-alone transaction. One commenter supported bringing the associated member concept more in line with bank regulations, but suggested the banks' special treatment rules for partnerships, joint ventures, and associations should also be incorporated into the rule.

Several commenters suggested the definition should be further clarified. For example, one commenter stated that while the definition may help credit unions definitively decide who is an associated borrower, clarity is needed on whether credit unions are permitted to have more conservative criteria in their policies for identifying associated borrowers. Another commenter said it is unclear how a credit union can verify that it knows all of the associated borrowers of a borrowing entity. This commenter proposed adding additional language so a credit union can safely rely on the borrower's disclosure, unless the credit union has actual knowledge of a different corporate structure. One commenter asked how loan limits to one borrower should be calculated when dealing with minority owners of businesses when the business is financially sound and operates without any guarantor support. Another commenter noted that the definition does not take into consideration the sponsor relationship, which is unique to credit unions.

The Board notes that a clear understanding of the overall borrowing relationship plays an important role in the credit risk assessment of a commercial borrower. Consistent with common industry practice, lenders are expected to make credit decisions based on a full understanding of the risks posed by their commercial borrowers, including the influences of other individuals and/or entities that may have a material impact on the borrower's operational activities and/or loan repayment ability. This influence stems from interdependent business actions between different borrowers and borrowers that share management and ownership. As such, credit unions are expected to require commercial borrowers to disclose associated individuals and/or entities so that they can understand the overall borrowing relationship and perform appropriate risk assessment. Associated relationships can be complex, and therefore it is necessary to have consistent and definitive criteria for identifying borrower-related interests. The proposed definition is generally consistent with accepted industry practices and guidelines from other financial regulators.

The Board agrees, however, that the final rule should incorporate elements of the banks' special treatment rules for partnerships, joint ventures, and associations. Accordingly, the Board has amended the final definition to provide three exceptions applying to loans involving partnerships, joint ventures, and associations to address the treatment of limited partners, the connection between the partners and the influence of the partners on the partnerships, joint ventures, or associations. First, if the borrower is a partnership, joint venture or association, and the other person with a shared ownership, investment, or other pecuniary interest in a business or commercial endeavor with the borrower is a member or partner of the borrower, and neither a direct benefit nor a common enterprise exists, such other person is not an associated borrower for purposes of the rule. Second, if the borrower is a member or partner of a partnership, joint venture, or association, and the other entity with a shared ownership, investment, or other pecuniary interest in a business or commercial endeavor with the borrower is the partnership, joint venture, or association and the borrower is a limited partner of that other entity, and by the terms of a partnership or membership agreement valid under applicable law, the borrower is not held generally liable for the debts or actions of that other entity, such other entity is not an associated borrower. Finally, if the borrower is a member or partner of a partnership, joint venture, or association, and the other person with a shared ownership, investment, or other pecuniary interest in a business or commercial endeavor with the borrower is another member or partner of the partnership, joint venture, or association, and neither a direct benefit nor a common enterprise exists, such other person is not an associated borrower under the final rule.

This topic will also be further discussed in the forthcoming supervisory guidance.

Additionally, as discussed in more detail below, for consistency, the parallel definitions in NCUA's loan participation rule is also amended in an equivalent manner.[22]

[22] 12 CFR 701.22(a).

Loan-to-Value Ratio

The proposed rule modified the current definition of ''loan-to-value ratio'' (LTV) to clarify how this ratio should be calculated. The proposed definition excluded outstanding exposures from other lenders that are subordinated to the credit union's lien position from the numerator of the LTV ratio. In addition, the proposed definition clarified that the denominator of the LTV ratio is the market value for collateral held longer than 12 months, and the lesser of the purchase price and the market value for collateral held 12 months or less.

Many commenters appreciated the change to exclude from the LTV ratio outstanding exposures from other lenders that are subordinated to the credit union's lien position. Several commenters said the change was much needed in order to bring LTV ratio calculations in alignment with customary commercial loan calculations. One commenter indicated that excluding junior liens from LTV ratio calculations is more consistent with other financial institution requirements. Commenters also supported the amendment's clarification of the valuation basis for collateral.

A significant number of commenters, however, argued for more flexibility in the requirement to use the ''lesser of purchase price or market value for collateral held 12 months or less.'' Many commenters suggested the 12-month requirement should be eliminated. Several commenters contended the definition is too inflexible because it does not include improvements made to the collateral. Another commenter observed that valuations can increase with improvements; thus, the value of a property should never be considered static. One commenter noted there are situations where a 12-month standard is unworkable or unreasonable, for example, in non-disclosure states the consideration of property transfer is not publicly available or readily ascertainable. This commenter suggested that a better approach is to require that credit unions use robust appraisal review and underwriting processes to manage risk. Another commenter said the definition should be revised to require the purchase price to be used for LTV only when the funds of a loan are used to purchase the collateral. One commenter asserted that if collateral is already owned, even if only for less than 12 months, the market value is a more appropriate calculation to be used in the denominator for lending purposes. Another commenter said the definition is too rigid, and credit unions should be allowed to use an appraised market value approach to valuation even where collateral has been owned for less than six months. A different commenter suggested the definition of market value in NCUA's appraisal rule should be used in the denominator of the LTV for any real estate transaction regardless of whether the actual purchase price is lower. This commenter argued market value represents the best approximation of the expected yield if the credit union were forced to liquidate the collateral.

Several commenters suggested that if the 12-month requirement is retained, the definition should be expanded to cover purchase price plus the cost of any improvements. Of these, several commenters argued it is appropriate to include improvement costs because market value of the collateral can materially increase in a short period of time due to improvements or other factors (for example, zoning changes, other entitlements, infrastructure enhancements, etc.). According to one commenter, limiting the assumed value to only the purchase price would needlessly restrict credit unions from being competitive lenders on such projects. Another commenter noted that borrowers who acquire property below cost or who independently finance property improvements should not be held captive to that value for the next 12 months. Several commenters contended that instituting a time limit as part of the definition of cost is prescriptive and inconsistent with a principles-based approach. One commenter said a prescriptive definition is excessive and unnecessary. A different commenter suggested that imposing a prescriptive definition implies appraisals cannot be trusted. The same commenter argued that while cost can be arbitrary, appraisals may be regarded as reliable and appropriately reflecting the market values at the time of completion.

One commenter generally observed that the definition as drafted is more appropriate in a residential context rather than a business or commercial setting. Another commenter suggested the definition appears to address real estate collateral rather than negotiable, inventory, and equipment collateral.

One commenter asserted that the proposed definition of collateral market value is not consistent with that used by other federal agencies involved in commercial lending (for example, SBA and USDA), which allow the use of ''as is,'' ''as completed'' and ''as stabilized'' methodologies to determine the market valuation of income producing properties for loan guarantee purposes.

The Board has carefully considered these comments and agrees that the proposed requirement to use the ''lesser of the purchase price or market value for collateral held 12 months or less, and market value for collateral held longer than 12 months'' may not be appropriate for all scenarios. The Board agrees that in certain cases, cost of improvement should be considered when those expenditures add value and are capitalized in accordance with Generally Accepted Accounting Principles (GAAP). However, the expenses necessary to maintain the collateral, and those generally considered operating expenses, such as real estate taxes or maintenance of the structure, should not be included in the valuation of the cost component of collateral. To provide more flexibility, the final rule replaces ''the lesser of the purchase price or market value for collateral held 12 months or less, and market value for collateral held longer than 12 months'' with ''the current collateral value.'' The current collateral value is the most up-to-date value of the collateral based on appropriate valuation methodologies according to standard industry practices. The forthcoming supervisory guidance will provide additional detail with respect to determining current collateral value for various types of collateral in different scenarios.

The Board reemphasizes that commercial loans must be appropriately collateralized. The type and marketability of collateral should be considered in determining the collateral requirements. The LTV ratio requirement established by a credit union should accomplish sufficient risk sharing between the borrower/principals and the credit union to provide adequate protection in the event of borrower default and the repayment of the loan is ultimately dependent on the liquidation of collateral. In a construction and development loan, establishing a borrower's investment requirement on the cost of the project will ensure the borrower infuses sufficient capital and establishes a stronger incentive and commitment toward the success of the project.

Net Worth

For consistency, the proposed definition of ''net worth'' provided a cross reference to NCUA's prompt corrective action and risk-based capital rules in part 702, which more fully address the methodology for determining a credit union's net worth. The Board received no substantive comment on the proposed definition

and is therefore retaining the definition in this final rule without change.

New definitions:

Commercial Loan

The Board proposed to add a new definition to the rule in order to distinguish between the commercial lending activities in which a credit union may engage, and the statutorily defined MBLs, which are subject to the aggregate MBL cap contained in the FCU Act.[23] The proposed rule generally defined a ''commercial loan'' as any credit a credit union extends to a borrower for commercial, industrial, agricultural, and professional purposes, with several specific exceptions.

Most commenters that offered input on this aspect of the proposal were supportive of the Board's objective in adding a definition for commercial loans to delineate between MBLs subject to the statutory limit and business purpose loans subject to the rule's safety and soundness provisions. One commenter said the distinction will provide credit unions with needed flexibility. Several commenters, however, disagreed with creating a distinction between commercial loans and MBLs. A number of commenters said the distinction between commercial loans and MBLs is too complex and unnecessary. At least one commenter suggested that drawing a distinction between MBLs and commercial loans provides no real benefit, and simply adds to credit unions' reporting burden. Several comments suggested the rule adds unnecessary burden and complexity to the tracking and monitoring of these loan types on the 5300 Call Report. One commenter indicated that the definition does not provide the necessary clarity for accurate 5300 reporting. The Board understands these concerns. However, the distinction is imperative to distinguishing MBLs subject to the statutory cap and commercial loans subject to the rule's safety and soundness provisions. The Board notes that the 5300 form will be modified and detailed instructions will be provided to credit unions prior to the implementation of the final rule.

A number of commenters suggested that further clarification is needed. For example, the proposed rule generally defined a ''commercial loan'' as any credit a credit union extends to a borrower for commercial, industrial, agricultural, and professional purposes, *but not for investment or personal expenditure purposes.* One commenter suggested that the phrase, ''not for investment . . . purposes'' is ambiguous, noting that certain commercial loans would be considered to be for investment purposes, such as financing commercial real estate (*e.g.,* apartment buildings, shopping centers, etc.). The Board agrees that the term ''not for investment . . . purposes'' could cause confusion and has removed it from the final definition.

Several commenters expressed specific support for the seven categories of loans excluded from the commercial loan definition. In particular, commenters indicated they would experience significant regulatory relief because certain MBLs, such as loans secured by a 1- to 4-family residential property that is not the member's primary residence, will no longer be subject to full commercial lending safety and soundness requirements. Several commenters asked for clarification on the specific types of loans exempted from the commercial loan definition. For example, a commenter asked for clarification for loans to a borrower or an associated borrower with an ''aggregate balance'' less than $50,000, observing that the current rule refers to ''aggregate net balances'' such that portions of a loan secured by shares or by government guarantees are deducted from the determination of the loan amount. The commenter requested clarification on whether the ''aggregate balance'' is different from the ''net member business loan balance.'' To provide more clarity, the Board has changed the phrase ''aggregate balance'' to ''the aggregate outstanding balances plus unfunded commitments less any portion secured by shares in the credit union'' in the final rule.

A number of commenters suggested that more types of loans should be exempt from the definition, including loans that present zero or remote risk of loss to a credit union. For example, one commenter suggested that loans fully secured by deposits should be exempt. Another commenter recommended excluding loans fully guaranteed by the SBA or other government agency because such loans are in essence risk-free. A different commenter contended that for loans that are partially insured or guaranteed, or that have a partial commitment to purchase, should be specifically excluded from the commercial loan definition, to the extent of the amount insured or guaranteed, and the amount of the purchase commitment. As indicated above, the Board notes that the portion of a loan secured by shares or deposits in the credit union may be deducted from the outstanding loan balance plus any unfunded commitments in counting against the $50,000 commercial loan threshold. However, if the aggregate outstanding balances plus unfunded commitments less any portion secured by shares in the credit union to a borrower or an associated borrower is greater than $50,000, a partially cash secured loan will be considered a commercial loan and thus subject to the appropriate safety and soundness provisions.

However, loans guaranteed by the SBA or other government agencies cannot prudently be excluded from the commercial loan definition, because credit unions could potentially lose the government guarantee if they do not comply with program requirements of the corresponding government agencies. Also, these loans are commercial in nature and require similar safety and soundness provisions as other types of commercial lending.

One commenter recommended tying the small loan exception (*i.e.,* loans under $50,000) to a percentage of the credit union's net worth instead of the absolute size of the loan. However, the intent of the small loan exception is to provide regulatory relief to credit unions that offer small-dollar loans for commercial purposes. Tying the exception to a percentage of net worth could result in large commercial loans not being underwritten and managed using appropriate commercial risk management practices. Therefore, the final rule maintains the current small loan threshold of $50,000.

Finally commenters noted it is redundant to require credit unions to have both a commercial loan policy and an MBL policy. To clarify, the Board does not expect credit unions to maintain separate policies for commercial loans and MBLs. Member business loans that are also commercial loans should follow the credit union's commercial loan policy. Member business loans that are not commercial loans should follow the credit union's general loan policy or other specific loan policy as the credit union deems appropriate.

Common Enterprise

As noted above, the proposed definition of ''associated borrower'' included any person or entity engaged in a ''common enterprise'' with the borrower.

Most commenters that provided feedback on this definition said greater flexibility is needed for credit unions to determine common enterprise and common control. Several commenters suggested the definition is too restrictive and contrary to a principles-based rule. One commenter asserted the definition

[23] 12 U.S.C. 1757a.

is too prescriptive and credit unions should be allowed to take a more conservative approach in determining if a common enterprise exists. Another commenter suggested the definition as proposed could lead to instances where two unrelated borrowers are improperly covered as a common enterprise, for example, where two unrelated, separate trusts may derive income from the same publicly-traded stock. One commenter indicated the common enterprise definition requires more analysis than is practical. Several commenters suggested that a more practical approach is to count any borrower who has a joint interest with another borrower or entity as an associate borrower.

However, the proposed definition is more consistent with how the term is defined in similar bank regulations, and it provides important clarification for how ''common enterprise'' relates to the definition of ''associated borrower.'' As discussed earlier, understanding of the overall borrowing relationship is critical in managing the credit risk associated with commercial loans. It is essential to understand the effects posed by the existence of common control and financial interdependence amongst multiple parties who are borrowing from the credit union. Credit unions must remain mindful that in business lending, the borrowers and principals often have multiple credit relationships with the credit union and the borrowing entities often have an interdependence through operations or common ownership and management. The common enterprise definition in the final rule identifies the related parties that have direct influence on the overall risk through connected operations and management, while eliminating other borrowing relationships where the borrower and principles have only a passive investment or involvement. Accordingly, this definition is adopted as proposed.

Control

The proposed definition of ''associated borrower'' also incorporated the concept of controlling interests. Under the proposal, ''control'' would exist when, among other things, a person or entity directly or indirectly, or acting through or together with one or more persons or entities, owns, controls, or has the power to vote 25 percent or more of any class of voting securities of another person or entity. A number of commenters raised concerns with respect to the 25 percent rule for control. Several commenters disagreed with the 25 percent threshold by asserting that, in practice, a majority requires the power to vote more than 50 percent of shares outstanding. Several commenters stated the 25 percent threshold is unnecessarily prescriptive. A few commenters suggested the rule should clarify that control does not exist when the person having control qualifies under only temporary conditions, for example, where a Power of Attorney is assigned due to death.

The Board agrees that a majority control usually exists when an individual or entity owns 50 percent or more of a business entity. However, the proposed 25 percent threshold was established in recognition that owners with a material ownership stake that is less than a majority stake may still have significant influence over a business entity's operations. As a dimension of credit risk management, the 25 percent control threshold is widely utilized in the marketplace and is more consistent with similar definitions employed in comparable bank regulations. As such, the definition of ''control'' is adopted as proposed in the final rule.

Credit Risk Rating System

The proposed rule defined ''credit risk rating system'' as a formal process to identify and measure risk through the assignment of risk ratings, or credit risk grades, a standard means for establishing the level of risk associated with a commercial loan and the overall commercial loan portfolio.

Most commenters supported the proposed definition. At least one commenter, however, observed that the definition requires the use of an ordinal number to represent the degree of risk and suggested the definition should allow flexibility for a rating system to use a non-numerical risk rating (for example, low/medium/high or A/B/C/D).

This definition is adopted as proposed, but the Board clarifies that non-numerical risk ratings are also acceptable under the final rule.

Direct Benefit

Under the proposal, ''direct benefit'' means the proceeds of a loan or extension of credit to a borrower, or assets purchased with those proceeds, that are transferred to another person or entity, other than in a bona fide arm's-length transaction where the proceeds are used to acquire property, goods, or services.

Commenters generally supported the proposed definition. One commenter suggested replacing the word ''property'' with the phrase ''tangible and intangible assets.'' This commenter suggested that the proposed use of the word ''property'' could imply that the ''direct benefit'' definition would only apply to real estate.

The definition of ''direct benefit'' is adopted, unchanged, in the final rule, but the Board clarifies that reference to ''property'' in the final definition is not intended to mean only real property.

Loan Secured by a 1- to 4-Family Residential Property

Under the proposed rule, a ''loan secured by a 1- to 4-family residential property'' means any loan secured wholly or substantively by a lien on a 1- to 4-family residential property for which the lien is central to the extension of credit. The proposed definition was intended to clarify that loans secured by a 1- to 4-family residential property are not commercial loans for the purposes of the rule.

Most commenters were strongly supportive of excluding 1- to 4-family residential property loans from the rule's commercial loan definition. Commenters noted that by excluding these loans from the commercial loan definition, credit unions will be able to grant such loans without the need for a commercial lending policy and additional board responsibilities. Commenters were also generally supportive of the proposed definition of the term. Accordingly, the Board has determined to finalize the definition without change.

Loan Secured by a Vehicle Manufactured for Household Use

Loans secured wholly or substantively by a vehicle manufactured for household use for which the lien is central to the extension of credit are generally not commercial loans for the purposes of the final rule. The Board proposed ''vehicle manufactured for household use'' to mean new and used passenger cars and other vehicles such as minivans, sport-utility vehicles, pickup trucks, and similar light trucks or heavy-duty trucks generally manufactured for personal, family, or household use and not used as fleet vehicles or to carry fare-paying passengers.

Commenters were generally supportive of this definition; therefore, the definition is finalized as proposed. However, one commenter requested clarification on whether a personal vehicle used to transport fare-paying passengers on a part-time basis (*e.g.* Uber or Lyft) would qualify as a commercial loan. The Board clarifies that in general any vehicle loan that exceeds $50,000 and is secured by a vehicle used to transport fare-paying passengers (*e.g.,* a commercial ride-share vehicle) will be considered a

commercial loan under the final rule. The Board understands, however, that in some circumstances a member may purchase a vehicle primarily for personal use and use it only for a portion of the time to generate ride-share revenue. It is incumbent upon the lending credit union to determine the intended use of a financed vehicle and the borrower's level of dependence on ride-share revenue to repay the loan. For example, if more than 50 percent of the repayment source will come from ride-share activity and the loan or associated borrower relationship exceeds $50,000, the vehicle loan should be treated as a commercial loan and underwritten accordingly.

Readily Marketable Collateral

The Board proposed to add the term ''readily marketable collateral'' to the rule to clarify the proposed collateral requirements. The proposal defined this term as a financial instrument or bullion that is salable under ordinary market conditions with reasonable promptness at a fair market value determined by quotations based upon actual transactions on an auction or similarly available daily bid and ask price market.

Some commenters expressed concern that, as defined in the proposal, the term ''readily marketable collateral'' was not sufficiently clear. Others suggested that borrowers may not have realistic access to this type of collateral and asked that the term be expanded to also include broader types of collateral.

The definition will not be expanded to include broader types of collateral, for the reason explained below. However, the Board does agree that lenders should be clear on what is meant by ''readily marketable.'' Under comparable existing bank regulations in use for decades, this term refers to financial instruments that must be ''salable under ordinary circumstances with reasonable promptness at a fair market value determined by quotations based on actual transactions, on an auction or similarly available daily bid and ask price market. Readily marketable collateral should be appropriately discounted by the lender consistent with the lender's usual practices for making loans secured by such collateral.''

The purpose of including readily marketable collateral in NCUA's regulation is to provide a means for qualifying credit unions to increase their single obligor limit to a business loan borrower to as much as 25 percent of the credit union's net worth. But, any amount above the 15 percent of net worth limit is only prudent if it is fully secured by marketable collateral as described above. Many member business borrowers may lack the capacity to provide readily marketable collateral in which the lender can perfect a security interest. As such, it is expected that single-borrower limits set above 15 percent of net worth will occur on a more limited basis rather than become the norm. Therefore the final rule adopts this definition as proposed.

Residential Property

The Board proposed to define ''residential property'' as a house, condominium, cooperative unit, manufactured home, and unimproved land zoned for 1- to 4-family residential use. The definition was added to the rule to clarify that loans secured by a 1- to 4-family residential property are excluded from the definition of commercial loan.[24]

At least one commenter suggested the residential property definition should include trailers and campers, which are often used as residences in certain geographical areas. One commenter noted that the definition does not specifically address townhouses. Another commenter recommended that the definition refer specifically to FFIEC guidance in defining single family residence.

The Board sees a distinction between trailers or campers and manufactured homes and clarifies that such recreational-type vehicles are not residential property for the purposes of the final rule. While trailers and campers may in some instances be used as residences, they are potentially more transient and tend to lack the permanency and continuity that generally characterizes a manufactured home or other residential property. However, townhouses and other similar housing styles share essentially the same characteristics as houses, condominiums or cooperative units and, therefore, fall within the scope of the final definition.

Definitions moved to a different section:

Construction and Development Loan

To improve the readability of the rule, the Board proposed to move the current definition of ''construction and development loan'' to § 723.6 because that is the section that addresses all of the requirements for construction and development loans. The Board received no comments on the proposal to move this definition to § 723.6 and has adopted the technical change in this final rule. The substantive definition is discussed below.

Net Member Business Loan Balance

The proposed definition of ''net member business loan balance'' was substantively the same as in the current rule; however, the Board proposed to move it from current § 723.21 to proposed § 723.8, which addresses the statutory limits on the aggregate amount of member business loans that may be held by a credit union. The Board received no comments on the proposal to move this definition to § 723.8 and has adopted the technical change in this final rule. The substantive definition is discussed in greater detail below.

§ 723.3—Board of Directors and Management Responsibilities

Proposed § 723.3 of the final rule addressed the overall elements necessary to administer a safe and sound commercial loan program. It reinforced the expectation that a credit union's board of directors is ultimately accountable for the safety and soundness of the credit union's commercial lending activities and must remain adequately informed about the level of risk in the credit union's commercial loan portfolio. The proposal modified the experience and expertise requirements in the current rule for personnel involved in member business lending and delineated the qualifications required for a credit union's senior executive officers and staff. It also provided options for how a credit union may meet such requirements. In addition, the proposal required a credit union's board of directors to approve a commercial loan policy that complies with § 723.4, which is discussed below.

Board Responsibility

Generally, commenters expressed concern that the rule will place too much burden or responsibility on volunteer credit union boards of directors. Commenters suggested that imposing too much responsibility on volunteer boards will make it increasingly difficult for credit unions to find members willing to serve as board members. Specific concerns expressed included: The rule places unclear or unduly high expectations on credit union boards of directors; it requires too much ongoing oversight; it shifts managerial responsibilities to directors; it invites too much involvement by the board; it may be construed to mean that boards should be involved in day-to-day operations; that

[24] However, loans secured by a 1- to 4-family residential property that is *not* the borrower's primary residence are MBLs subject to the statutory cap. Loans fully secured by a 1- to 4-family residential property that is the borrower's primary residence are neither commercial loans nor MBLs.

a perceived increase in director responsibility and liability will deter potential volunteers and MBL activity; and, the lack of specific director duties in the regulation increases the potential for disagreements between credit unions and examiners.

None of these comments change the fact that a credit union's board of directors has a fiduciary duty to the membership. Thus the board responsibilities provisions in the final rule reinforces the expectation that a credit union's board of directors is ultimately accountable for the safety and soundness of the credit union's commercial lending activities and must remain adequately informed about the level of risk in the credit union's commercial loan portfolio. The Board agrees that guidance in this area would benefit both credit unions and examiners and will include a discussion of board and management responsibilities in the revisions to its examiner training and forthcoming guidance for commercial lending.

The Board does not expect directors to involve themselves in procedural or day-to-day operational aspects of business lending. Rather, directors are expected to set the strategic direction of their credit union, approve the guiding risk management policies, remain informed about the nature and levels of risk, and require that the institution is appropriately staffed. By spelling out general responsibilities for senior executive officers and lending personnel, the rule avoids being overly prescriptive and at the same time gives directors a guideline for how to delineate between their role and that of staff responsible for hands-on management of commercial lending. Lastly, the Board notes that business lending is a complex and potentially higher-risk activity that is not appropriate for all credit unions. If a credit union's board and/or management team does not possess the experience, skills and resources to manage MBLs, it should refrain from making such loans until it does.

Experience Requirements

Most commenters agreed with the Board's proposal to eliminate the current rule's specific two-year staff experience requirement, and indicated that qualitative requirements are preferable to prescriptive staffing requirements. Other comments, however, favored the continuation of the two-year requirement (or another prescriptive experience standard), noting that adequate training and experience are crucial to a safe, sound, and successful commercial lending program. Several commenters noted that oftentimes two years of experience is not sufficient to support the complexity of offering a full range of MBLs and to further manage risk within the portfolio, but a qualitative requirement will enable credit unions to independently determine and evaluate the degree of experience needed in order to successfully manage its commercial loan program. One commenter suggested that the shift from an arbitrary experience requirement to a qualitative standard will better align the knowledge, skill, and experience of staff with the size, complexity, and risk profile of each credit union.

Several commenters expressed concern about proposed § 723.3(b)(2), which requires expertise in three distinct areas. These commenters suggested the rule should clarify that while management should have experience in all three areas, staff will not necessarily have or need experience in all three areas.

The Board agrees that having an experience requirement expressed in years is overly simplistic and may be unreliable as a means to ensure adequately skilled credit staff are in place. Rather, a requirement that includes specific knowledge, skills and abilities is preferred. The rule establishes criteria that is appropriate and necessary for managing commercial loan risk. The elimination of a discreet years-of-experience requirement also makes it easier for a credit union with a well-run commercial loan department to develop staff internally rather than being forced to hire external candidates because of the current rule's two-year criterion.

The competencies and skills outlined in the rule are considered basic proficiencies necessary to safely manage credit risk both at the individual loan-relationship level as well as the overall portfolio. The Board is aware that in some cases the credit risk management function may be managed by multiple personnel, each with specific responsibilities based on their roles and respective skill sets. When the commercial loan relationship with a member is managed by more than one individual, it is incumbent on the group who is managing the member relationship to possess the required competencies and skills. The credit union should establish its credit risk management program to include well-defined roles and responsibilities and thereby ensure effective coordination between the key credit functions.

§ 723.4—Commercial Loan Policy

Section 723.4 of the proposal set out the expectations and policy requirements for credit unions offering commercial loans. The proposal specified that each credit union engaging in commercial lending must ensure that its policies have been approved by the credit union's board of directors. Further, policies and procedures must provide for ongoing control, measurement, and management of the credit union's commercial lending activities. The proposal also reinforced current supervisory expectations that credit unions will adopt a formal credit risk rating system to identify and quantify the level of risk within their commercial loan portfolios.[25] It also eliminated prescriptive risk management requirements for LTV ratios, minimum equity investments, portfolio concentration limits for types of loans, and personal guarantees. As a result, the need for waivers of these requirements would also be eliminated. Finally, the proposal required that a credit union's commercial loan policy must address a number of specified areas, as enumerated in the rule.

Most commenters were strongly supportive of allowing credit unions to establish their own individualized commercial lending policies instead of imposing prescriptive requirements through regulation. Several commenters, however, suggested that elements included in the commercial loan policy requirements were overly detailed and more properly characterized as procedures that should not be included in the policy. NCUA maintains that the rule reflects the necessary elements to be included in credit unions' commercial lending policies.

A number of commenters also suggested the rule should allow for the commercial loan policy to be approved by a committee of the board because board functions are often split among various board committees. The final rule clarifies that a credit union's board of directors can delegate the responsibility to its committee. However, the board of directors is ultimately accountable for the safety and soundness of the credit union's commercial lending activities.

Commenters generally supported the requirement for a credit risk rating system but requested further guidance to lay out detailed supervisory

[25] While a credit union may use a risk rating methodology developed by a third party, the credit union must perform appropriate due diligence on the methodology and determine it meets the credit union's needs for properly categorizing the risk of commercial loans.

expectations on what will be deemed an acceptable credit risk rating system. One commenter encouraged NCUA to leverage existing guidance from federal bank regulators addressing credit risk rating systems. The Board agrees that clear guidance is beneficial and plans to further address this topic in the forthcoming supervisory guidance. NCUA will leverage the existing information from other financial regulators where appropriate.

At least one commenter requested clarification on whether the requirement that credit unions identify and track loan exceptions will apply retroactively to all existing loans. The Board clarifies that upon full implementation of the final rule, credit unions will be required to identify and track loan exceptions only on a prospective basis. Another commenter suggested that tracking all loan exceptions would be burdensome, and credit unions should only track certain types of exceptions. The Board emphasizes that it is important for credit unions to track all types of loan exceptions.

Several commenters recommended that the rule allow for credit unions to combine their MBL and commercial lending policies to avoid redundancy. Commenters also suggested that credit unions should have flexibility to incorporate the required credit risk rating system into its existing policies, such as an enterprise risk management policy. As mentioned above, the Board does not expect credit unions to maintain separate policies for commercial loans and MBLs. Credit unions may also incorporate required credit risk rating systems into other existing policies.

Single-Borrower Limit

Under the proposal, a credit union's commercial lending policy must specify that the aggregate dollar amount of commercial loans to any one borrower or group of associated borrowers may not exceed the greater of 15 percent of the federally insured credit union's net worth or $100,000, plus an additional 10 percent of the credit union's net worth if the amount that exceeds the credit union's 15 percent general limit is fully secured at all times with a perfected security interest by readily marketable collateral, as defined by the rule. Most commenters supported this change. However, several commenters expressed concern that the amendment imposes a prescriptive limitation without the ability to request a waiver. Commenters suggested that removing the waiver option creates a hardship and competitive disadvantage for small credit unions and is contrary to the rule's overall objective of shifting from a prescriptive to principles-based rule. Commenters also expressed concern that basing the single borrower limit on a percentage of net worth could cause a problem for smaller credit unions. A few commenters suggested that, alternatively, the limit should be based on a percentage of shares and undivided earnings. Several commenters suggested the single-borrower limit should be eliminated entirely.

However, a single-borrower limit based on a percentage of the lender's net worth is an essential component of credit risk management that prevents imprudent concentrations in any single borrower. While the provision is modeled after similar bank rules, the primary objective in retaining an explicit limit on single-borrower concentrations is safety and soundness. In expanding the rule to allow for concentrations of up to 25 percent, the Board is providing flexibility for credit unions while maintaining an appropriate limit for protection against one borrower's impact on the capital of the credit union. For these reasons, the limit on single-borrower concentrations in the final rule is not subject to waivers.

A key element of measuring single-borrower exposure is to determine the associated individuals and entities that comprise the borrower's business relationships. The identification of associated borrowers captures those parties who are interdependent and have operational influence with the borrower due to shared ownership and management. NCUA cautions that credit unions that grant the maximum regulatory limit of credit to an associated borrower relationship will inhibit their ability to meet any subsequent financing needs of the associated borrowers.

Several commenters suggested that the rule should exclude government-guaranteed loan balances from the single-borrower limit. The Board agrees that this additional flexibility would be beneficial to credit unions and would not raise significant safety and soundness concerns. Thus, the final rule adopts this change.

Financial Statement Quality

A notable number of commenters raised concerns about the proposed financial statement quality standards. Commenters suggested the requirement for audited or reviewed financial statements for more complex and larger borrowing relationships should be less prescriptive and left to the discretion of each credit union. Commenters noted there may be larger relationships where the loan and collateral is not complex and obtaining audited or reviewed financial statements would not provide any major support to the loan but would cause the borrower to incur additional expense. Commenters also stated that ''more complex'' borrowing relationships are undefined and examiners may interpret a large or complex relationship differently than commercial underwriters. In addition, several commenters argued that requiring auditor review or audited financial statements in all cases will put credit unions at a competitive disadvantage with banks and other lending institutions that do not currently have these requirements. One commenter noted that, due to the cost and complexity of obtaining a financial statement prepared in accordance with GAAP, most lending institutions only require tax returns for less complex borrowing activities. Another commenter recommended that, to reduce costs, credit unions should be allowed to meet financial statement quality standards by obtaining tax returns, rather than costly GAAP-audited financial statements. This would allow credit unions to develop policies and procedures for financial reporting that are appropriately commensurate with the complexity of their lending activities and relationships. A different commenter observed that smaller credit unions often do not have the sophistication or resources to undergo CPA auditing and CPA prepared and audited statements should not be required under the rule.

The Board agrees that the degree of accuracy and assurance of financial statement quality standards should correspond with the level of risk in the transaction and size and complexity of the borrowing relationship. As the size and complexity of the relationship increases, the quality of the financial information should be commensurate. Financial statement quality is determined by the level of assurance provided by the preparer and the required professional standards supporting the preparer's opinion. In many cases, tax returns and/or financial statements professionally prepared in accordance with generally accepted accounting principles (GAAP) will be sufficient for less complex borrowing relationships, such as those that are limited to a single operation of the borrower and principal with relatively low debt. For more complex and larger borrowing relationships, such as those involving borrowers or principals with significant loans outstanding or multiple or interrelated operations, the

credit union should require borrowers and principals to provide either: (1) An auditor's review of the financial statements prepared consistent with GAAP to obtain limited assurance (*i.e.,* a ''review quality'' financial statement), or (2) an independent financial statement audit under generally accepted auditing standards (GAAS) for the expression of an opinion on the financial statements prepared in accordance with GAAP (*i.e.,* an ''audit quality'' financial statement).

Credit unions should address the criteria and thresholds for the required financial reporting in their policies. Credit unions should allow exceptions in their credit policies if they determine the relationship does not require the same level of assurance and they are satisfied that the lesser quality still provides them with accurate reporting of the borrower's financial performance. Credit unions will be expected to address the issue of exceptions in their loan policies. Any exception should be documented by staff and approved by the appropriate designated internal authority.

§ 723.5—Collateral and Security

Under the proposal, all of the specific prescriptive limits and requirements related to collateral in the current rule were eliminated and replaced with the fundamental principle that commercial loans must be appropriately collateralized.

A minority of commenters were opposed to the elimination of the current rule's prescriptive collateral requirements. These commenters argued that the elimination of these important safety and soundness checks and balances represents lax regulatory policy and will result in unsafe and unsound commercial lending practices. Most commenters, however, were strongly supportive of the elimination of prescriptive collateral requirements. These commenters said the change in approach will help credit unions better serve their members. One commenter indicated the new rule will level the playing field for credit unions. One commenter noted the change will allow credit unions to offer more flexible financing options for strong borrowers with satisfactory cash flow and capitalization. Another commenter said the modernized collateral requirements will provide credit unions with more options to mitigate risks associated with different collateral types, and allow for more competitive loan terms for members.

Many commenters specifically supported the elimination of unsecured lending limitations. One commenter indicated this particular change will allow credit unions to provide financing to professionals with strong incomes but limited or depreciated collateral value. Another said it will allow credit unions to expand product offerings. A different commenter indicated that service to small businesses will improve, particularly those that despite excellent cash flow have limited lendable assets and those that use cash accounting. Several commenters, however, urged NCUA to leave in place the current limits on unsecured loans. One commenter contended that unsecured loans pose additional risks and should be held to a minimum in order to maintain the quality and integrity of credit union member business lending.

A significant number of commenters strongly supported the elimination of the current LTV requirement. Commenters generally agreed LTV limits are best left to the individual credit union. One commenter observed that the current 80 percent LTV limit serves as a good rule of thumb, but such a prescriptive limitation undermines lenders' ability to account for other factors that may mitigate credit risk such as a high debt service coverage ratio, strong guarantors, or high liquidity. Several commenters, however, suggested that if the rule does not impose maximum LTV requirements, some state-chartered credit unions may be subject to conflicting state regulations that do impose maximum LTV limits. As such, those commenters recommended the final rule direct credit unions to set their LTV limits no higher than allowed by their respective state regulations. At least one commenter appreciated the proposal's increased flexibility but indicated that retaining regulatory limits would protect the industry from the acts of imprudent lenders. This commenter suggested that the final rule set regulatory LTV limits similar to the supervisory LTV limits for real estate loans addressed in FDIC's real estate lending standards.

NCUA will issue guidance to examiners to outline appropriate industry methods for valuing collateral and for establishing an appropriate maximum LTV for various collateral types. The Board agrees with commenters who suggest NCUA's guidance for LTV ratio limits should be consistent with that set by bank regulators. The forthcoming supervisory guidance will focus on credit unions' processes for establishing collateral protection sufficient to offset the specific risk associated with the borrowing relationship. The Board recognizes the commenters' concerns about removal of portfolio and relationship limits for unsecured loans but emphasizes unsecured lending should be an exception, not the norm, to be practiced on a limited basis and only to accommodate financially strong members. Credit unions should address portfolio limits and appropriate risk monitoring and reporting for unsecured loans in their credit policies.

The Board reiterates that for loans granted by credit unions to support either the purchase of an asset or working capital to fund inventory or accounts receivable during the business cycle, those assets should collateralize the loan.

Accordingly, the final rule sets the expectation that a credit union making a commercial loan will require the borrower to provide collateral that is appropriate for the type of transaction and the risk associated with the borrowing relationship. Credit unions must use sound judgment when requiring collateral and require collateral coverage for each commercial loan in an amount that is sufficient to offset the credit risk associated with that loan.

The marketability and type of collateral should also be considered in determining the collateral requirements. Marketability can be influenced by the age, condition, and alternative uses of the collateral. For depreciating assets such as equipment or vehicles, newer collateral in good condition would warrant a relatively higher loan-to-value ratio. Collateral with limited alternative uses, such as single-purpose real estate, or assets with limited useful life, such as used equipment or vehicles, would warrant a lower loan-to-value ratio. The term of the loan should also be reflective of the anticipated useful life of the collateral, which is determined based on the type of collateral and its expected use. In addition, credit unions should consider the volatility of the asset as it relates to value and quantities. Specifically, current assets, especially accounts receivable and inventory, are dynamic, with changing market values and regular fluctuation in quantity on hand. Accordingly, when these assets serve as collateral, a lower loan-to-value ratio is warranted to account for the volatility. Also, when establishing loan-to-value limits, credit unions should align their policies with prudent commercial lending practices.

The rule requires that a credit union must establish a policy for monitoring collateral, including systems and processes to respond to changes in asset values. For example, real estate in good condition and in demand may be inspected less frequently than other types of assets such as current assets,

which can undergo more frequent changes in value and which require regular reporting and monitoring to ensure continued compliance with collateral requirements. Unsecured lending should be granted on a limited basis with strict policy limits and appropriate monitoring and management reporting.

A strong majority of commenters also expressed broad support for the elimination of the current rule's requirement that credit unions must obtain a personal guarantee from the principal(s) of the borrower. Commenters generally indicated that the change will enable credit unions to better serve their members. Commenters noted the current requirement is burdensome and time consuming and, even if a waiver is granted, significantly inhibits credit unions' ability to offer commercial loans. Others noted the current requirement has been very restrictive and has resulted in the loss of business on many occasions. For example, one commenter noted the current requirement for professional partnerships for full personal guarantees from 51 percent of the owners is unrealistically burdensome and has prevented credit unions from making good loans. Another commenter said the current rule has made it difficult to meet the needs of its membership, which includes uniquely structured entities such as Native Corporations whose corporate structure makes it impractical to obtain individual guarantees.

Commenters also indicated that allowing credit unions more flexibility in taking personal guarantees will enable them to be more competitive with banks and other lenders, which have greater flexibility in this area. One commenter said the current prescriptive requirements make it difficult to compete with banks and other lenders on well-qualified borrowers. Multiple commenters said they will continue to take personal guarantees where appropriate, but flexibility in this regard is critical. Another commenter agreed that personal guarantees are generally prudent, but said the elimination of strict rules requiring guarantees is advantageous for credit unions.

A notable number of commenters, however, opposed the elimination of the current rule's personal guarantee requirement. Those commenters suggested that eliminating the personal guarantee is unsafe and unsound and will introduce unnecessary risk into many credit union portfolios. At least one commenter expressed doubt as to whether credit unions can exercise the judgment necessary to determine if a guarantee is appropriate or not. In addition, several commenters asserted that credit unions making loans without taking a personal guarantee would effectively be making impermissible non-member loans because the personal guarantee by a member is what makes an MBL a ''member'' business loan.

By granting flexibility to credit unions to individually decide whether to require personal guarantees or not, the Board is not implying that their function or importance as a risk mitigation has diminished. The Board clarifies that the rule allows credit unions to grant loans without the personal guarantee of the principal(s) only when there are strong mitigating factors to offset the additional risk created when the loan is not guaranteed by the primary beneficiary of the transaction, which is generally the principal(s) of the borrower. The Board does not agree that competitive pressure is a justification to grant a loan without the personal liability or guarantee of the controlling interest of the borrower. The credit union's decision to forego the use of a guarantee should only be approved when it meets the needs of a financially strong member and other credit-risk mitigations exist.

The Board reiterates that having the principal(s) of the borrower commit their personal liability to the repayment obligation is, in many cases, very important for commercial lending. Accordingly, the rule makes clear that excusing principals from providing their personal guarantee for the repayment of the loan may only be done with appropriate corresponding underwriting parameters and portfolio safeguards. The credit union should set prudent portfolio limits for these types of loans, measured in terms of a reasonable percentage of the credit union's net worth. Commercial loans without a personal guarantee should be tracked and periodically reported to senior management and the board.

Personal guarantees provide an additional form of credit enhancement for a commercial loan. In small business, investor real estate, and privately held entity lending, it is standard industry practice for principals of the business to assume the majority of the risk by personally guaranteeing the loan. Business owners or principals will benefit the most from the success of the business operation; therefore, it is appropriate for principals to shoulder the bulk of the risk by committing their personal guarantee.

A personal guarantee by the principal offers additional financial support to back the loan, but more importantly it solidifies the long-term commitment by the principal to the success of the business operation. The most effective guarantee will be from the principals who have control of the borrower's operation and have sufficient financial resources at risk. A firm commitment by such a principal is vital to preserving the value of the borrower's business, either by improving operations or, in the worst case, by preserving asset values in the event of default and liquidation. The guarantor's economic incentive is to manage the business successfully and retain value, which will ultimately serve to offset any deficiency the guarantor might otherwise be obligated to pay.

As discussed above, numerous commenters suggested that implementation of the personal guarantee provision should be expedited to afford credit unions with this regulatory relief as soon as possible. The Board is persuaded that the change will enable credit unions to better serve their members and it will be prudent to provide this measure of regulatory relief to credit unions as soon as reasonably possible. Accordingly, the personal guarantee provision in § 723.5(b) of this final rule is effective 60 days after publication of the final rule in the **Federal Register**. In the interim, credit unions may continue to seek a waiver of the personal guarantee requirement under current § 723.10(e). Once the new personal guarantee provision goes into effect (60 days after publication in the **Federal Register**), a credit union making a member business loan (as defined in current § 723.1) will no longer be required to seek a waiver if it decides that a full and unconditional guarantee from the principal(s) of the borrower is not necessary and it determines and documents in the loan file that mitigating factors sufficiently offset the relevant risk.

§ 723.6—Construction and Development Loans

The proposed rule outlined separate requirements that pertain exclusively to construction and development lending. Construction and development lending represents an important and necessary service that credit unions can provide to their membership. However, construction and development lending presents risk, in addition to credit risk, in the areas of loan disbursement administration and valuation of collateral.

The proposed rule clarified the definition of a construction and development loan, described alternative methods for valuing a construction project, and explained which costs are considered allowable in determining value of the project and therefore may be funded from loan proceeds. The proposal also outlined required

procedures to be followed in the administration of construction and development loans.

The Board proposed a new definition for construction and development loans that distinguished between income-producing property and projects built for a commercial purpose. The Board proposed ''income producing'' to mean any property that generates income from the rental or sale of the units constructed with loan proceeds and the repayment of the loan is dependent on the successful completion of the project. ''Commercial purpose,'' by contrast, applied to structures that do not directly generate income but enhance the operation of a commercial or industrial operation, such as a warehouse, manufacturing facility, and management office space. The proposal also clarified that a construction and development loan includes any loan for the construction or renovation of real estate where prudent practice requires multiple controlled disbursements as the project progresses and the ultimate valuation of the project and collateral protection is determined from the completed project.

The proposed rule also established procedures for the valuation of collateral for construction and development loans. The proposal outlined two distinct methods for determining collateral value: One focused on cost, the other on market value. The first method entails an evaluation of the cost to complete the project. The proposal described allowable costs for valuation and funding purposes consistent with prudent commercial practice. The proposed rule also described a second valuation method, which is the prospective market value method. The prospective market value method is described in the Uniform Standards of Professional Appraisal Practice (Statement 4), which discusses the method for valuing a completed and stabilized construction project. The language in the rule described two different aspects of this approach, based on whether the property is held for a commercial or an income-producing use. The first method, ''as-completed,'' is for a commercial purpose building, while the second, ''as-stabilized,'' is for income-producing real estate.

Finally, the proposed rule clarified the requirements for administering a construction and development loan process, including requiring appropriate disbursement controls, to ensure the project is adequately funded and managed to reduce risk.

Most commenters were generally supportive of the proposed changes. At least one commenter noted that the amendments should make the construction and development loan requirements more consistent with expectations of commercial borrowers and help credit unions to more effectively provide loans to members. Another commenter indicated that the easing of unnecessary and arbitrary limits on construction and development loans will help credit unions to better serve their members and communities.

Most commenters supported removing the current 15 percent aggregate limit on these types of loans. One commenter said this change would be very positive for credit unions. One commenter indicated that removal of the limit on construction and development loan balances will enable credit unions to offer construction financing to more businesses at the same time. The same commenter also noted that under the current rule, construction projects are sometimes delayed in order for the credit union to stay under a restrictive limit.

Most commenters also supported the removal of the minimum equity requirement of 25 percent on construction and development loans. One commenter noted the 25 percent requirement is a best practice but it is not always achievable, even on loans that are strong for other reasons. One commenter noted that the removal of the equity requirement will lift unnecessary hurdles that have put credit unions at a competitive disadvantage under the current rule. Another commenter observed that the current restriction has curtailed credit unions' willingness to participate in certain projects. Another commenter noted the change brings NCUA's rule more in line with industry standards.

Other commenters, however, expressed concern that removal of the prescriptive limits creates too much risk. At least one commenter recommended keeping both the 15 percent aggregate limit as well as the 25 percent equity requirement in place in this area. One commenter supported the removal of regulatory limits, but suggested that each credit union's individual policy should set a limit on construction and development loans because of the overall inherent risk and experience necessary to manage the development process.

Several commenters expressed opposition to the requirement of using the lesser of purchase price or appraised value for collateral held less than 12 months. At least one commenter argued that the appraised value should always be used. Another commenter said it is too restrictive to require two appraisals due merely to the passage of time.

At least one commenter suggested the rule should be more flexible with respect to the requirement for obtaining on-site inspections prior to any loan disbursement. Another commenter noted it can be cost prohibitive on smaller projects that submit a draw schedule to hire a third party to review line-item budgets.

One commenter asked for clarification on the definitions of hard cost and soft cost. Another commenter recommended that the rule more clearly distinguish between construction and development loans and loans for renovation.

The Board agrees that the rule's increased flexibility on limits will provide credit unions with greater opportunity to meet the potential business needs of their members. The risks associated with construction and development lending are unique and complex. NCUA encourages credit unions to weigh the decision to provide construction and development loans carefully and only after they have made a determination that staff responsible can clearly understand and manage the risks. The rule establishes minimum process requirements to ensure the credit union can adequately administer an effective construction and development process. The administration of construction and development loans is generally more involved than other types of lending because of the requisite monitoring requirements, and therefore administration costs are likely to be higher. Some credit unions may find these higher administrative costs prohibitive if they lack the economies of scale to support the more intensive credit risk management process. Credit unions lacking adequate resources and/or experience should refrain from construction and development lending.

The Board notes the concerns expressed by commenters who caution about the risk of construction and development lending and the levels of expertise necessary to safely conduct it. The rule requirements are designed to ensure credit unions follow sound practices such as the use of qualified individuals, development of budgeting and planning, and monitoring of projects throughout the construction and development lending process. The Board understands that the specific expertise required to properly manage a project may not reside with the credit union staff and allows credit unions to obtain the necessary expertise by hiring qualified third parties. By establishing an effective administration of the process, the credit union can detect any

variance from the original plan earlier in the process. This advantages both the credit union and the member because an early detection of problems affords the credit union and its member the best opportunity to develop a mutually beneficial solution.

Considering the general support of most commenters, the Board has decided to adopt the requirements of proposed § 723.6 unchanged in this final rule. The process outlined is standard construction financing practice and serves both the credit union and the member.

§ 723.7—Prohibited Activities

The Board proposed to move the prohibitions contained in current § 723.2 to proposed § 723.7, essentially unchanged, except for minor clarifications in the wording. This section of the proposed rule also included provisions governing conflicts of interest, which had been taken virtually intact from § 723.5(b) of the current rule. The proposal also added a clause to clarify what it means to be ''independent from the transaction'' and specifically provided that any third party providing advice or support to the credit union in connection with its commercial loan program may not receive compensation of any sort that is contingent on the closing of the loan.

A number of commenters indicated that the current prohibitions are unnecessarily prescriptive and should not be retained in the final rule. One commenter stated that outright prohibition of insider commercial loans is overly harsh. This commenter acknowledged that insider loans present an opportunity for abuse, but argued that such loans can be effectively managed through enhanced due diligence, reporting and policy requirements, and aggregate lending limits. At least one commenter argued that Regulation O,[26] which governs insider lending for banks, bans preferential loans to insiders but does not impose an outright prohibition on all loans to insiders. The commenter suggested NCUA should adopt a similar approach to Regulation O, whereby additional due diligence, board responsibilities, and aggregate limits are required for insider loans, but the rule allows for such loans to be made. Another commenter suggested that, rather than prohibiting insider loans, the rule should implement similar safeguards that govern insider credit transactions in connection with personal loans and mortgages.

[26] 12 CFR part 215.

The Board carefully considered these comments but has determined not to incorporate an approach similar to Regulation O because the bank rule depends to a large extent on public disclosures as a deterrent to improper insider commercial lending activities. Because credit unions are not-for-profit, cooperative, non-publicly traded institutions, disclosure provisions similar to those contained in Regulation O may have limited efficacy in the credit union context. The Board, however, recognizes that the rule could provide greater flexibility to permit credit unions to provide insider loans while maintaining safeguards against insider abuse and conflicts of interest. Accordingly, the final rule narrows the scope of ineligible borrowers to permit credit unions to provide commercial loans to senior staff (and their family members) who have no influence over and are not directly or indirectly involved in the commercial loan underwriting, servicing, and collection process.

Proposed § 723.7(c) also restricted a third party that is providing business loan services to one or more credit unions from receiving compensation contingent upon the closing of a loan. Several commenters argued that CUSOs should be exempted from this provision. One commenter contended the rule should not prohibit compensation contingent on a loan closing, especially where a CUSO is providing the services, since the CUSO and credit union are united by common ownership and their interests do not conflict. Another commenter similarly argued that CUSOs should be exempted from this provision as they are generally credit union owned with interests of the CUSO and credit union in alignment. One commenter said a CUSO should be viewed as avoiding the client relationship since it is owned by credit unions and functions as the collaborative extension of those owners. Another commenter argued the condition of a loan closing is only improper if there is a conflict of interest. This commenter disagreed that CUSOs pose the same conflict as other third parties, such as borrower-paid loan finders or brokers. Another commenter asserted fees and payment terms and conditions should be left to each credit union and their vendors to negotiate. This commenter observed that fees payable at closing are not uncommon and they represent the culmination of work product.

CUSOs, simply by definition, are not necessarily an extension of particular credit unions. CUSOs' interests are not necessarily or completely in alignment with a particular credit union's interests. In fact, CUSOs are for-profit and legally separate entities. Under NCUA's CUSO regulation, a CUSO is generally defined as ''any entity in which a [federally insured credit union] has an ownership interest or to which a FICU has extended a loan, and that entity is engaged primarily in providing products or services to credit unions or credit union members.''[27] CUSO ownership is not restricted to credit unions nor is any level of credit union ownership required to make an entity a CUSO. A CUSO may be wholly owned by one credit union, owned by multiple credit unions, or could have no credit union owners. Further, under the CUSO rule, a federal credit union can invest in or loan to a CUSO only if the CUSO is structured as a corporation, limited liability company, or limited partnership and it obtains written legal advice that the CUSO is established in a manner that will limit potential exposure of the credit union to no more than the amount of funds invested in, or loaned to, the CUSO.[28] A federally insured credit union and CUSO must be operated in a manner that demonstrates to the public the separate corporate existence of the credit union and the CUSO.[29]

For these reasons, CUSOs are not exempted from final § 723.7(c). While in many cases a CUSO and its credit union owner may share a common interest, this is not always true, and the rule is intended to guard against potential conflicts. The Board notes, however, that the rule permits a credit union to use the services of a CUSO even if it is not independent from the transaction, provided the credit union has a controlling financial interest in the CUSO as determined under GAAP.

Additionally, the Board clarifies that the final rule permits fees to be *payable at* closing, but not *contingent upon* closing.

§ 723.8—Aggregate Member Business Loan Limit; Exclusions and Exceptions

Proposed § 723.8 set out the statutory aggregate limits mandated by Section 107A of the FCU Act. Specifically, Section 107A states, in pertinent part that no insured credit union may make any member business loan that would result in a total amount of such loans outstanding at that credit union at any one time equal to more than the lesser of 1.75 times the actual net worth of the credit union; or 1.75 times the minimum net worth required under

[27] 12 CFR 712.1(d).

[28] 12 CFR 712.3(a).

[29] 12 CFR 712.4(a).

section 1790d(c)(1)(A) of this title for a credit union to be well capitalized.[30]

This aggregate statutory limit on MBLs is applied in the current rule as the lesser of 1.75 times the credit union's net worth or 12.25 percent of the credit union's total assets.[31] For greater consistency with the statute, however, the Board proposed to incorporate the statutory language contained in the FCU Act in § 723.8(a).

The proposal also clarified the distinction between commercial loans subject to the safety and soundness provisions and MBLs subject to the statutory limit. The following table was included in the preamble to the proposed rule to illustrate and compare the member business loan and commercial loan definitions under the proposed rule.

TABLE—COMPARISON OF MEMBER BUSINESS LOAN AND COMMERCIAL LOAN DEFINITIONS

Type of loan	MBL	Commercial loan
Loan fully secured by a 1- to 4-family residential property	No[32]	No.
Member business loan fully secured by a 1- to 4-family residential property (*not* a member's primary residence)	Yes[33]	No.
Member business loan secured by a vehicle manufactured for household use	Yes[34]	No.
Business loan with aggregate net member business loan balance less than $50,000	No	No.
Commercial loan fully secured by shares in the credit union making the extension of credit or deposits in other financial institutions.	No	No.
Commercial loan in which a federal or state agency (or its political subdivision) fully insures repayment, fully guarantees repayment, or provides an advance commitment to purchase the loan in full.	No	Yes[35].
Non-member commercial loan or non-member participation interest in a commercial loan made by another lender	No	Yes[36].

In addition, the proposed rule clarified that a credit union's non-member commercial loans or participation interests in non-member commercial loans made by another lender[37] continue to be excluded from the MBL definition[38] and are not counted for Call Report purposes or in calculating the statutory aggregate amount of MBLs, provided the credit union acquired the loan or participation interest in compliance with all relevant laws and regulations and the credit union is not, in conjunction with one or more other credit unions, trading MBLs to circumvent the aggregate limit. However, the proposed rule eliminated the current rule's requirement to apply for prior approval from the NCUA Regional Director for a credit union's non-member loan balances to exceed the lesser of 1.75 times the credit union's net worth or 12.25 percent of the credit union's total assets.[39]

The proposed rule also identified those credit unions that are, by statute, exempt from the aggregate MBL limit, including credit unions that have a low-income designation or that participate in the Community Development Financial Institutions program. Credit unions chartered for the purpose of making business loans were also exempted under the proposed rule, consistent with the statute. An additional statutory exemption was provided for credit unions that had a history of primarily making member business loans, determined as of the date of enactment of CUMAA. NCUA continues to apply the ''history of primarily making member business loans'' exemption by reference to the date of CUMAA's enactment;[40] therefore, the proposal removed the outdated provisions in the current rule that relate to the evidentiary documentation necessary to demonstrate a credit union's qualification for the exemption.

Finally, the proposal established the method for calculating a credit union's net member business loan balances for the purpose of complying with the statutory cap and reporting on NCUA Call Report Form 5300. The proposed method was consistent with the current rule but, as noted above, the requirements for calculating the net member business loan balances were moved from the definitions section in current § 723.21 to proposed § 723.8 for greater ease of reference and improved readability.

Statutory Limit

A number of commenters asked for an increase to the aggregate MBL limit, arguing that the current limit is too restrictive and significantly impedes credit union business lending. One commenter recommended the rule be changed from ''the lesser'' to ''the greater'' of 1.75 times actual net worth or 1.75 times the minimum net worth required to be well capitalized. The Board cannot make these amendments under current law, because raising the statutory MBL limit would require a legislative change.

Most commenters were strongly supportive of presenting the statutory limit as a multiple of net worth rather than a percentage of assets. Commenters generally agreed the rule should be in closer conformity with the statute. Commenters also said the amendment was a useful clarification and not an increase in the cap nor a circumvention of congressional intent. One commenter noted the 12.25 percent shorthand reference is not required by the FCU Act and is an unnecessary provision.

Some commenters, however, were opposed to removing the 12.25 percentage of assets reference from the regulatory expression of the statutory cap. Opposing commenters contended such a change is contrary to the FCU Act and constitutes an improper attempt by NCUA to raise the cap without congressional approval. Those

[30] 12 U.S.C. 1757a(a).

[31] In the current rule, the 12.25 percent figure is a shorthand reference to how the cap applies to the requirement to maintain at least 7 percent of total assets to be well capitalized—1.75 times 7 percent equals 12.25 percent.

[32] If a member's primary residence.

[33] If the outstanding aggregate net member business loan balance is greater than $50,000.

[34] If the outstanding aggregate net member business loan balance is greater than $50,000.

[35] If the aggregate outstanding balances plus unfunded commitments less any portion secured by shares in the credit union is greater than $50,000.

[36] If the aggregate outstanding balances plus unfunded commitments less any portion secured by shares in the credit union is greater than $50,000.

[37] Federally insured credit unions are authorized to purchase participation interests in loans made by other lenders to credit union members. 12 U.S.C. 1757(5)(E); 12 CFR 701.22. The borrower need not be a member of the purchasing credit union, only a member of one of the participating credit unions. 12 CFR 701.22(b)(4). Additionally, federal credit unions generally may purchase eligible obligations of its members from any source if the loans are those the FCU is empowered to grant. 12 U.S.C. 1757(13); 12 CFR 701.23(b). Certain well capitalized federal credit unions may also purchase whole loans from other federally insured credit unions, including commercial loans, without regard to whether they are obligations of their members. 12 CFR 701.23(b)(2).

[38] *See* 68 FR 56537, 56543 (Oct. 1, 2003).

[39] 12 CFR 723.16(b).

[40] *See* 64 FR 28721, 28726 (May 27, 1999).

commenters alleged that if both the proposed MBL and risk-based capital (RBC)[41] rules are adopted as proposed, in effect the statutory cap will nearly double. They argued the proposal would thus render the cap meaningless.

The Board disagrees with these opposing comments. The proposal incorporated the statutory language essentially verbatim. As such, the removal of the 12.25 percentage of assets reference is not only fully consistent with the FCU Act, it is in fact more faithful to the statute. The 12.25 percent expression of the cap was established through regulation, not statutorily mandated. The Board maintains that the elimination of the unnecessary 12.25 percentage reference improves clarity and more accurately incorporates the statutory language contained in the FCU Act. Accordingly, the Board is finalizing § 723.8(a) as proposed.

Several commenters asked for clarification about how the RBC rule, as finalized, will impact the statutory MBL limit. As noted above, the language in the FCU Act establishes the aggregate MBL limit as the lesser of 1.75 times the actual net worth of the credit union or 1.75 times the amount to be well capitalized under prompt corrective action rules. The recently finalized RBC rule establishes the amount to be well capitalized under prompt corrective action to be greater of 7 percent of total assets (leverage ratio) or the amount required by the risk-based net worth requirement. The final RBC rule changes the risk-based requirement to be 10 percent of risk-weighted assets. Thus, where actual net worth is greater than the minimum to be well capitalized, the limit on MBLs is 1.75 times the greater of the following calculations:

1. Calculate the minimum amount of capital (in dollars) required by the leverage ratio, which is 7 percent times total assets.

2. Calculate the minimum amount of capital (in dollars) required by the risk-based capital ratio, which is 10 percent times total risk-weighted assets, and solve for the minimum amount of net worth needed after accounting for other forms of qualifying capital allowed under the final RBC rule.[42]

MBL Definition

Several commenters suggested changes to the MBL definition and its exceptions. The FCU Act defines the term ''member business loan'' and the exclusions from that term. The Board does not have authority to amend the MBL definition through regulation. The proposed rule incorporated the MBL definition and its exceptions as specifically mandated by statute, and the Board adopts these provisions, unchanged, in the final rule.

Non-Member Loan Participations

As noted above, under the current MBL rule, participation interests in member business loans and member business loans purchased from other lenders count against a credit union's aggregate limit on net member business loan balances. Non-member business loans and non-member participation interests[43] in business loans are currently excluded from the aggregate MBL limit, but credit unions are subject to a regulatory requirement to seek prior approval from NCUA for their non-member business loan balances to exceed the lesser of 1.75 times the credit union's net worth or 12.25 percent of the credit union's total assets.[44]

Commenters were divided on the proposal to eliminate the current rule's requirement to apply for prior approval from the NCUA Regional Director for a credit union's non-member commercial loans or participation interests in non-member commercial loans made by another lender to exceed the lesser of 1.75 times the credit union's net worth or 12.25 percent of the credit union's total assets. Some commenters argued that continuing the current approach of excluding loan participations from the statutory MBL limit could create an opportunity for abuse; cause bad loans to be syndicated broadly; result in unsafe concentrations in loan participations; or create a loophole to the MBL cap. Opposing commenters also objected to the elimination of regulatory oversight of the concentrations of these loans by way of the current application requirement for NCUA approval. One commenter said that eliminating the application requirement could encourage credit unions to have unhealthy concentrations that would be devastating during a down economic cycle.

On the other hand, numerous commenters supported the continued exclusion of non-member loan participations from the statutory limit, noting that loan participations are an important tool for credit unions to manage loan concentrations, liquidity, and overall risk.

Commenters indicated that the current approach to non-member loan participations fosters collaboration within the credit union industry and allows credit unions to better serve their members while managing their statutory cap and overall balance sheet. Commenters also noted that the current exclusion of non-member participation loans from the MBL cap provides credit unions an opportunity to add geographic and asset class diversification to their MBL portfolio; provides a healthy strategy for balance sheet management; and results in better credit quality. Several commenters argued that counting non-member participations against the statutory MBL limit would unnecessarily suppress the amount of a credit union's loanable capital, to the detriment of its members. Some commenters were also supportive of eliminating the requirement to apply for NCUA approval for non-member loan balances to exceed the regulatory cap. Several commenters noted that the current application requirement is not statutorily mandated, overly burdensome, and unnecessary.

The Board emphasizes that NCUA's current approach with respect to MBL loan participations has been unchanged since 2003. In its April 2003 proposed rule, the Board stated:

> The Federal Credit Union Act expressly requires a credit union to include only MBLs it makes to its members in calculating its statutory aggregate MBL limit. . . . . Participation interests purchased by a credit union from an originating eligible organization are not loans made by the participating credit union. The Board, therefore, proposes that these loans need not be included in calculating the participating credit union's aggregate loan limits.[45]

In its October 2003 final rule, the Board clarified that business purpose loans to members are included in the aggregate limit whether the loan is made by the credit union or purchased from another lender, but non-member loans and non-member participation interests are excluded from the aggregate limit. The Board also established a regulatory framework for credit unions to seek prior approval from NCUA for their

[41] A final RBC rule was issued by the Board on October 15, 2015. *See* 80 FR 66626 (Oct. 29, 2015).

[42] For those credit unions subject to the risk-based requirement; that is, those credit unions with assets greater than $100 million.

[43] Federally insured credit unions are authorized to purchase participation interests in loans made by other lenders to credit union members. 12 U.S.C. 1757(5)(E); 12 CFR 701.22. The borrower need not be a member of the purchasing credit union, only a member of one of the participating credit unions. 12 CFR 701.22(b)(4). Additionally, federal credit unions generally may purchase eligible obligations of its members from any source if the loans are those the FCU is empowered to grant. 12 U.S.C. 1757(13); 12 CFR 701.23(b). Certain well capitalized federal credit unions may also purchase whole loans from other federally insured credit unions, including commercial loans, without regard to whether they are obligations of their members. 12 CFR 701.23(b)(2).

[44] 12 CFR 723.16.

[45] 68 FR 16450, 16451 (April 4, 2003).

non-member business loan balances to exceed the lesser of 1.75 times the credit union's net worth or 12.25 percent of the credit union's total assets. In support of its position with respect to non-member loans and participation interests, the Board noted:

> The statutory language establishing the aggregate limit provides that ''no insured credit union may *make* any *member* business loan that would result in the total amount of such loans outstanding'' in excess of the limit (citation omitted). The Board believes that this language lends itself to several possible interpretations. The narrowest interpretation would apply the limit only to loans *made* by a credit union to its *members* and not to loans and loan interests purchased from another lender. . . . In the proposed rule, the Board requested comment on [this] least constraining interpretation of the aggregate limit on MBLs. . . . The Board believes this proposal is consistent with the plain language of the Federal Credit Union Act establishing a limit on member business loans made by a FICU. The Board also believes the proposal is consistent with the congressional intent that credit unions not make business loans at the expense of the consumer loan needs of members and that the credit union system not take on undue risk as a result of over-concentration of MBLs (citation omitted). In the proposal . . . the Board noted that a credit union's member-elected board of directors would meet its own members' loan demands first and purchase loans made by other lenders only as a means of placing excess funds to maximize returns to their member shareholders.[46]

The Board further elaborated on its rationale for adopting the current approach, concluding as follows:

> [P]urchases of nonmember loans and participation interests, as authorized under certain conditions in NCUA's rules and some state laws and rules, do not involve the provision of member loan services, and the acquired loan assets are not MBLs. The Board continues to believe that these purchases will be made only as a productive method of placing excess funds after member loan demands are met, and that they need not count against the purchasing credit union's aggregate MBL limit. The Board believes it is important to avoid unnecessary interference with the ability of credit unions to place their excess funds in the manner that best serves the credit union, its members, and the credit union system.[47]

After careful consideration of the public comments on this issue, the Board continues to subscribe to the views articulated in 2003 and has determined to adopt the proposed approach without change. The current approach of excluding non-member loans and participation interests from the statutory limit provides for an important balance sheet management tool and is essential for certain credit unions to meet member demand for business loans while adhering to the statutory cap. The Board continues to maintain that a plain reading of the FCU Act requires a credit union to include only loans it makes to its members in calculating its aggregate MBL limit. Participation interests purchased by credit unions from other originating lenders are not loans ''made'' by the participating credit union. Furthermore, purchases of non-member loans and participation interests do not involve the provision of member loan services, and the acquired interests are not ''member'' business loans. Thus, consistent with the current rule, non-member commercial loan participations are not included in calculating the participating credit union's aggregate MBL limit under the final rule.

As the Board noted in 2003, CUMAA's legislative history supports this interpretation as consistent with the congressional goal that credit unions fulfill their mission of meeting the credit and savings needs of their members. Selling MBL participations permits an originating credit union to obtain additional liquidity, enabling it to meet loan demand for both consumer and small business members. A credit union that purchases participation interests in business loans from other originating lenders does so as a means of investing its excess funds. Because they are member-owned and controlled, credit unions generally purchase participation interests only after member loan demands are met. In addition, participations diversify the risk of MBLs within the credit union system, ultimately making credit unions safer and better able to meet the needs of individual consumer and small business members. The Board notes that the portion of a participated business loan that is retained by the originating credit union is counted against its aggregate MBL limit. Also, participation interests in *member* business loans count against a credit union's aggregate limit on net member business loan balances.

Consistent with the proposal, the final rule removes the current requirement for credit unions to seek prior approval from NCUA for their non-member business loan balances to exceed the lesser of 1.75 times the credit union's net worth or 12.25 percent of the credit union's total assets. As discussed in the proposed rule, the current rule's application requirement was driven in part by safety and soundness concerns. Under this final rule, however, rather than continuing to impose the requirement that the total of a credit union's non-member loan balances may not exceed the lesser of 1.75 times the credit union's net worth or 12.25 percent of the credit union's total assets unless it receives prior NCUA approval, the final rule focuses on the risks associated with that balance and how the credit union should manage the risks. The application requirement in the current rule was also intended to address concerns that the MBL rule's treatment of participation interests could create a loophole to the statutory limit, and that some credit unions may use the authority to purchase non-member loans and non-member participation interests as a device to swap loans and evade the aggregate limit. To preserve the existing safeguard against evasion, the final rule retains in substance the current rule's stipulation that, for the exclusion to apply, a credit union must acquire the non-member loan or non-member participation interest in compliance with applicable laws and regulations and it must not be swapping or trading MBLs with other credit unions to circumvent the statutory aggregate limit. Attempts to circumvent the statutory aggregate limit will not be tolerated and will be treated as a violation of this final rule. A credit union that demonstrates a pattern or practice of evading the MBL cap, as with any other regulatory violation, will be subject to commensurate supervisory action.

Finally, participation interests in member business loans and member business loans purchased from other lenders continue to count against a credit union's aggregate limit on net member business loan balances.

Exceptions and Exemptions

A number of commenters suggested the Board revisit its interpretation of the statutory exemptions from the aggregate MBL limit for those credit unions with a ''history of primarily making MBLs'' or ''chartered for the purpose of making MBLs'' to allow more credit unions to benefit from those exemptions. Several commenters also suggested that the ''chartered for the purpose'' exemption should allow existing credit unions operating near the statutory cap to apply for this charter or a similar charter designation. Other commenters stated generally that the Board should not liberalize or expand any of the statutory exemptions.

As noted in the proposed rule, NCUA continues to apply the ''history of primarily making'' exemption by reference to the date of CUMAA's enactment. Commenters did not express

[46] 68 FR 56537, 56543 (Oct. 1, 2003) (emphasis added).

[47] Id.

concerns about the removal of the outdated provisions in the current rule that relate to the evidentiary documentation necessary to demonstrate a credit union's qualification for the exception. Therefore, the provision is finalized as proposed.

In addition, the Board clarifies that the ''chartered for the purpose of making MBLs'' exemption is only applicable to new charters, and not to existing federal credit unions. State-chartered credit unions wishing to convert to a federal charter, or vice versa, may also qualify for the exemption.

Calculation for Net MBL Balance

Consistent with the current rule, the proposal provided that a federally insured credit union's net member business loan balance is determined by calculating the outstanding loan balance plus any unfunded commitments, reduced by any portion of the loan that is secured by shares in the credit union, or by shares or deposits in other financial institutions, or by a lien on the member's primary residence, or insured or guaranteed by any agency of the federal government, a state or any political subdivision of such state, or subject to an advance commitment to purchase by any agency of the federal government, a state or any political subdivision of such state, or sold as a participation interest without recourse and qualifying for true sales accounting under GAAP.

A number of commenters expressed concern that the rule implies a CPA or legal true sale opinion is required for every transaction. Commenters noted that true sales opinions are extremely cumbersome, expensive, and difficult to obtain. The Board clarifies that the current rule does not require a true sale opinion and the final rule does not alter this current approach.

§ 723.9—Transitional Provisions

Proposed § 723.9 was intended to implement the transition from the current prescriptive rule to the proposed principles-based rule for those credit unions currently operating under a waiver or an enforcement action.

Commenters did not raise any significant concerns about the proposed transition provisions, and the Board adopts them in this final rule without change. Accordingly, consistent with the proposal, the final rule provides that any waiver previously issued by NCUA concerning any aspect of the current rule becomes moot upon the effective date of the final rule except waivers that were granted for a single borrower or borrowing relationship to exceed the limits set forth in § 723.8 of the current rule, or for federally insured state-chartered credit unions in states that have grandfathered rules where NCUA is required to concur with a waiver to the state's rule. Waivers granted to credit unions for single borrowing relationships will remain in effect until the aggregate balance of the loans outstanding associated with the relationship is reduced and in compliance with the requirements of § 723.4(c) of the final rule. Additionally, all blanket waivers granted to credit unions for current § 723.8 will terminate on the effective date of this final rule.

Any constraints imposed on a credit union in connection with its commercial lending program, such as may be contained in a Letter of Understanding and Agreement, will survive the adoption of the final rule and remain intact. The rule specifies that any particular enforcement measure to which a credit union may uniquely be subject takes precedence over the more general application of the regulation. A constraint may take the form of a limitation or other condition that is actually imposed as part of a waiver. In such cases, the constraint will survive the adoption of this final rule.

§ 723.10—State Regulation of Business Lending

The Board has long held that while it may authorize a state supervisory authority (SSA) to play a role in the regulation of business lending, that role is necessarily limited. Congress granted the Board the sole authority to interpret the MBL provisions of the FCU Act and to promulgate implementing regulations, and FCUs and federally insured, state-chartered credit unions (FISCUs) alike are subject to them.[48] An SSA does not have independent ability to interpret the FCU Act, but under the current rule may make its case to the Board that its proposed state rule is consistent with NCUA's interpretation of the FCU Act and Part 723. To date, the Board has chosen to delegate authority to SSAs to administer a state MBL regulation under the conditions outlined in current § 723.20. In making this delegation in any given case, the Board has been focused on whether the state regulation contains comparable risk management requirements and properly applies the statutory limit on MBLs. There are, at present, seven states in which the Board has approved the state rule.[49]

The proposed rule solicited public comment on three approaches to the issue of state regulation of business lending. The first approach, Option A, would be to allow SSAs that currently administer a state MBL rule to preserve their rules in their current format, thus allowing FISCUs in those states to continue to operate in compliance with the pertinent state rule. However, no other SSA would be permitted to submit a rule for NCUA consideration and approval. The second approach, Option B, would be for NCUA to require SSAs currently operating with NCUA Board-approved MBL rules to make conforming amendments to their rules and resubmit them to NCUA for an updated approval. For these SSAs (and any other SSA that seeks to implement its own rule), the new state MBL rules would need to reflect the same principles and incorporate the guidance contained in any final rule, but could be more restrictive if the state so chose. The third approach, Option C, would permit SSAs that currently administer a state MBL rule to preserve their rules in their current format. Option C would also permit SSAs to submit their own state rules for NCUA consideration and approval, as long as certain conditions are met.

Most commenters that provided input on this aspect of the proposal favored Option C, or otherwise supported maximum flexibility for states to adopt or maintain state-specific MBL rules. Option B also garnered significant support.

Specific comments regarding the state regulation of business lending included the following: A number of commenters expressed general support for the dual chartering system. Commenters said states should be allowed to maintain and preserve their own unique rules, and SSAs should have ample flexibility to maintain existing state regulatory schemes. Commenters said NCUA should continue to respect the role of the states and adopt a final rule permitting state-specific rules. At least one commenter indicated SSAs should continue to be viewed as equal partners with NCUA, with the ability to continue their own regulatory efforts. Another commenter contended that state regulators are more familiar with the intricacies of each credit union within their state and should be permitted to adopt their own regulatory framework.

[48] 12 U.S.C. 1757a.

[49] The seven states currently operating with NCUA Board-approved MBL rules are Connecticut, Illinois, Maryland, Oregon, Texas, Washington, and Wisconsin.

A few commenters observed that all credit unions benefit from the innovation that is possible under a dual regulatory scheme. Another commenter argued that state rules give NCUA unique testing environments and the current regime has allowed for many advances in member business lending and for improvements in NCUA's MBL rule. One commenter observed that any state-to-state variations in the regulation of business lending have not proven to be an issue under the current rule. Overall, most commenters recommended that the final rule incorporate provisions similar to current § 723.20 and current § 741.203, such that the existing regime allowing for state-specific MBL rules be retained.

As noted above, NCUA's longstanding position is that NCUA has the exclusive authority to administer the provisions of the FCU Act concerning member business loans, and all FISCUs are subject to part 723 unless the Board has specifically delegated authority to an SSA to administer a comparable state version of the rule.[50] FISCUs in states with an NCUA-approved state rule may comply with the state rule and need not comply with Part 723. The general premise for this current convention is that part 723 imposes certain restrictions and requirements which all FISCUs must follow, but a state may elect to impose comparable restrictions in its own rule, thereby retaining a measure of oversight over its institutions. Under the existing regime, an SSA with an approved rule may rescind its state rule without first having to obtain NCUA's approval,[51] but it must seek NCUA Board approval to adopt any variances from those rules the Board previously approved.[52] The Board has also employed an expedited review process for states whose rule had already been approved once and which were simply being updated to conform to NCUA's rule amendment. Thus, as an insurer, NCUA has been primarily concerned with reviewing and approving any state rule amendments to ensure any deviations in the state rule accomplish the overall objectives of NCUA's rule and, at a minimum, meet the requirements of NCUA's rule.

In a similar vein, the Board has determined in this final rule to delegate authority to SSAs to administer a state MBL regulation that is *at least as stringent* as NCUA's rule. Specifically, in the final rule, the Board is essentially adopting Option C, which was the approach recommended by most commenters who chose one of the three proposed options. Under new § 723.10 and amended § 741.203 of the final rule, the seven SSAs that currently administer a state-specific MBL rule may preserve their rules in their current format. Further, any SSA that wishes to adopt its own state-specific rule for federally insured credit unions chartered in that state may do so provided the state rule covers at least all of the provisions in part 723 and is no less restrictive, upon determination by NCUA.[53] Federally insured state-chartered credit unions in such states will not be subject to the provisions in Part 723.

Since the final rule shifts from a prescriptive to a principles-based approach, the Board views the requirements of this final rule as generally less stringent or less restrictive than its current MBL rule. So, it is appropriate to view the seven state-specific prescriptive rules as already meeting, or as *more* restrictive than, this principles-based final rule. The final rule therefore allows for the grandfathering of existing state rules approved by NCUA. SSAs with grandfathered state rules may continue to administer their NCUA-approved rules in their current format, and FISCUs in such states will continue to be exempt from Part 723. However, any amendment or modification to an existing NCUA-approved state rule must be consistent with this rule, but modification of one part of an existing NCUA-approved state rule will not cause other parts of that rule to lose their grandfathered status.

Amendments to the Loan Participation Rule

As discussed above, the proposed rule amended the definition of ''associated member'' in the current MBL rule to be more consistent with the combination rules applicable to banks by introducing the concepts of direct benefit, common enterprise, and control.[54]

NCUA's loan participation rule contains a similar definition for ''associated borrower,'' [55] which was amended by the Board in 2013 to track closely with the definition in the MBL rule.[56] In order to maintain that consistency, the proposed rule also made parallel amendments to § 701.22(a) to the loan participation rule.

NCUA did not receive any comments regarding the proposed changes to its loan participation rule. Therefore, the Board is adopting parallel amendments to § 701.22 to reflect this final rule's definitions of ''associated borrower,'' ''common enterprise,'' ''control,'' and ''direct benefit.''

III. Regulatory Procedures

A. Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA) generally requires that, in connection with a rulemaking, an agency prepare and make available for public comment a regulatory flexibility analysis that describes the impact of a rule on small entities. A regulatory flexibility analysis is not required, however, if the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities (defined for purposes of the RFA to include credit unions with assets less than $100 million) and publishes its certification and a short, explanatory statement in the **Federal Register** together with the rule.

As of September 2015, of the 4,588 federally insured credit unions with total assets less than $100 million, 976 credit unions hold business loans on their balance sheets, including both member and non-member loans. Among the 976 credit unions, 379 credit unions have business loans less than 15 percent of net worth and are not regularly originating and selling or participating out business loans. Therefore, they are exempt from § 723.3 (board of directors and management responsibilities) and § 723.4 (commercial loan policy) under the final rule—where the incremental paperwork burden associated with the transition for this rule stems from.

The remaining 597 credit unions with assets less than $100 million are subject to § 723.3 and § 723.4 under the rule because their level of activity in commercial lending is material to their financial and operational safety and soundness. However, the revised definition of commercial loan generally excludes loans secured by vehicles manufactured for household use and 1- to 4-family non-owner occupied residential property that trigger the safety and soundness provisions of the current rule. The average member business loan balance per loan for credit unions with less than $100 million in assets is only $96,894. Thus, it is likely many of the outstanding member business loans currently held by small credit unions, and subject to the current

[50] *See* 64 FR 28721, 28728 (May 27, 1999).

[51] 70 FR 75719, 75721 (Dec. 21, 2005).

[52] 68 FR 56537, 56546 (Oct. 1, 2003).

[53] All such state rules must be consistent with the MBL provisions in the FCU Act. That is, the definition of a member business loan, the exemptions from the definition of a member business loan, the aggregate loan limit, and the state's interpretation of the exceptions from the aggregate loan limit must adhere to the statute.

[54] 12 CFR 32.5.

[55] 12 CFR 701.22(a).

[56] 78 FR 37946 (June 25, 2013).

rule, are exempt under the final rule. Thus, NCUA anticipates fewer than 597 small credit unions will actually be subject to the final rule (except for § 723.8—the statutory limit provisions). The 597 credit unions only represent 13 percent of total credit unions with assets less than $100 million.[57] They hold approximately $1,788 million in business loans in aggregate, which represents 3 percent of the total business loans in the credit union industry.

	September 2015	
	Number of credit unions	Percent of total
Credit unions with total assets below $100 million	4,588	100
Credit unions with total assets below $100 million and with MBLs	976	21
Credit unions with total assets below $100 million, with MBLs, and are exempted from § 723.3 and § 723.4	379	8
Credit unions with total assets below $100 million, with MBLs, and are not exempted from § 723.3 and § 723.4	597	13

The amendments will provide federally insured credit unions with significant regulatory relief via greater flexibility and individual autonomy in safely and soundly providing commercial and business loans. This is achieved by eliminating the current rule's prescriptive underwriting criteria, various limits on the composition of the commercial loan portfolio, the limit on participations in non-member business loans, and the associated waiver requirements. What remains in the final rule is largely consistent with existing fundamental regulatory requirements and supervisory expectations for commercial lending, and therefore not a significant impact on the operation of these institutions. NCUA has determined and certifies that this final rule will not have a significant economic impact on a substantial number of small credit unions within the meaning of the RFA.[58]

B. Paperwork Reduction Act

The Paperwork Reduction Act of 1995 (PRA) applies to rulemakings in which an agency by rule creates a new paperwork burden on regulated entities or modifies an existing burden.[59] For purposes of the PRA, a paperwork burden may take the form of either a reporting or a recordkeeping requirement, both referred to as information collections. The final rule requires credit unions to comply with certain requirements that constitute an information collection within the meaning of the PRA. Under the rule, credit unions that are engaged in business lending activities and not exempted from §§ 723.3 and 723.4 will need to ensure their loan policies and procedures cohere to these requirements, including a formal credit risk rating system to identify and quantify the level of risk within their commercial loan portfolios. However, by replacing the prescriptive requirements in the current rule with a principles-based regulatory approach, the rule also relieves credit unions from the current requirement to obtain MBL related waivers and provides a high degree of flexibility in designing and operating their commercial loan programs.

Currently, NCUA receives a significant number of MBL-related waiver requests each year. NCUA processed 336 and 225 MBL related waiver requests, in 2014 and 2015 respectively. The average number of hours for a credit union to prepare a waiver request is an estimated 17 hours. Accordingly, NCUA expects that the final rule will provide an estimated total of 4,777 hours of relief to credit unions, on an annual basis.

Eliminating the waiver requirement.

Total number of MBL related waivers requested by FICUs annually: 281.

Frequency of response: Annually.

Number of hours to prepare 1 waiver request: 17.

Total number of hours of relief: 17 hours × 281 = 4,777.

Under the final rule, credit unions that are engaged in business lending activities and not exempted from §§ 723.3 and 723.4 may need to revise their loan policies and procedures. As of September 2015, there were a total of 1,532 federally insured credit unions that may need to revise their policies. For purposes of this analysis, NCUA estimates that it will take roughly 16 hours on average for a credit union to meet this requirement. Using these estimates, information collection obligations imposed by this aspect of the rule are analyzed below:

Revising commercial loan policies and procedures.

FICUs that are engaged in business lending and are not exempted from §§ 723.3 and 723.4: 1,532.

Frequency of response: One-time.

Initial hour burden: 16.

16 hour × 1,532 = 24,512.

The final rule also requires credit unions that are engaged in business lending activities and not exempted from §§ 723.3 and 723.4 to have a formal risk rating system to quantify and manage risks associated with their business lending activities. The majority of credit unions already have risk rating systems in place. Based on a survey of NCUA field staff, NCUA estimates that a total of 139 federally insured credit unions do not currently have a formal risk rating system. The information collection obligations imposed by this aspect of the rule are analyzed below.

Number of FICUs developing a risk rating system: 139.

Frequency of response: One-time.

Initial hour burden: 160.

139 hour × 160 = 22,240.

The total estimated one-time net paperwork burden for this proposal is 46,752 hours, with annual recurring paperwork burden reduction of 4,777 hours. In accordance with the requirements of the PRA, NCUA will submit a copy of the rule to the Office of Management and Budget for its review and approval.

C. Executive Order 13132

Executive Order 13132 encourages independent regulatory agencies to consider the impact of their actions on state and local interests. NCUA, an independent regulatory agency, as defined in 44 U.S.C. 3502(5), voluntarily complies with the executive order to adhere to fundamental federalism principles. The final rule also applies to federally insured, state-chartered credit unions. By law, these institutions are already subject to numerous provisions of NCUA's rules, based on the agency's role as the insurer of member share accounts and the significant interest

[57] These credit unions hold $28.4 billion in total assets and $3.2 billion in total net worth, which account for 2.4 percent of total assets and 2.5 percent of total net worth in the credit union industry, respectively.

[58] 5 U.S.C. 601–612.

[59] 44 U.S.C. 3507(d); 5 CFR part 1320.

NCUA has in the safety and soundness of their operations. The final rule may have an occasional direct effect on the states, the relationship between the national government and the states, or on the distribution of power and responsibilities among the various levels of government. The final rule may supersede provisions of state law, regulation, or approvals. The final rule could lead to conflicts between the NCUA and state financial institution regulators on occasion. Accordingly, the proposed rule requested comment on ways to eliminate, or at least minimize, potential conflicts in this area. NCUA solicited specific comment on how best to approach the issue of state regulation of business lending, as well as recommendations on the potential use of delegated authority, cooperative decision-making responsibilities, certification processes of federal standards, adoption of comparable programs by states requesting an exemption for their regulated institutions, or other ways of meeting the intent of the Executive Order. Based on the public comments received, the Board has made adjustments in the final rule to preserve existing state rights in the regulation of credit union business lending. For example, the final rule includes provisions to grandfather existing state-specific commercial and member business loan rules, and to allow state supervisory authorities to administer a state commercial and member business loan rule that is no less restrictive than the provisions in NCUA's rule.

D. Assessment of Federal Regulations and Policies on Families

NCUA has determined that this final rule will not affect family well-being within the meaning of Section 654 of the Treasury and General Government Appropriations Act of 1999.[60]

List of Subjects in 12 CFR Part 723

Credit, Credit unions, Reporting and recordkeeping requirements.

By the National Credit Union Administration Board on February 18, 2016.

Gerard S. Poliquin,

Secretary of the Board.

For the reasons discussed above, NCUA amends 12 CFR parts 701, 723, and 741 as follows:

PART 701—ORGANIZATION AND OPERATION OF FEDERAL CREDIT UNIONS

■ 1. The authority citation for part 701 continues to read as follows:

Authority: 12 U.S.C. 1752(5), 1757, 1765, 1766, 1781, 1782, 1787, 1789; Title V, Pub. L. 109–351, 120 Stat. 1966.

■ 2. Amend § 701.22 by revising the definition of ''associated borrower'' and adding definitions of ''common enterprise,'' ''control,'' and ''direct benefit'' to read as follows:

§ 701.22 Loan participations.

* * * * *

(a) * * *

Associated borrower means any other person or entity with a shared ownership, investment, or other pecuniary interest in a business or commercial endeavor with the borrower. This means any person or entity named as a borrower or debtor in a loan or extension of credit, or any other person or entity, such as a drawer, endorser, or guarantor, engaged in a common enterprise with the borrower, or deriving a direct benefit from the loan to the borrower. Exceptions to this definition for partnerships, joint ventures and associations are as follows:

(1) If the borrower is a partnership, joint venture or association, and the other person with a shared ownership, investment, or other pecuniary interest in a business or commercial endeavor with the borrower is a member or partner of the borrower, and neither a direct benefit nor a common enterprise exists, such other person is not an associated borrower.

(2) If the borrower is a member or partner of a partnership, joint venture, or association, and the other entity with a shared ownership, investment, or other pecuniary interest in a business or commercial endeavor with the borrower is the partnership, joint venture, or association and the borrower is a limited partner of that other entity, and by the terms of a partnership or membership agreement valid under applicable law, the borrower is not held generally liable for the debts or actions of that other entity, such other entity is not an associated borrower.

(3) If the borrower is a member or partner of a partnership, joint venture, or association, and the other person with a shared ownership, investment, or other pecuniary interest in a business or commercial endeavor with the borrower is another member or partner of the partnership, joint venture, or association, and neither a direct benefit nor a common enterprise exists, such other person is not an associated borrower.

Common enterprise means:

(1) The expected source of repayment for each loan or extension of credit is the same for each borrower and no individual borrower has another source of income from which the loan (together with the borrower's other obligations) may be fully repaid. An employer will not be treated as a source of repayment because of wages and salaries paid to an employee, unless the standards described in paragraph (2) are met;

(2) Loans or extensions of credit are made:

(i) To borrowers who are related directly or indirectly through common control, including where one borrower is directly or indirectly controlled by another borrower; and

(ii) Substantial financial interdependence exists between or among the borrowers. Substantial financial interdependence means 50 percent or more of one borrower's gross receipts or gross expenditures (on an annual basis) are derived from transactions with another borrower. Gross receipts and expenditures include gross revenues or expenses, intercompany loans, dividends, capital contributions, and similar receipts or payments; or

(3) Separate borrowers obtain loans or extensions of credit to acquire a business enterprise of which those borrowers will own more than 50 percent of the voting securities or voting interests.

Control means a person or entity directly or indirectly, or acting through or together with one or more persons or entities:

(1) Owns, controls, or has the power to vote 25 percent or more of any class of voting securities of another person or entity;

(2) Controls, in any manner, the election of a majority of the directors, trustees, or other persons exercising similar functions of another person or entity; or

(3) Has the power to exercise a controlling influence over the management or policies of another person or entity.

* * * * *

Direct benefit means the proceeds of a loan or extension of credit to a borrower, or assets purchased with those proceeds, that are transferred to another person or entity, other than in a bona fide arm's-length transaction where the proceeds are used to acquire property, goods, or services.

* * * * *

PART 723—MEMBER BUSINESS LOANS; COMMERCIAL LENDING

■ 3. The authority citation for part 723 continues to read as follows:

Authority: 12 U.S.C. 1756, 1757, 1757A, 1766, 1785, 1789.

[60] Public Law 105–277, 112 Stat. 2681 (1998).

■ 4. Effective May 13, 2016, § 723.7 is amended by adding paragraph (f) to read as follows:

§ 723.7 What are the collateral and security requirements?

* * * * *

(f) *Transitional provision:* A federally insured credit union that, between May 13, 2016 and January 1, 2017, makes a member business loan and does not require the full and unconditional personal guarantee from the principal(s) of the borrower who has a controlling interest in the borrower is not required to seek a waiver from the requirement for personal guarantee, but it must determine and document in the loan file that mitigating factors sufficiently offset the relevant risk.

■ 5. Revise part 723 to read as follows:

PART 723—MEMBER BUSINESS LOANS; COMMERCIAL LENDING

Sec.

Authority: 12 U.S.C. 1756, 1757, 1757A, 1766, 1785, 1789.

§ 723.1 Purpose and scope.

(a) *Purpose.* This part is intended to accomplish two broad objectives. First, it sets out policy and program responsibilities that a federally insured credit union must adopt and implement as part of a safe and sound commercial lending program. Second, it incorporates the statutory limit on the aggregate amount of member business loans that a federally insured credit union may make pursuant to Section 107A of the Federal Credit Union Act. The rule distinguishes between these two distinct objectives.

(b) *Credit unions and loans covered by this part.* (1) This part applies to federally insured natural person credit unions. However, a federally insured natural person credit union is not subject to § 723.3 and § 723.4 of this part if it meets all of the following conditions:

(i) The credit union's total assets are less than $250 million.

(ii) The credit union's aggregate amount of outstanding commercial loan balances and unfunded commitments, plus any outstanding commercial loan balances and unfunded commitments of participations sold, plus any outstanding commercial loan balances and unfunded commitments sold and serviced by the credit union total less than 15 percent of the credit union's net worth.

(iii) In a given calendar year the amount of originated and sold commercial loans the credit union does not continue to service total less than 15 percent of the credit union's net worth.

(2) This part does not apply to loans:

(i) Made by a corporate credit union, as defined in part 704 of this chapter;

(ii) Made by a federally insured credit union to another federally insured credit union;

(iii) Made by a federally insured credit union to a credit union service organization, as defined in part 712 and § 741.222 of this chapter; or

(iv) Fully secured by a lien on a 1- to 4-family residential property that is a member's primary residence.

(c) *Other regulations that apply.* (1) For federal credit unions, the requirements of § 701.21(a) through (g) of this chapter apply to commercial loans granted by a federal credit union to the extent they are consistent with this part. As required by § 741.203 of this chapter, a federally insured, state-chartered credit union must comply with § 701.21(c)(8) of this chapter concerning prohibited fees, and § 701.21(d)(5) of this chapter concerning non-preferential loans.

(2) If a Federal credit union makes a commercial loan through a program in which a federal or state agency (or its political subdivision) insures repayment, guarantees repayment, or provides an advance commitment to purchase the loan in full, and that program has requirements that are less restrictive than those required by this rule, then the Federal credit union may follow the loan requirements of the relevant guaranteed loan program. A federally insured, state-chartered credit union that is subject to this part and that makes a commercial loan as part of a loan program in which a federal or state agency (or its political subdivision) insures repayment, guarantees repayment, or provides an advance commitment to purchase the loan in full, and that program has requirements that are less restrictive than those required by this rule, then the federally insured, state-chartered credit union may follow the loan requirements of the relevant guaranteed loan program, provided that its state supervisory authority has determined that it has authority to do so under state law.

(3) The requirements of § 701.23 of this chapter apply to a Federal credit union's purchase, sale, or pledge of a commercial loan as an eligible obligation.

(4) The requirements of § 701.22 of this chapter apply to a federally insured credit union's purchase of a participation interest in a commercial loan.

§ 723.2 Definitions.

For purposes of this part, the following definitions apply:

Associated borrower means any other person or entity with a shared ownership, investment, or other pecuniary interest in a business or commercial endeavor with the borrower. This means any person or entity named as a borrower or debtor in a loan or extension of credit, or any other person or entity, such as a drawer, endorser, or guarantor, engaged in a common enterprise with the borrower, or deriving a direct benefit from the loan to the borrower. Exceptions to this definition for partnerships, joint ventures and associations are as follows:

(1) If the borrower is a partnership, joint venture or association, and the other person with a shared ownership, investment, or other pecuniary interest in a business or commercial endeavor with the borrower is a member or partner of the borrower, and neither a direct benefit nor a common enterprise exists, such other person is not an associated borrower.

(2) If the borrower is a member or partner of a partnership, joint venture, or association, and the other entity with a shared ownership, investment, or other pecuniary interest in a business or commercial endeavor with the borrower is the partnership, joint venture, or association and the borrower is a limited partner of that other entity, and by the terms of a partnership or membership agreement valid under applicable law, the borrower is not held generally liable for the debts or actions of that other entity, such other entity is not an associated borrower.

(3) If the borrower is a member or partner of a partnership, joint venture, or association, and the other person with a shared ownership, investment, or other pecuniary interest in a business or commercial endeavor with the borrower is another member or partner of the partnership, joint venture, or association, and neither a direct benefit nor a common enterprise exists, such other person is not an associated borrower.

Commercial loan means any loan, line of credit, or letter of credit (including any unfunded commitments), and any interest a credit union obtains in such loans made by another lender, to individuals, sole proprietorships,

partnerships, corporations, or other business enterprises for commercial, industrial, agricultural, or professional purposes, but not for personal expenditure purposes. Excluded from this definition are loans made by a corporate credit union; loans made by a federally insured credit union to another federally insured credit union; loans made by a federally insured credit union to a credit union service organization; loans secured by a 1- to 4-family residential property (whether or not it is the borrower's primary residence); loans fully secured by shares in the credit union making the extension of credit or deposits in other financial institutions; loans secured by a vehicle manufactured for household use; and loans that would otherwise meet the definition of commercial loan and which, when the aggregate outstanding balances plus unfunded commitments less any portion secured by shares in the credit union to a borrower or an associated borrower, are equal to less than $50,000.

Common enterprise means:

(1) The expected source of repayment for each loan or extension of credit is the same for each borrower and no individual borrower has another source of income from which the loan (together with the borrower's other obligations) may be fully repaid. An employer will not be treated as a source of repayment because of wages and salaries paid to an employee, unless the standards described in paragraph (2) of this definition are met;

(2) Loans or extensions of credit are made:

(i) To borrowers who are related directly or indirectly through common control, including where one borrower is directly or indirectly controlled by another borrower; and

(ii) Substantial financial interdependence exists between or among the borrowers. Substantial financial interdependence means 50 percent or more of one borrower's gross receipts or gross expenditures (on an annual basis) are derived from transactions with another borrower. Gross receipts and expenditures include gross revenues or expenses, intercompany loans, dividends, capital contributions, and similar receipts or payments; or

(3) Separate borrowers obtain loans or extensions of credit to acquire a business enterprise of which those borrowers will own more than 50 percent of the voting securities or voting interests.

Control means a person or entity directly or indirectly, or acting through or together with one or more persons or entities:

(1) Owns, controls, or has the power to vote 25 percent or more of any class of voting securities of another person or entity;

(2) Controls, in any manner, the election of a majority of the directors, trustees, or other persons exercising similar functions of another person or entity; or

(3) Has the power to exercise a controlling influence over the management or policies of another person or entity.

Credit risk rating system means a formal process that identifies and assigns a relative credit risk score to each commercial loan in a federally insured credit union's portfolio, using ordinal ratings to represent the degree of risk. The credit risk score is determined through an evaluation of quantitative factors based on financial performance and qualitative factors based on management, operational, market, and business environmental factors.

Direct benefit means the proceeds of a loan or extension of credit to a borrower, or assets purchased with those proceeds, that are transferred to another person or entity, other than in a bona fide arm's-length transaction where the proceeds are used to acquire property, goods, or services.

Immediate family member means a spouse or other family member living in the same household.

Loan secured by a 1- to 4-family residential property means a loan that, at origination, is secured wholly or substantially by a lien on a 1- to 4-family residential property for which the lien is central to the extension of the credit; that is, the borrower would not have been extended credit in the same amount or on terms as favorable without the lien. A loan is wholly or substantially secured by a lien on a 1- to 4-family residential property if the estimated value of the real estate collateral at origination (after deducting any senior liens held by others) is greater than 50 percent of the principal amount of the loan.

Loan secured by a vehicle manufactured for household use means a loan that, at origination, is secured wholly or substantially by a lien on a new and used passenger car and other vehicle such as a minivan, sport-utility vehicle, pickup truck, and similar light truck or heavy-duty truck generally manufactured for personal, family, or household use and not used as a fleet vehicle or to carry fare-paying passengers, for which the lien is central to the extension of credit. A lien is central to the extension of credit if the borrower would not have been extended credit in the same amount or on terms as favorable without the lien. A loan is wholly or substantially secured by a lien on a vehicle manufactured for household use if the estimated value of the collateral at origination (after deducting any senior liens held by others) is greater than 50 percent of the principal amount of the loan.

Loan-to-value ratio means, with respect to any item of collateral, the aggregate amount of all sums borrowed and secured by that collateral, including outstanding balances plus any unfunded commitment or line of credit from another lender that is senior to the federally insured credit union's lien position, divided by the current collateral value. The current collateral value must be established by prudent and accepted commercial lending practices and comply with all regulatory requirements. For a construction and development loan, the collateral value is the lesser of cost to complete or prospective market value, as determined in accordance with § 723.6 of this part.

Net worth means a federally insured credit union's net worth, as defined in part 702 of this chapter.

Readily marketable collateral means a financial instrument or bullion that is salable under ordinary market conditions with reasonable promptness at a fair market value determined by quotations based upon actual transactions on an auction or similarly available daily bid and ask price market.

Residential property means a house, condominium unit, cooperative unit, manufactured home (whether completed or under construction), or unimproved land zoned for 1- to 4-family residential use. A boat or motor home, even if used as a primary residence, or timeshare property is not residential property.

§ 723.3 Board of directors and management responsibilities.

Prior to engaging in commercial lending, a federally insured credit union must address the following board responsibilities and operational requirements:

(a) *Board of directors.* A federally insured credit union's board of directors, at a minimum, must:

(1) Approve a commercial loan policy that complies with § 723.4 of this part. The board must review its policy on an annual basis, prior to any material change in the federally insured credit union's commercial lending program or related organizational structure, and in response to any material change in portfolio performance or economic

conditions, and update it when warranted.

(2) Ensure the federally insured credit union appropriately staffs its commercial lending program in compliance with paragraph (b) of this section.

(3) Understand and remain informed, through periodic briefings from responsible staff and other methods, about the nature and level of risk in the federally insured credit union's commercial loan portfolio, including its potential impact on the federally insured credit union's earnings and net worth.

(b) *Required expertise and experience.* A federally insured credit union making, purchasing, or holding any commercial loan must internally possess the following experience and competencies:

(1) *Senior executive officers.* A federally insured credit union's senior executive officers overseeing the commercial lending function must understand the federally insured credit union's commercial lending activities. At a minimum, senior executive officers must have a comprehensive understanding of the role of commercial lending in the federally insured credit union's overall business model and establish risk management processes and controls necessary to safely conduct commercial lending.

(2) *Qualified lending personnel.* A federally insured credit union must employ qualified staff with experience in the following areas:

(i) Underwriting and processing for the type(s) of commercial lending in which the federally insured credit union is engaged;

(ii) Overseeing and evaluating the performance of a commercial loan portfolio, including rating and quantifying risk through a credit risk rating system; and

(iii) Conducting collection and loss mitigation activities for the type(s) of commercial lending in which the federally insured credit union is engaged.

(3) *Options to meet the required experience.* A federally insured credit union may meet the experience requirements in paragraphs (b)(1) and (2) of this section by conducting internal training and development, hiring qualified individuals, or using a third-party, such as an independent contractor or a credit union service organization. However, with respect to the qualified lending personnel requirements in paragraph (b)(2) of this section, use of a third-party is permissible only if the following conditions are met:

(i) The third-party has no affiliation or contractual relationship with the borrower or any associated borrowers;

(ii) The actual decision to grant a loan must reside with the federally insured credit union;

(iii) Qualified federally insured credit union staff exercises ongoing oversight over the third party by regularly evaluating the quality of any work the third party performs for the federally insured credit union; and

(iv) The third-party arrangement must otherwise comply with § 723.7 of this part.

§ 723.4 Commercial loan policy.

Prior to engaging in commercial lending, a federally insured credit union must adopt and implement a comprehensive written commercial loan policy and establish procedures for commercial lending. The board-approved policy must ensure the federally insured credit union's commercial lending activities are performed in a safe and sound manner by providing for ongoing control, measurement, and management of the federally insured credit union's commercial lending activities. At a minimum, a federally insured credit union's commercial loan policy must address each of the following:

(a) Type(s) of commercial loans permitted.

(b) Trade area.

(c) Maximum amount of assets, in relation to net worth, allowed in secured, unsecured, and unguaranteed commercial loans and in any given category or type of commercial loan and to any one borrower or group of associated borrowers. The policy must specify that the aggregate dollar amount of commercial loans to any one borrower or group of associated borrowers may not exceed the greater of 15 percent of the federally insured credit union's net worth or $100,000, plus an additional 10 percent of the credit union's net worth if the amount that exceeds the credit union's 15 percent general limit is fully secured at all times with a perfected security interest by readily marketable collateral as defined in § 723.2 of this part. Any insured or guaranteed portion of a commercial loan made through a program in which a federal or state agency (or its political subdivision) insures repayment, guarantees repayment, or provides an advance commitment to purchase the loan in full, is excluded from this limit.

(d) Qualifications and experience requirements for personnel involved in underwriting, processing, approving, administering, and collecting commercial loans.

(e) Loan approval processes, including establishing levels of loan approval authority commensurate with the individual's or committee's proficiency in evaluating and understanding commercial loan risk, when considered in terms of the level of risk the borrowing relationship poses to the federally insured credit union.

(f) Underwriting standards commensurate with the size, scope and complexity of the commercial lending activities and borrowing relationships contemplated. The standards must, at a minimum, address the following:

(1) The level and depth of financial analysis necessary to evaluate the financial trends and condition of the borrower and the ability of the borrower to meet debt service requirements;

(2) Thorough due diligence of the principal(s) to determine whether any related interests of the principal(s) might have a negative impact or place an undue burden on the borrower and related interests with regard to meeting the debt obligations with the credit union;

(3) Requirements of a borrower-prepared projection when historic performance does not support projected debt payments. The projection must be supported by reasonable rationale and, at a minimum, must include a projected balance sheet and income and expense statement;

(4) The financial statement quality and the degree of verification sufficient to support an accurate financial analysis and risk assessment;

(5) The methods to be used in collateral evaluation, for all types of collateral authorized, including loan-to-value ratio limits. Such methods must be appropriate for the particular type of collateral. The means to secure various types of collateral, and the measures taken for environmental due diligence must also be appropriate for all authorized collateral; and

(6) Other appropriate risk assessment including analysis of the impact of current market conditions on the borrower and associated borrowers.

(g) Risk management processes commensurate with the size, scope and complexity of the federally insured credit union's commercial lending activities and borrowing relationships. These processes must, at a minimum, address the following:

(1) Use of loan covenants, if appropriate, including frequency of borrower and guarantor financial reporting;

(2) Periodic loan review, consistent with loan covenants and sufficient to

conduct portfolio risk management. This review must include a periodic reevaluation of the value and marketability of any collateral;

(3) A credit risk rating system. Credit risk ratings must be assigned to commercial loans at inception and reviewed as frequently as necessary to satisfy the federally insured credit union's risk monitoring and reporting policies, and to ensure adequate reserves as required by generally accepted accounting principles (GAAP); and

(4) A process to identify, report, and monitor loans approved as exceptions to the credit union's loan policy.

§ 723.5 Collateral and security.

(a) A federally insured credit union must require collateral commensurate with the level of risk associated with the size and type of any commercial loan. Collateral must be sufficient to ensure adequate loan balance protection along with appropriate risk sharing with the borrower and principal(s). A federally insured credit union making an unsecured loan must determine and document in the loan file that mitigating factors sufficiently offset the relevant risk.

(b) A federally insured credit union that does not require the full and unconditional personal guarantee from the principal(s) of the borrower who has a controlling interest in the borrower must determine and document in the loan file that mitigating factors sufficiently offset the relevant risk.

(1) *Transitional provision.* A federally insured credit union that, between May 13, 2016 and January 1, 2017, makes a member business loan and does not require the full and unconditional personal guarantee from the principal(s) of the borrower who has a controlling interest in the borrower is not required to seek a waiver from the requirement for personal guarantee, but it must determine and document in the loan file that mitigating factors sufficiently offset the relevant risk.

(2) [Reserved].

§ 723.6 Construction and development loans.

In addition to the foregoing, the following requirements apply to a construction and development loan made by any federally insured credit union.

(a) For the purposes of this section, a construction or development loan means any financing arrangement to enable the borrower to acquire property or rights to property, including land or structures, with the intent to construct or renovate an income producing property, such as residential housing for rental or sale, or a commercial building, such as may be used for commercial, agricultural, industrial, or other similar purposes. It also means a financing arrangement for the construction, major expansion or renovation of the property types referenced in this section. The collateral valuation for securing a construction or development loan depends on the satisfactory completion of the proposed construction or renovation where the loan proceeds are disbursed in increments as the work is completed. A loan to finance maintenance, repairs, or improvements to an existing income producing property that does not change its use or materially impact the property is not a construction or development loan.

(b) A federally insured credit union that elects to make a construction or development loan must ensure that its commercial loan policy includes adequate provisions by which the collateral value associated with the project is properly determined and established. For a construction or development loan, collateral value is the lesser of the project's cost to complete or its prospective market value.

(1) For the purposes of this section, cost to complete means the sum of all qualifying costs necessary to complete a construction project and documented in an approved construction budget. Qualifying costs generally include on- or off-site improvements, building construction, other reasonable and customary costs paid to construct or improve a project, including general contractor's fees, and other expenses normally included in a construction contract such as bonding and contractor insurance. Qualifying costs include the value of the land, determined as the lesser of appraised market value or purchase price plus the cost of any improvements. Qualifying costs also include interest, a contingency account to fund unanticipated overruns, and other development costs such as fees and related pre-development expenses. Interest expense is a qualifying cost only to the extent it is included in the construction budget and is calculated based on the projected changes in the loan balance up to the expected ''as-complete'' date for owner-occupied non-income producing commercial real estate or the ''as-stabilized'' date for income producing real estate. Project costs for related parties, such as developer fees, leasing expenses, brokerage commissions, and management fees, are included in qualifying costs only if reasonable in comparison to the cost of similar services from a third party. Qualifying costs exclude interest or preferred returns payable to equity partners or subordinated debt holders, the developer's general corporate overhead, and selling costs to be funded out of sales proceeds such as brokerage commissions and other closing costs.

(2) For the purposes of this section, prospective market value means the market value opinion determined by an independent appraiser in compliance with the relevant standards set forth in the Uniform Standards of Professional Appraisal Practice. Prospective value opinions are intended to reflect the current expectations and perceptions of market participants, based on available data. Two prospective value opinions may be required to reflect the time frame during which development, construction, and occupancy occur. The prospective market value ''as-completed'' reflects the property's market value as of the time that development is to be completed. The prospective market value ''as-stabilized'' reflects the property's market value as of the time the property is projected to achieve stabilized occupancy. For an income producing property, stabilized occupancy is the occupancy level that a property is expected to achieve after the property is exposed to the market for lease over a reasonable period of time and at comparable terms and conditions to other similar properties.

(c) A federally insured credit union that elects to make a construction and development loan must also assure its commercial loan policy meets the following conditions:

(1) Qualified personnel representing the interests of the federally insured credit union must conduct a review and approval of any line item construction budget prior to closing the loan;

(2) A credit union approved requisition and loan disbursement process is established;

(3) Release or disbursement of loan funds occurs only after on-site inspections, documented in a written report by qualified personnel representing the interests of the federally insured credit union, certifying that the work requisitioned for payment has been satisfactorily completed, and the remaining funds available to be disbursed from the construction and development loan is sufficient to complete the project; and

(4) Each loan disbursement is subject to confirmation that no intervening liens have been filed.

§ 723.7 Prohibited activities.

(a) *Ineligible borrowers.* A federally insured credit union may not grant a commercial loan to the following:

(1) Any senior management employee directly or indirectly involved in the credit union's commercial loan underwriting, servicing, and collection process, and any of their immediate family members;

(2) Any person meeting the definition of an associated borrower with respect to persons identified in paragraph (a)(1) of this section; or

(3) Any compensated director, unless the federally insured credit union's board of directors approves granting the loan and the compensated director was recused from the board's decision making process.

(b) *Equity agreements/joint ventures.* A federally insured credit union may not grant a commercial loan if any additional income received by the federally insured credit union or its senior management employees is tied to the profit or sale of any business or commercial endeavor that benefits from the proceeds of the loan.

(c) *Conflicts of interest.* Any third party used by a federally insured credit union to meet the requirements of this part must be independent from the commercial loan transaction and may not have a participation interest in a loan or an interest in any collateral securing a loan that the third party is responsible for reviewing, or an expectation of receiving compensation of any sort that is contingent on the closing of the loan, with the following exceptions:

(1) A third party may provide a service to the federally insured credit union that is related to the transaction, such as loan servicing.

(2) The third party may provide the requisite experience to a federally insured credit union and purchase a loan or a participation interest in a loan originated by the federally insured credit union that the third party reviewed.

(3) A federally insured credit union may use the services of a credit union service organization that otherwise meets the requirements of § 723.3(b)(3) of this part even if the credit union service organization is not independent from the transaction, provided the federally insured credit union has a controlling financial interest in the credit union service organization as determined under GAAP.

§ 723.8 Aggregate member business loan limit; exclusions and exceptions.

This section incorporates the statutory limits on the aggregate amount of member business loans that may be held by a federally insured credit union and establishes the method for calculating a federally insured credit union's net member business loan balance for purposes of the statutory limits and NCUA form 5300 reporting.

(a) *Statutory limits.* The aggregate limit on a federally insured credit union's net member business loan balances is the lesser of 1.75 times the actual net worth of the credit union, or 1.75 times the minimum net worth required under section 1790d(c)(1)(A) of the Federal Credit Union Act.

(b) *Definition.* For the purposes of this section, member business loan means any commercial loan as defined in 723.2 of this part, except that the following commercial loans are not member business loans and are not counted toward the aggregate limit on a federally insured credit union's member business loans:

(1) Any loan in which a federal or state agency (or its political subdivision) fully insures repayment, fully guarantees repayment, or provides an advance commitment to purchase the loan in full; and

(2) Any non-member commercial loan or non-member participation interest in a commercial loan made by another lender, provided the federally insured credit union acquired the non-member loans and participation interests in compliance with all relevant laws and regulations and it is not, in conjunction with one or more other credit unions, trading member business loans to circumvent the aggregate limit.

(c) *Exceptions.* Any loan secured by a lien on a 1- to 4-family residential property that is not a member's primary residence, and any loan secured by a vehicle manufactured for household use that will be used for a commercial, corporate, or other business investment property or venture, or agricultural purpose, is not a commercial loan but it is a member business loan (if the outstanding aggregate net member business loan balance is $50,000 or greater) and must be counted toward the aggregate limit on a federally insured credit union's member business loans.

(d) *Statutory exemptions.* A federally insured credit union that has a low-income designation, or participates in the Community Development Financial Institutions program, or was chartered for the purpose of making member business loans, or which as of the date of enactment of the Credit Union Membership Access Act of 1998 had a history of primarily making commercial loans, is exempt from compliance with the aggregate member business loan limits in this section.

(e) *Method of calculation for net member business loan balance.* For the purposes of NCUA form 5300 reporting, a federally insured credit union's net member business loan balance is determined by calculating the outstanding loan balance plus any unfunded commitments, reduced by any portion of the loan that is secured by shares in the credit union, or by shares or deposits in other financial institutions, or by a lien on a member's primary residence, or insured or guaranteed by any agency of the federal government, a state or any political subdivision of such state, or subject to an advance commitment to purchase by any agency of the Federal Government, a state or any political subdivision of such state, or sold as a participation interest without recourse and qualifying for true sales accounting under generally accepted accounting principles.

§ 723.9 Transitional provisions.

This section governs circumstances in which, as of January 1, 2017, a federally insured credit union is operating in accordance with an approved waiver from NCUA or is subject to any enforcement constraint relative to its commercial lending activities.

(a) *Waivers.* As of January 1, 2017, any waiver approved by NCUA concerning a federally insured credit union's commercial lending activity is rendered moot except for waivers granted for borrowing relationship limits. Borrowing relationships granted a waiver will be grandfathered however the debt associated with those relationships may not be increased.

(b) *Enforcement constraints.* Limitations or other conditions imposed on a federally insured credit union in any written directive from NCUA, including but not limited to items specified in any Document of Resolution, any published or unpublished Letter of Understanding and Agreement, Regional Director Letter, Preliminary Warning Letter, or formal enforcement action, are unaffected by the adoption of this part. Included within this paragraph are any constraints or conditions embedded within any waiver issued by NCUA. As of January 1, 2017, all such limitations or other conditions remain in place until such time as they are modified by NCUA.

§ 723.10 State regulation of business lending.

(a) *State rules.* Federally insured state chartered credit unions in a given state are exempted from compliance with this part if the state supervisory authority administers a state commercial and member business loan rule for use by federally insured credit unions chartered in that state, provided the

state rule at least covers all the provisions in this part and is no less restrictive, upon determination by NCUA.

(b) *Grandfathering of NCUA-approved state rules.* A state supervisory authority that administers a state commercial and member business loan rule previously approved by NCUA may continue to administer that rule in its current NCUA-approved format. Any modification of that rule must be consistent with this rule, but modification of one part of an existing NCUA-approved state rule will not cause other parts of that rule to lose their grandfathered status.

PART 741—REQUIREMENTS FOR INSURANCE

■ 6. The authority citation for part 741 continues to read as follows:

Authority: 12 U.S.C. 1757, 1766(a), 1781–1790, and 1790d; 31 U.S.C. 3717.

Subpart B—Regulations Codified Elsewhere in NCUA's Regulations as Applying to Federal Credit Unions That Also Apply to Federally Insured State-Chartered Credit Unions

■ 7. Amend § 741.203 by revising paragraph (a) to read as follows:

§ 741.203 Minimum loan policy requirements.

* * * * *

(a) Adhere to the requirements stated in part 723 of this chapter concerning commercial lending and member business loans, § 701.21(c)(8) of this chapter concerning prohibited fees, and § 701.21(d)(5) of this chapter concerning non-preferential loans. Federally insured state chartered credit unions in a given state are exempt from these requirements if the state supervisory authority for that state adopts substantially equivalent regulations as determined by the NCUA Board or, in the case of the commercial lending and member business loan requirements, if the state supervisory authority administers a state commercial and member business loan rule for use by federally insured credit unions chartered in that state that at least covers all the provisions in part 723 of this chapter and is no less restrictive, upon determination by NCUA. In nonexempt states, all required NCUA reviews and approvals will be handled in coordination with the state credit union supervisory authority; and

* * * * *

[FR Doc. 2016–03955 Filed 3–11–16; 8:45 am]

BILLING CODE 7535–01–P

FEDERAL REGISTER

Vol. 81 Monday,
No. 49 March 14, 2016

Part IV

Department of the Treasury

Office of Foreign Assets Control
Changes to Sanctions Lists Administered by the Office of Foreign Assets Control on Implementation Day Under the Joint Comprehensive Plan of Action; Notice

DEPARTMENT OF THE TREASURY

Office of Foreign Assets Control

Changes to Sanctions Lists Administered by the Office of Foreign Assets Control on Implementation Day Under the Joint Comprehensive Plan of Action

AGENCY: Office of Foreign Assets Control, Treasury Department.

ACTION: Notice.

SUMMARY: The Department of the Treasury's Office of Foreign Assets Control (OFAC) is publishing the names of 59 individuals, 385 entities, 76 aircraft, and 227 vessels that were removed from the List of Specially Designated Nationals and Blocked Persons (SDN List), the Foreign Sanctions Evaders (FSE) List, and/or the Non-SDN Iran Sanctions Act (NS–ISA) List on January 16, 2016—Implementation Day of the Joint Comprehensive Plan of Action of July 14, 2015 (JCPOA). In addition, OFAC is publishing amended SDN List entries for 14 persons previously blocked pursuant to one more of the following authorities: Executive Order (E.O.) 13224 of September 29, 2001, ''Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten To Commit, Or Support Terrorism,'' E.O. 13382 of June 28, 2005, ''Blocking Property of Weapons of Mass Destruction Proliferators and Their Supporters,'' E.O. 13438 of July 17, 2007, ''Blocking Property of Certain Persons Who Threaten Stabilization Efforts in Iraq,'' and/or the Foreign Narcotics Kingpin Designation Act (Pub L. 106–120, 21 U.S.C. 1901–1908). Finally, OFAC is publishing the names of individuals, entities, and vessels it added to a list of persons previously identified as meeting the definition of the term Government of Iran or the term Iranian financial institution and whose property and interests in property are blocked solely pursuant to E.O. 13599 and Section 560.211 of the Iranian Transactions and Sanctions Regulations, 31 CFR part 560.

DATES: OFAC's actions described in this notice were effective January 16, 2016.

FOR FURTHER INFORMATION CONTACT:

Associate Director for Global Targeting, tel.: 202/622–2420, Assistant Director for Sanctions Compliance & Evaluation, tel.: 202/622–2490, Assistant Director for Licensing, tel.: 202/622–2480, Office of Foreign Assets Control, or Chief Counsel (Foreign Assets Control), tel.: 202/622–2410, Office of the General Counsel, Department of the Treasury (not toll free numbers).

SUPPLEMENTARY INFORMATION:

Electronic and Facsimile Availability

The SDN List, the FSE List, the NS–ISA List, the E.O. 13599 List, and additional information concerning the JCPOA and OFAC sanctions programs are available from OFAC's Web site (*www.treas.gov/ofac*). Certain general information pertaining to OFAC's sanctions programs is also available via facsimile through a 24-hour fax-on-demand service, tel.: 202/622–0077.

Notice of OFAC Actions

I. Changes to the SDN List and NS–ISA List

A. Removals of Designations Pursuant to E.O. 13382, Section 5 of E.O. 13622, and/or Section 2 of E.O. 13645

On January 16, 2016, OFAC determined that the following 43 individuals and 203 entities, as well as the 76 aircraft and 153 vessels identified as blocked property of one or more of the foregoing, are no longer blocked pursuant to one or more of the following authorities: E.O. 13382, Section 5 of E.O. 13622 of July 12, 2012, ''Authorizing Additional Sanctions With Respect to Iran,'' and/or Section 2 of E.O. 13645 of June 3, 2013, ''Authorizing the Implementation of Certain Sanctions Set Forth in the Iran Freedom and Counter-Proliferation Act of 2012 and Additional Sanctions With Respect To Iran.'' The names and associated information of the aforementioned persons have been removed from the SDN List.[1]

Individuals

1. AFZALI, Ali, c/o Bank Mellat, Tehran, Iran; DOB 01 Jul 1967; nationality Iran; Additional Sanctions Information—Subject to Secondary Sanctions (individual) [NPWMD] [IFSR].

2. AGHA–JANI, Dawood (a.k.a. AGHAJANI, Davood; a.k.a. AGHAJANI, Davoud; a.k.a. AGHAJANI, Davud; a.k.a. AGHAJANI, Kalkhoran Davood; a.k.a. AQAJANI KHAMENA, Da'ud); DOB 23 Apr 1957; POB Ardebil, Iran; nationality Iran; Additional Sanctions Information—Subject to Secondary Sanctions; Passport I5824769 (Iran) (individual) [NPWMD] [IFSR].

3. AL AQILI, Mohamed Saeed (a.k.a. AL MARZOOQI, Mohamed Saeed Mohamed Al Aqili); DOB 23 Jul 1955; POB Dubai, United Arab Emirates; Additional Sanctions Information—Subject to Secondary Sanctions; Executive Order 13645 Determination—Material Support; Passport A2599829 (United Arab Emirates); National ID No. 784–1955–8497107–1; Vice Chairman and Chief Executive Officer, Al Aqili Group LLC (individual) [E.O. 13645] (Linked To: NATIONAL IRANIAN OIL COMPANY; Linked To: ISLAMIC REVOLUTIONARY GUARD CORPS; Linked To: SEYYEDI, Seyed Nasser Mohammad; Linked To: KASB INTERNATIONAL LLC).

4. AMERI, Teymour (a.k.a. AMERI, Teymur; a.k.a. BARAKI, Teimur Ameri; a.k.a. BARAKY, Teymur Ameri; a.k.a. BARKI, Teymur Ameri); DOB 12 Jul 1958 (individual) [E.O. 13622].

5. BATENI, Naser, Hamburg, Germany; DOB 16 Dec 1962; nationality Iran; Additional Sanctions Information—Subject to Secondary Sanctions (individual) [NPWMD] [IFSR].

6. BEHZAD, Morteza Ahmadali (a.k.a. BEHDAD, Morteza; a.k.a. BEHZAD, Morteza); DOB 07 Jun 1959; Additional Sanctions Information—Subject to Secondary Sanctions (individual) [NPWMD] [IFSR].

7. DAJMAR, Mohhammad Hossein (a.k.a. DAJMAR, Mohammad Hossein); DOB 19 Feb 1956; nationality Iran; Additional Sanctions Information—Subject to Secondary Sanctions; Passport K13644698 (Iran) expires 16 May 2013 (individual) [NPWMD] [IFSR].

8. DERAKHSHANDEH, AHMAD, c/o BANK SEPAH, No. 33 Hormozan Building, Pirozan St., Sharak Ghods, Tehran, Iran; DOB 11 Aug 1956; alt. POB Iran; Additional Sanctions Information—Subject to Secondary Sanctions (individual) [NPWMD] [IFSR].

9. DIVANDARI, Ali, c/o Bank Mellat, Tehran, Iran; DOB 01 Jul 1967; POB Ghoochan, Khorasan, Iran; nationality Iran; Additional Sanctions Information—Subject to Secondary Sanctions (individual) [NPWMD] [IFSR].

10. ESLAMI, Mansour; DOB 31 Jan 1965; nationality Iran; Additional Sanctions Information—Subject to Secondary Sanctions (individual) [NPWMD] [IFSR].

11. EZATI, Ali (a.k.a. EZZATI, Ali); DOB 05 Jun 1963; Additional Sanctions Information—Subject to Secondary Sanctions; Passport Z19579335 (Iran) (individual) [NPWMD] [IFSR].

[1] A number of the individuals and entities whose designations pursuant to E.O. 13382, Section 5 of E.O. 13622, and/or Section 2 of E.O. 13645 were removed on January 16, 2016 are persons whom OFAC has previously identified as meeting the definition of the term ''Government of Iran'' or the term ''Iranian financial institution'' as set forth in, respectively, Sections 560.304 and 560.324 of the Iranian Transactions and Sanctions Regulations (ITSR). To assist U.S. persons in meeting their compliance obligations under the ITSR, OFAC made available on its Web site on January 16, 2016, a ''List of Persons Identified as Blocked Solely Pursuant to E.O. 13599'' (E.O. 13599 List) and added relevant persons, including certain persons listed in this Section I.A, to that list. *See* Section III below. For persons not previously identified as meeting the definition of the term ''Government of Iran'' or the term ''Iranian financial institution'', the determination to remove these individuals and entities from the SDN List does not represent a determination that they do not meet the definition of the term ''Government of Iran'' or the term ''Iranian financial institution'' as set forth in, respectively, Sections 560.304 and 560.324 of the ITSR. Persons on the E.O. 13599 List and any other person meeting the definitions of the term ''Government of Iran'' or the term ''Iranian financial institution'' remain persons whose property and interests in property are blocked if they are or come within the United States or if they are or come within the possession or control of a U.S. person, wherever located.

12. GHEZEL AYAGH, Alireza (a.k.a. GHEZELAYAGH, Alireza); DOB 08 Mar 1979; POB Kerman, Iran; nationality Iran; Additional Sanctions Information—Subject to Secondary Sanctions; Passport E12596608 (Iran) (individual) [NPWMD] [IFSR].

13. GOLPARVAR, Gholamhossein (a.k.a. GOLPARVAR, Gholam Hossein); DOB 23 Jan 1957; nationality Iran; Additional Sanctions Information—Subject to Secondary Sanctions; Passport U14643027 (Iran) expires 11 Nov 2013 (individual) [NPWMD] [IFSR].

14. KADDOURI, Abdelhak; DOB 30 Apr 1977; POB Leuzigen, Bern, Switzerland; nationality Switzerland; citizen Switzerland; Additional Sanctions Information—Subject to Secondary Sanctions; Executive Order 13645 Determination—Material Support (individual) [E.O. 13645].

15. KHALILI, Jamshid, Third Floor, Number 143, Dr. Lavasani Avenue, Farmanieh Avenue, Tehran, Iran; DOB 23 Sep 1957; nationality Iran; Additional Sanctions Information—Subject to Secondary Sanctions; Passport R1451357 (Iran) (individual) [NPWMD] [IFSR].

16. LEILABADI, Ali Hajinia (a.k.a. LAILABADI, ALI HADJINIA), c/o MESBAH ENERGY COMPANY, Iran; DOB 19 Feb 1950; POB Tabriz, Iran; nationality Iran; citizen Iran; Additional Sanctions Information—Subject to Secondary Sanctions; Passport E4710151 (Iran) issued 15 Oct 2000 expires 15 Oct 2005 (individual) [NPWMD] [IFSR].

17. MAHDAVI, Ali; DOB 21 Apr 1967; citizen Iran; Additional Sanctions Information—Subject to Secondary Sanctions (individual) [NPWMD] [IFSR].

18. MOGHADDAMI FARD, Mohammad, United Arab Emirates; DOB 19 Jul 1956; nationality Iran; Additional Sanctions Information—Subject to Secondary Sanctions; Passport N10623175 (Iran) issued 27 Mar 2007 expires 26 Mar 2012 (individual) [NPWMD] [IFSR].

19. NABIPOUR, Ghasem (a.k.a. POUR, Ghasem Nabi), 143 Shahid Lavasani Avenue, Farmanieh, Tehran, Iran; Suite B 12/F, Two Chinachem Plaza, 135 Des Voeux Road, Central, Hong Kong; DOB 16 Jan 1956; nationality Iran; Additional Sanctions Information—Subject to Secondary Sanctions; Passport L11758148 (individual) [NPWMD] [IFSR].

20. NASIRBEIK, Anahita; DOB 10 Jan 1983; nationality Iran; Additional Sanctions Information—Subject to Secondary Sanctions; Passport A5190428 (Iran) (individual) [E.O. 13622].

21. NIZAMI, Anwar Kamal; DOB 19 Apr 1980; citizen Pakistan; Additional Sanctions Information—Subject to Secondary Sanctions; Executive Order 13645 Determination—Material Support; Passport AE9855872 (Pakistan); Accounts Manager, First Furat Trading LLC (individual) [E.O. 13645] (Linked To: KASB INTERNATIONAL LLC).

22. PAJAND, Mohammad Hadi, 73 Blair Court, Boundary Road, London NW8 6NT, United Kingdom; DOB 28 May 1950; nationality Iran; Additional Sanctions Information—Subject to Secondary Sanctions (individual) [NPWMD] [IFSR].

23. PARVARESH, Farhad Ali; DOB Dec 1957; nationality Iran; Additional Sanctions Information—Subject to Secondary Sanctions (individual) [NPWMD] [IFSR].

24. POLAT, Muzaffer; DOB 20 Jul 1975; POB Van, Turkey; nationality Turkey; Additional Sanctions Information—Subject to Secondary Sanctions; Executive Order 13645 Determination—Material Support; Passport U08215942 (Turkey); alt. Passport U05400998 (Turkey); Residency Number 784197524398415 (United Arab Emirates); alt. Residency Number 062368408 (United Arab Emirates); alt. Residency Number 122808985 (United Arab Emirates) (individual) [E.O. 13645] (Linked To: PETRO ROYAL FZE).

25. QANNADI, Mohammad (a.k.a. GHANNADI MARAGHEH, Mohammad; a.k.a. GHANNADI, Mohammad; a.k.a. QANNADI MARAGHEH, Mohammad), c/o ATOMIC ENERGY ORGANIZATION OF IRAN, Iran; DOB 13 Oct 1952; POB Maragheh, Iran; nationality Iran; citizen Iran; Additional Sanctions Information—Subject to Secondary Sanctions; Passport 20694 (Iran); alt. Passport A0003044 (Iran) (individual) [NPWMD] [IFSR].

26. QULANDARY, Azizullah Asadullah (a.k.a. QALANDARI, Azizabdullah); DOB 06 May 1978; POB Ghazni, Afghanistan; citizen Afghanistan; Passport OR306200 (Afghanistan); National ID No. 83669179 (United Arab Emirates) (individual) [E.O. 13622].

27. RAHIQI, Javad; DOB 24 Apr 1953; POB Marshad, Iran; Additional Sanctions Information—Subject to Secondary Sanctions (individual) [NPWMD] [IFSR].

28. RASOOL, Seyed Alaeddin Sadat; DOB 23 Jul 1965; Additional Sanctions Information—Subject to Secondary Sanctions (individual) [NPWMD] [IFSR].

29. REZVANIANZADEH, Mohammed Reza; DOB 11 Dec 1969; Additional Sanctions Information—Subject to Secondary Sanctions; Identification Number 118–984105–3 (individual) [NPWMD] [IFSR].

30. SABET, Javad Karimi, c/o Novin Energy Company, Tehran, Iran; DOB 25 Jul 1973; Additional Sanctions Information—Subject to Secondary Sanctions (individual) [NPWMD] [IFSR].

31. SAFDARI, Seyed Jaber (a.k.a. SAFDARI, Dr. S.J.; a.k.a. SAFDARI, Sayyed Jaber; a.k.a. SAFDARI, Seyyid Jaber); DOB 1968; alt. DOB 1969; POB Navahand, Hamadan Province, Iran; Additional Sanctions Information—Subject to Secondary Sanctions (individual) [NPWMD] [IFSR].

32. SARKANDI, Ahmad (a.k.a. SARKANDI, Ahmed; a.k.a. SARKANDI, Akhmed), No 143 Shahid Lavasani Avenue, Farmanieh, Tehran, Iran; Suite B 12/F, Two Chinachem Plaza, 135 Des Voeux Road, Central, Hong Kong; 2 Abbey Road, Barking Essex 1G11 7AX, London, United Kingdom; 15 Rodney Court, Maida Vale, W9 1TQ, London, United Kingdom; DOB 30 Sep 1953; nationality Iran; Additional Sanctions Information—Subject to Secondary Sanctions (individual) [NPWMD] [IFSR].

33. SEIFI, Asadollah (a.k.a. SAYFI, Esdaleh; a.k.a. SEIFY, Asadollah); DOB 04 Apr 1965 (individual) [E.O. 13622].

34. SEYYEDI, Seyedeh Hanieh Seyed Nasser Mohammad; DOB 20 Aug 1985; POB Orumiyeh, Iran; nationality Iran; Additional Sanctions Information—Subject to Secondary Sanctions; Executive Order 13645 Determination—Material Support; Passport K95579809 (Iran); alt. Passport X13556955 (Iran) (individual) [E.O. 13645].

35. TAFAZOLI, Ahmad (a.k.a. TAFAZOLY, Ahmad; a.k.a. TAFAZZOLI, Ahmad); DOB 27 May 1956; POB Bojnord, Iran; nationality Iran; Additional Sanctions Information—Subject to Secondary Sanctions; Passport R10748186 (Iran) issued 22 Jan 2007 expires 22 Jan 2012 (individual) [NPWMD] [IFSR].

36. TALAI, Mohamad, Hamburg, Germany; DOB 04 Jun 1953; nationality Iran; Additional Sanctions Information—Subject to Secondary Sanctions (individual) [NPWMD] [IFSR].

37. WIPPERMANN, Ulrich; DOB 02 May 1956; Additional Sanctions Information—Subject to Secondary Sanctions (individual) [NPWMD] [IFSR].

38. YASINI, Seyed Kamal (a.k.a. YASINI, Sayyed Kamal; a.k.a. YASINI, Seyyed Kamal); DOB 23 Sep 1956; nationality Iran; Additional Sanctions Information—Subject to Secondary Sanctions; Passport H95629553 (Iran); National ID No. 1229838619 (individual) [E.O. 13622].

39. YAZDI, Bahareh Mirza Hossein (a.k.a. YAZDI, Betty); DOB 26 Jun 1978; citizen United Kingdom; Additional Sanctions Information—Subject to Secondary Sanctions (individual) [NPWMD] [IFSR].

40. ZADEH, Hassan Jalil (a.k.a. JALILZADEH, Hassan); DOB 26 Jan 1959; nationality Iran; Additional Sanctions Information—Subject to Secondary Sanctions; Passport A1508382 (Iran) expires 24 Feb 2010 (individual) [NPWMD] [IFSR].

41. ZANJANI, Babak Morteza; DOB 12 Mar 1974; alt. DOB 12 Mar 1971; citizen Iran; Additional Sanctions Information—Subject to Secondary Sanctions; Passport L18597666 (Iran); alt. Passport L95279398 (Iran) (individual) [NPWMD] [IFSR].

42. ZEIDI, Hossein (a.k.a. ZEIDI, Hosein; a.k.a. ZEIDI, Hossein Mansour); DOB 11 Sep 1965; citizen Saint Kitts and Nevis; citizen Saint Vincent and the Grenadines; Former Citizenship Country Iran; Passport RE0003553 (Saint Kitts and Nevis); National ID No. 444169 (United Arab Emirates) (individual) [E.O. 13622].

43. SOKOLENKO, Vitaly (a.k.a. SOKOLENKO, Vitalii; a.k.a. SOKOLENKO, Vitaliy); DOB 16 Jun 1968; Executive Order 13645 Determination—Material Support; Passport EH354160; alt. Passport P0329907; General Manager of Ferland Company Limited (individual) [FSE–IR] [E.O. 13645] (Linked To: FERLAND COMPANY LIMITED).[2]

Entities

1. ABAN AIR (a.k.a. ABAN AIR CO JPS), No.14, Imam Khomeini Airport, Airport Cargo Terminal, Tehran, Iran; No.1267, Vali Asr Avenue, Tehran 1517736511, Iran; Unit 7, Marlin Park, Central Way, Feltham TW14 OXD, United Kingdom; No.53 Molla Sadra

[2] On Implementation Day, OFAC took administrative actions under E.O.s 13608 and 13645, allowing for the removal of this individual from the SDN List and the FSE List. *See also* Section II.

St. Vanak Square, Tehran 19916 14661, Iran; No 7 & 8, Main Dnata Building, Dubai Airport Free Zone, Dubai, United Arab Emirates; Web site *www.abanair.com;* Email Address *info@abanair.com;* Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].

2. ADVANCE NOVEL LIMITED, 15th Floor, Tower One Lippo Center, 89 Queensway, Hong Kong; c/o Soroush Sarzamin Asatir (SSA) Ship Management Co, Shabnam Alley Golriz St, Vafa Alley Fajr St, Shahid Motahari Avenue, 1589675951, Tehran, Iran; Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document # 1342245 (Hong Kong) issued 01 Jun 2009 [NPWMD] [IFSR].

3. AL AQILI GROUP LLC (a.k.a. AL AQILI GROUP OF COMPANIES), Oud Metha Tower, 10th Floor, P.O. Box 1496, Dubai, United Arab Emirates; Web site *www.aqili.com;* Email Address *info@aqili.com;* Additional Sanctions Information—Subject to Secondary Sanctions [E.O. 13645].

4. AL FIDA INTERNATIONAL GENERAL TRADING, Emirates Concord Hotel, Office Tower 16th Floor Flat 1065, P.O. Box: 28774, Dubai, United Arab Emirates; Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].

5. AL HILAL EXCHANGE, P.O. Box 28774, Shop #9 & 10 Ground Floor, Emirates Concorde Hotel, Al Maktoum Road, Deira Dubai, United Arab Emirates; Emirates Concorde Hotel & Residence, Almaktoum Street, P.O. Box 28774, Dubai, United Arab Emirates; Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].

6. ALPHA EFFORT LIMITED, 15th Floor, Tower One Lippo Center, 89 Queensway, Hong Kong; c/o Soroush Sarzamin Asatir (SSA) Ship Management Co, Shabnam Alley Golriz St, Vafa Alley Fajr St, Shahid Motahari Avenue, 1589675951, Tehran, Iran; Web site *www.ssa-smc.net;* Email Address *info@ssa-smc.net;* Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #1338849 (Hong Kong) issued 18 May 2009; Telephone: 982126100191; Fax: 982126100192 [NPWMD] [IFSR].

7. ANTARES SHIPPING COMPANY NV (f.k.a. IRISL BENELUX NV), Noorderlaan 139, B–2030, Antwerp, Belgium; Additional Sanctions Information—Subject to Secondary Sanctions; V.A.T. Number BE480224531 (Belgium) [NPWMD] [IFSR].

8. ARIAN BANK (a.k.a. ARYAN BANK), House 2, Street Number 13, Wazir Akbar Khan, Kabul, Afghanistan; Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].

9. ASHTEAD SHIPPING COMPANY LIMITED, Manning House, 21 Bucks Road, Douglas IM1 3DA, Man, Isle of; c/o Islamic Republic of Iran Shipping Lines (IRISL), No. 37, Aseman Tower, Sayyade Shirazee Square, Pasdaran Avenue, P.O. Box 19395–1311, Tehran, Iran; Web site *www.irisl.net;* Email Address *smd@irisl.net;* Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #108116C (Man, Isle of); Telephone: 982120100488; Fax: 982120100486 [NPWMD] [IFSR].

10. ASIA BANK (a.k.a. CHEMEXIMBANK; a.k.a. COMMERCIAL BANK 'CHEMEXIMBANK' LTD), Offices 7–15, 67–69, 4 ul Ilinka, Moscow 109012, Russia; 267–270 offices, 4, Ilinka Street, Moscow 109012, Russia; SWIFT/BIC CHEB RU MM; Web site *www.chemexim.ru;* alt. Web site *www.asia-bank.ru;* BIK (RU) 044585333; All offices worldwide [E.O.13622].

11. ASIA MARINE NETWORK PTE. LTD. (a.k.a. ASIAN PERFECT MARINE PTE. LTD.; a.k.a. IRISL ASIA PTE. LTD.), 200 Middle Road, #14–01 Prime Centre 188980, Singapore; Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].

12. ASSA CO. LTD., 6 Britania Place, Bath Street, St. Helier JE2 4SU, Jersey; Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].

13. ASSA CORP. (a.k.a. ASSA), New York, NY, United States; Additional Sanctions Information—Subject to Secondary Sanctions; Tax ID No. 1368932 (United States) [NPWMD] [IFSR].

14. ATLANTIC INTERMODAL, United Arab Emirates; Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].

15. ATOMIC ENERGY ORGANIZATION OF IRAN (a.k.a. SAZEMAN–E ENERGY ATOMI), P.O. Box 14144–1339, End of North Karegar Avenue, Tehran, Iran; Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].

16. AZORES SHIPPING COMPANY LL FZE, P.O. Box 5232, Fujairah, United Arab Emirates; Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #2112 (United Arab Emirates); Telephone: 97192282978; Fax: 97192282979 [NPWMD] [IFSR].

17. BANCO INTERNACIONAL DE DESARROLLO, C.A., Urb. El Rosal, Avenida Francisco de Miranda, Edificio Dozsa, Piso 8, Caracas C.P. 1060, Venezuela; SWIFT/BIC IDUNVECA; Additional Sanctions Information—Subject to Secondary Sanctions; RIF #J294640109 (Venezuela); Banco Internacional de Desarrollo, C.A. is a separate and distinct entity from Banco Interamericano de Desarrollo, known in English as the Inter-American Development Bank (IADB), and from Banco Desarrollo Economico y Social De Venezuela (BANDES), an entity owned by the Government of Venezuela [NPWMD] [IFSR].

18. BANK KARGOSHAEE (a.k.a. KARGOSA'I BANK), 587 Mohammadiye Square, Mowlavi St., Tehran 11986, Iran; Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].

19. BANK MELLAT, Head Office Bldg, 327 Taleghani Ave, Tehran 15817, Iran; 327 Forsat and Taleghani Avenue, Tehran 15817, Iran; P.O. Box 375010, Amiryan Str #6, P/N–24, Yerevan, Armenia; Keumkang Tower—13th & 14th Floor, 889–13 Daechi-Dong, Gangnam-Ku, Seoul 135–280, Korea, South; P.O. Box 79106425, Ziya Gokalp Bulvari No 12, Kizilay, Ankara, Ankara, Turkey; Cumhuriyet Bulvari No 88/A, PK 7103521, Konak, Izmir, Turkey; Buyukdere Cad, Cicek Sokak No 1—1 Levent, Levent, Istanbul, Turkey; Additional Sanctions Information—Subject to Secondary Sanctions; all offices worldwide [IRAN] [NPWMD] [IFSR].

20. BANK MELLI IRAN (a.k.a. BANK MELLI; a.k.a. NATIONAL BANK OF IRAN), P.O. Box 11365–171, Ferdowsi Avenue, Tehran, Iran; 43 Avenue Montaigne, Paris 75008, France; Room 704–6, Wheelock Hse, 20 Pedder St., Central, Hong Kong; Bank Melli Iran Bldg, 111 St 24, 929 Arasat, Baghdad, Iraq; P.O. Box 2643, Ruwi, Muscat 112, Oman; P.O. Box 2656, Liva Street, Abu Dhabi, United Arab Emirates; P.O. Box 248, Hamad Bin Abdulla St, Fujairah, United Arab Emirates; P.O. Box 1888, Clock Tower, Industrial Rd, Al Ain Club Bldg, Al Ain, Abu Dhabi, United Arab Emirates; P.O. Box 1894, Baniyas St, Deira, Dubai City, United Arab Emirates; P.O. Box 5270, Oman Street Al Nakheel, Ras Al- Khaimah, United Arab Emirates; P.O. Box 459, Al Borj St, Sharjah, United Arab Emirates; P.O. Box 3093, Ahmed Seddiqui Bldg, Khalid Bin El-Walid St, Bur-Dubai, Dubai City 3093, United Arab Emirates; P.O. Box 1894, Al Wasl Rd, Jumeirah, Dubai, United Arab Emirates; Postfach 112 129, Holzbruecke 2, D–20459, Hamburg, Germany; Nobel Ave. 14, Baku, Azerbaijan; Unit 1703–4, 17th Floor, Hong Kong Club Building, 3 A Chater Road Central, Hong Kong; Esteghlal St., Opposite to Otbeh Ibn Ghazvan Hall, Basrah, Iraq; Additional Sanctions Information—Subject to Secondary Sanctions; all offices worldwide [IRAN] [NPWMD] [IFSR].

21. BANK MELLI IRAN INVESTMENT COMPANY (a.k.a. BMIIC), Rafiee Alley, Nader Alley, 2 After Serahi Shahid Beheshti, Vali E Asr Avenue, Tehran, Iran; No. 2, Nader Alley, Vali-Asr Str., P.O. Box 3898–15875, Tehran, Iran; Bldg 2, Nader Alley after Beheshi Forked Road, P.O. Box 15875–3898, Tehran 15116, Iran; Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #89584 (Iran) [NPWMD] [IFSR].

22. BANK MELLI PRINTING AND PUBLISHING CO. (a.k.a. BANK MELLI PRINTING CO.), Km 16 Karaj Special Road, Tehran, Iran; 18th Km Karaj Special Road, P.O. Box 37515–183, Tehran, Iran; Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #382231 (Iran) [NPWMD] [IFSR].

23. BANK OF INDUSTRY AND MINE (OF IRAN) (a.k.a. BANK SANAD VA MADAN; a.k.a. ''BIM''), P.O. Box 15875–4456, Firouzeh Tower, No 1655 Vali-Asr Ave after Chamran Crossroads, Tehran 1965643511, Iran; No 1655, Firouzeh Building, Mahmoudiye Street, Valiasr Ave, Tehran, Iran; Additional Sanctions Information—Subject to Secondary Sanctions; all offices worldwide [IRAN] [NPWMD] [IFSR].

24. BANK REFAH KARGARAN (a.k.a. BANK REFAH; a.k.a. WORKERS' WELFARE BANK (OF IRAN)), No. 40 North Shiraz Street, Mollasadra Ave, Vanak Sq, Tehran 19917, Iran; Additional Sanctions Information—Subject to Secondary Sanctions; all offices worldwide [IRAN] [NPWMD] [IFSR].

25. BANK SEPAH INTERNATIONAL PLC, 5–7 Eastcheap, London EC3M 1JT, United

Kingdom; Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].

26. BANK SEPAH, Imam Khomeini Square, Tehran 1136953412, Iran; 64 Rue de Miromesnil, Paris 75008, France; Hafenstrasse 54, D–60327, Frankfurt am Main, Germany; Via Barberini 50, Rome, RM 00187, Italy; 17 Place Vendome, Paris 75008, France; Additional Sanctions Information—Subject to Secondary Sanctions; all offices worldwide [IRAN] [NPWMD] [IFSR].

27. BANK TEJARAT, P.O. Box 11365–5416, 152 Taleghani Avenue, Tehran 15994, Iran; 130, Zandi Alley, Taleghani Avenue, No 152, Ostad Nejat Ollahi Cross, Tehran 14567, Iran; 124–126 Rue de Provence, Angle 76 bd Haussman, Paris 75008, France; P.O. Box 734001, Rudaki Ave 88, Dushanbe 734001, Tajikistan; Office C208, Beijing Lufthansa Center No 50, Liangmaqiao Rd, Chaoyang District, Beijing 100016, China; c/o Europaisch-Iranische Handelsbank AG, Depenau 2, D–20095, Hamburg, Germany; P.O. Box 119871, 4th Floor, c/o Persia International Bank PLC, The Gate Bldg, Dubai City, United Arab Emirates; c/o Persia International Bank, 6 Lothbury, London EC2R 7HH, United Kingdom; SWIFT/BIC BTEJ IR TH; Additional Sanctions Information—Subject to Secondary Sanctions; all offices worldwide [IRAN] [NPWMD] [IFSR].

28. BANK TORGOVOY KAPITAL ZAO (a.k.a. TC BANK; a.k.a. TK BANK; a.k.a. TK BANK ZAO; a.k.a. TORGOVY KAPITAL (TK BANK); a.k.a. TRADE CAPITAL BANK; a.k.a. TRADE CAPITAL BANK (TC BANK); a.k.a. ZAO BANK TORGOVY KAPITAL), 3 Kozlova Street, Minsk 220005, Belarus; SWIFT/BIC BBTK BY 2X; Additional Sanctions Information—Subject to Secondary Sanctions; Registration ID 30 (Belarus); all offices worldwide [IRAN] [NPWMD] [IFSR].

29. BELFAST GENERAL TRADING LLC, Room 1602 Twin Tower Building, Baniyas Rd, Dubai, United Arab Emirates [E.O.13622].

30. BEST PRECISE LIMITED, 15th Floor, Tower One Lippo Center, 89 Queensway, Hong Kong; c/o Soroush Sarzamin Asatir (SSA) Ship Management Co, Shabnam Alley Golriz St, Vafa Valley Fajr St, Shahid Motahari Avenue, 1589675951, Tehran, Iran; Web site *www.ssa-smc.net;* Email Address *info@ssa-smc.net;* Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #1342234 (Hong Kong) issued 01 Jun 2009; Telephone: 982126100191; Fax: 982126100192 [NPWMD] [IFSR].

31. BIIS MARITIME LIMITED, 147/1 St. Lucia Street, Valletta, VLT 1185, Malta; c/o Irano Hind Shipping Company, P.O. Box 15875, Mehrshad Street, Sadaghat Street, Opposite of Park Mellat, Vali-e-Asr Ave., Tehran, Iran; Web site *www.iranohind.com;* Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #C31530 (Malta) [NPWMD] [IFSR].

32. BMIIC INTERNATIONAL GENERAL TRADING LTD (a.k.a. BMIIC TRADING UAE; a.k.a. BMIIGT; a.k.a. ''BMIICGT''), P.O. Box 11567, Dubai, United Arab Emirates; Deira, P.O. Box 181878, Dubai, United Arab Emirates; Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].

33. BUSHEHR SHIPPING COMPANY LIMITED, 143/1 Tower Road, Sliema, Slm 1604, Malta; Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #C 37422 (Malta) issued 30 Nov 2005 [NPWMD] [IFSR].

34. BYFLEET SHIPPING COMPANY LIMITED, Manning House, 21 Bucks Road, Douglas IM1 3DA, Man, Isle of; c/o Islamic Republic of Iran Shipping Lines (IRISL), No. 37, Aseman Tower, Sayyade Shirazee Square, Pasdaran Avenue, P.O. Box 19395–1311, Tehran, Iran; Web site *www.irisl.net;* Email Address *smd@irisl.net;* Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #118117C (Man, Isle of); Telephone: 982120100488; Fax: 982120100486 [NPWMD] [IFSR].

35. CEMENT INVESTMENT AND DEVELOPMENT COMPANY (a.k.a. CIDCO; a.k.a. CIDCO CEMENT HOLDING), No. 241, Mirdamad Street, Tehran, Iran; Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].

36. CISCO SHIPPING COMPANY CO. LTD. (a.k.a. IRISL KOREA CO., LTD.; a.k.a. SEOUL INTERNATIONAL SHIPPING COMPANY; a.k.a. SISCO), 18th Floor, Sebang Building, 708–8, Yeoksam-dong, Kangnam-Gu, Seoul, Korea, South; 4th Floor, Sebang Building 68–46, Jwacheon-Dong, Dong-Gu, Busan, Korea, South; Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].

37. COBHAM SHIPPING COMPANY LIMITED, Manning House, 21 Bucks Road, Douglas IM1 3DA, Man, Isle of; c/o Islamic Republic of Iran Shipping Lines (IRISL), No. 37, Aseman Tower, Sayyade Shirazee Square, Pasdaran Avenue, P.O. Box 19395–1311, Tehran, Iran; Web site *www.irisl.net;* Email Address *smd@irisl.net;* Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document # 108118C (Man, Isle of); Telephone: 982120100488; Fax: 982120100486 [NPWMD] [IFSR].

38. CONCEPT GIANT LIMITED, 15th Tower One Lippo Center, 89 Queensway, Hong Kong; c/o Soroush Sarzamin Asatir (SSA) Ship Management Co, Shabnam Alley Golriz St, Vafa Alley Fajr St, Shahid Motahari Avenue, 1589675951, Tehran, Iran; Web site *www.ssa-smc.net;* Email Address *info@ssa-smc.net;* Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #1342237 (Hong Kong) issued 01 Jun 2009; Telephone: 982126100191; Fax: 982126100192 [NPWMD] [IFSR].

39. CRYSTAL SHIPPING FZE, Dubai, United Arab Emirates; Email Address *md@pacificship.net;* Additional Sanctions Information—Subject to Secondary Sanctions; Fax: 97143591921 [NPWMD] [IFSR].

40. DARYA CAPITAL ADMINISTRATION GMBH, Schottweg 5, Hamburg 22087, Germany; Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #HRB94311 (Germany) issued 21 Jul 2005 [NPWMD] [IFSR].

41. DFS WORLDWIDE (a.k.a. DFS WORLDWIDE FZCO), No.53 Mollasadra Avenue, P.O. Box 1991614661, Tehran, Iran; Unit 7, Marlin Park, Central Way, Feltham, Middlesex TW14 0XD, United Kingdom; Warehouse No. J–01, Dubai Airport Free Zone, Dubai, United Arab Emirates; P.O. Box 293020 Dubai Airport Free Zone, Dubai, United Arab Emirates; Cargo City South, Building 543, Frankfurt 60549, Germany; S.A. Pty Ltd Unit 8, the Meezricht Business Park, 33 Kelly Road, Jet Park, Boksburg North 1460, South Africa; Web site *www.dfsworldwide.com;* Email Address *irsales@dfsworldwide.com;* Additional Sanctions Information—Subject to Secondary Sanctions; DFS WORLWIDE, (a.k.a. DFS WORLDWIDE FZCO) is a separate and distinct entity from DFS Worldwide of Houston, Texas, USA and from Deutsche Financial Services, of Germany. [NPWMD] [IFSR].

42. DORKING SHIPPING COMPANY LIMITED, Manning House, 21 Bucks Road, Douglas IM1 3DA, Man, Isle of; c/o Islamic Republic of Iran Shipping Lines (IRISL), No. 37, Aseman Tower, Sayyade Shirazee Square, Pasdaran Avenue, P.O. Box 19395–1311, Tehran, Iran; Web site *www.irisl.net;* Email Address *smd@irisl.net;* Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #108119C (Man, Isle of); Telephone: 982120100488; Fax: 982120100486 [NPWMD] [IFSR].

43. EDBI EXCHANGE COMPANY, Tehran, Iran; Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].

44. EDBI STOCK BROKERAGE COMPANY, Tehran, Iran; Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].

45. EFFINGHAM SHIPPING COMPANY LIMITED, Manning House, 21 Bucks Road, Douglas IM1 3DA, Man, Isle of; c/o Islamic Republic of Iran Shipping Lines (IRISL), No. 37, Aseman Tower, Sayyade Shirazee Square, Pasdaran Avenue, P.O. Box 19395–1311, Tehran, Iran; Web site *www.irisl.net;* Email Address *smd@irisl.net;* Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #108120C (Man, Isle of); Telephone: 982120100488; Fax: 982120100486 [NPWMD] [IFSR].

46. EIGHTH OCEAN ADMINISTRATION GMBH, Schottweg 5, Hamburg 22087, Germany; Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #HRB94633 (Germany) issued 24 Aug 2005 [NPWMD] [IFSR].

47. EIGHTH OCEAN GMBH & CO. KG, Schottweg 5, Hamburg 22087, Germany; c/o Islamic Republic of Iran Shipping Lines (IRISL), No. 37, Aseman Tower, Sayyade Shirazee Square, Pasdaran Ave., P.O. Box 19395–1311, Tehran, Iran; Web site *www.irisl.net;* Email Address *smd@irisl.net;* Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #HRA102533 (Germany) issued 01 Sep 2005; Telephone: 00982120100488; Fax: 00982120100486 [NPWMD] [IFSR].

48. ELEVENTH OCEAN ADMINISTRATION GMBH, Schottweg 5, Hamburg 22087, Germany; Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #HRB94632 (Germany) issued 24 Aug 2005 [NPWMD] [IFSR].

49. ELEVENTH OCEAN GMBH & CO. KG, Schottweg 5, Hamburg 22087, Germany; c/o Islamic Republic of Iran Shipping Lines (IRISL), No. 37, Aseman Tower, Sayyade Shirazee Square, Pasdaran Ave., P.O. Box 19395–1311, Tehran, Iran; Web site *www.irisl.net;* Email Address *smd@irisl.net;* Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #HRA102544 (Germany) issued 09 Sep 2005; Telephone: 004940302930; Telephone: 00982120100488; Fax: 00982120100486 [NPWMD] [IFSR].

50. ESFAHAN NUCLEAR FUEL RESEARCH AND PRODUCTION CENTER (a.k.a. ENTC; a.k.a. ESFAHAN NUCLEAR TECHNOLOGY CENTER; a.k.a. NFRPC; a.k.a. ''ESFAHAN NUCLEAR FUEL AND PROCUREMENT COMPANY''; a.k.a. ''NERPC''), P.O. Box 81465–1589, Esfahan, Iran; Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].

51. EUROPAISCH–IRANISCHE HANDELSBANK AG (f.k.a. DEUTSCH–IRANISCHE HANDELSBANK AG; a.k.a. EUROPAEISCH–IRANISCHE HANDELSBANK; a.k.a. EUROPAESCH–IRANISCHE HANDELSBANK AKTIENGESELLSCHAFT; a.k.a. GERMAN–IRANIAN TRADE BANK), Hamburg Head Office, Depenau 2, D–20095 Hamburg, P.O. Box 101304, D–20008 Hamburg, Hamburg, Germany; Kish Branch, Sanaee Avenue, P.O. Box 79415/148, Kish Island 79415, Iran; Tehran Branch, No. 1655/1, Valiasr Avenue, P.O. Box 19656 43 511, Tehran, Iran; Additional Sanctions Information—Subject to Secondary Sanctions; all offices worldwide [IRAN] [NPWMD] [IFSR].

52. EVEREX (a.k.a. EVEREX GLOBAL CARRIER AND CARGO; a.k.a. EVEREX LIMITED; a.k.a. SUN GROUP; a.k.a. SUN GROUP AIR TRAVEL AND AIR CARGO AND AIRPORT SERVICES LTD), Office 14, Cargo Terminal, Imam Khomeini International Airport, Tehran, Iran; 1267 Vali-E-Asr Avenue, Tehran, Iran; No.53 Mollasadra St, Vanak Square, Tehran, Iran; Office#J01, Dubai Airport Free Zone, Dubai, United Arab Emirates; P.O. Box 293020, Dubai, United Arab Emirates; Unit 7, Marlin Park, Central Way, Feltham TW14 OXD, United Kingdom; Web site *www.everexglobal.com;* Email Address *irsales@everexglobal.com;* alt. Email Address *uksales@everexglobal.com;* Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].

53. EXPORT DEVELOPMENT BANK OF IRAN (a.k.a. BANK TOSEH SADERAT IRAN; a.k.a. BANK TOWSEEH SADERAT IRAN; a.k.a. BANK TOWSEH SADERAT IRAN; a.k.a. EDBI), Tose'e Tower, Corner of 15th St., Ahmed Qasir Ave., Argentine Square, Tehran, Iran; No. 129, 21's Khaled Eslamboli, No. 1 Building, Tehran, Iran; Export Development Building, Next to the 15th Alley, Bokharest Street, Argentina Square, Tehran, Iran; No. 26, Tosee Tower, Arzhantine Square, P.O. Box 15875–5964, Tehran 15139, Iran; No. 4, Gandi Ave., Tehran 1516747913, Iran; Additional Sanctions Information—Subject to Secondary Sanctions; Registration ID 86936 (Iran) issued 10 Jul 1991; all offices worldwide [IRAN] [NPWMD] [IFSR].

54. FAIRWAY SHIPPING LTD, 83 Victoria Street, London SW1H 0HW, United Kingdom; Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #6531277 (United Kingdom); Telephone: 02072229255 [NPWMD] [IFSR].

55. FARNHAM SHIPPING COMPANY LIMITED, Manning House, 21 Bucks Road, Douglas IM1 3DA, Man, Isle of; c/o Islamic Republic of Iran Shipping Lines (IRISL), No. 37, Aseman Tower, Sayyade Shirazee Square, Pasdaran Avenue, P.O. Box 19395–1311, Tehran, Iran; Web site *www.irisl.net;* Email Address *smd@irisl.net;* Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #108146C (Man, Isle of); Telephone: 982120100488; Fax: 982120100486 [NPWMD] [IFSR].

56. FAYLACA PETROLEUM (a.k.a. FAYLACA PETROLEUM SUPPLIERS EST.), Office No. 209, Tower A, Al Majarah, P.O. Box 44636, Sharjah, Dubai, United Arab Emirates; Web site *www.faylacapetroleum.com;* Email Address *info@faylacapetroleum.com;* Additional Sanctions Information—Subject to Secondary Sanctions; Executive Order 13645 Determination—Material Support; License 113988 [EO13645].

57. FERLAND COMPANY LIMITED (a.k.a. FERLAND CO. LTD), 29 A Anna Komnini St., P.O. Box 2303, Nicosia, Cyprus; 5/7 Sabaneyev Most., Odessa, Ukraine; Executive Order 13645 Determination—Material Support [ISA] [FSE–IR] [EO13645] (Linked To: NATIONAL IRANIAN TANKER COMPANY).[3]

58. FIFTEENTH OCEAN GMBH & CO. KG, Schottweg 5, Hamburg 22087, Germany; c/o Islamic Republic of Iran Shipping Lines (IRISL), No. 37, Aseman Tower, Sayyade Shirazee Square, Pasdaran Ave., P.O. Box 19395–1311, Tehran, Iran; Web site *www.irisl.net;* Email Address *smd@irisl.net;* Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #HRA104175 (Germany) issued 12 Jul 2006; Telephone: 00982120100488; Fax: 00982120100486 [NPWMD] [IFSR].

59. FIFTH OCEAN ADMINISTRATION GMBH, Schottweg 5, Hamburg 22087, Germany; Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #HRB94315 (Germany) issued 21 Jul 2005 [NPWMD] [IFSR].

60. FIFTH OCEAN GMBH & CO. KG, Schottweg 5, Hamburg 22087, Germany; c/o Hafiz Darya Shipping Co, No 60, Ehteshamiyeh Square, 7th Neyestan Street, Pasdaran Avenue, Tehran, Iran; Web site *www.hdslines.com;* Email Address *info@hdslines.com;* Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #HRA102599 (Germany) issued 19 Sep 2005; Telephone: 00982126100733; Fax: 00982120100734 [NPWMD] [IFSR].

61. FIRST EAST EXPORT BANK, P.L.C., Unit Level 10 (B1) Main Office Tower, Financial Park Labuan, Jalan Merdeka 87000 WP, Labuan, Malaysia; Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #LL06889 (Malaysia) [NPWMD] [IFSR].

62. FIRST ISLAMIC INVESTMENT BANK LTD. (a.k.a. FIIB), Unit 13(C) Main Office Tower, Financial Park Labuan Complex, Jalan Merdeka Federal Territory of Labuan, Labuan 87000, Malaysia; 19A–31–3A, Level 31, Business Suite, Wisma UOA, No. 19 Jalan Pinang, Kuala Lumpur, 50450, Malaysia; SWIFT/BIC FIIB MY KA; alt. SWIFT/BIC FIIB MY KA KUL; Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].

63. FIRST OCEAN ADMINISTRATION GMBH, Schottweg 5, Hamburg 22087, Germany; Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #HRB94311 (Germany) issued 21 Jul 2005 [NPWMD] [IFSR].

64. FIRST OCEAN GMBH & CO. KG, Schottweg 5, Hamburg 22087, Germany; c/o Islamic Republic of Iran Shipping Lines (IRISL), No. 37, Aseman Tower, Sayyade Shirazee Square, Pasdaran Ave., P.O. Box 19395–1311, Tehran, Iran; Web site *www.irisl.net;* Email Address *smd@irisl.net;* Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #HRA102601 (Germany) issued 19 Sep 2005; Telephone: 00982120100488; Fax: 00982120100486 [NPWMD] [IFSR].

65. FIRST PERSIA EQUITY FUND (a.k.a. FIRST PERSIAN EQUITY FUND; a.k.a. FPEF), Rafi Alley, Vali Asr Avenue, Nader Alley, P.O. Box 15875–3898, Tehran 15116, Iran; Cayman Islands; Additional Sanctions Information—Subject to Secondary Sanctions; Commercial Registry Number 188924 (Cayman Islands) [NPWMD] [IFSR].

66. FOURTEENTH OCEAN GMBH & CO. KG, Schottweg 5, Hamburg 22087, Germany; c/o Islamic Republic of Iran Shipping Lines (IRISL), No. 37, Aseman Tower, Sayyade Shirazee Square, Pasdaran Ave., P.O. Box 19395–1311, Tehran, Iran; Web site *www.irisl.net;* Email Address *smd@irisl.net;* Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #HRA104174 (Germany) issued 12 Jul 2006; Telephone: 00982120100488; Fax: 00982120100486 [NPWMD] [IFSR].

67. FOURTH OCEAN ADMINISTRATION GMBH, Schottweg 5, Hamburg 22087, Germany; Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #HRB94314 (Germany) issued 21 Jul 2005 [NPWMD] [IFSR].

68. FOURTH OCEAN GMBH & CO. KG, Schottweg 5, Hamburg 22087, Germany; c/o

[3] On Implementation Day, the Secretary of State and OFAC took administrative actions under, respectively, ISA and E.O.s 13608 and 13645, allowing for the removal of this entity from the SDN List and FSE List. *See also* Sections I.B and II.

Islamic Republic of Iran Shipping Lines (IRISL), No. 37, Aseman Tower, Sayyade Shirazee Square, Pasdaran Ave., P.O. Box 19395–1311, Tehran, Iran; Web site *www.irisl.net;* Email Address *smd@irisl.net;* Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #HRA102600 (Germany) issued 19 Sep 2005; Telephone: 00494070383392; Telephone: 00982120100488; Fax: 00982120100486 [NPWMD] [IFSR].

69. FUTURE BANK B.S.C. (a.k.a. BANK-E AL–MOSTAGHBAL; a.k.a. FUTURE BANK), P.O. Box 785, City Centre Building, Government Avenue, Manama, Bahrain; Block 304, City Centre Building, Building 199, Government Avenue, Road 383, Manama, Bahrain; Free Trade Zone, Sanaati-e Kish, Vilay-e Ferdos 2, Corner of Klinik-e Khanevadeh, No 1/5 and 3/5, Kish, Iran; Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #54514–1 (Bahrain) expires 09 Jun 2009; Trade License No. 13388 (Bahrain); All branches worldwide [IRAN] [NPWMD] [IFSR].

70. GALLIOT MARITIME INC, c/o Hafiz Darya Shipping Co, No. 60, Ehteshamiyeh Square, 7th Neyestan Street, Pasdaran Avenue, Tehran, Iran; Web site *www.hdslines.com;* Email Address *info@hdslines.com;* Additional Sanctions Information—Subject to Secondary Sanctions; RUC #1873702–1–717632 (Panama); Telephone: 982126100733; Fax: 982120100734 [NPWMD] [IFSR].

71. GOMSHALL SHIPPING COMPANY LIMITED, Manning House, 21 Bucks Road, Douglas IM1 3DA, Man, Isle of; c/o Soroush Sarzamin Asatir (SSA) Ship Management Co, Shabnam Alley, Golriz St, Vafa Alley, Fajr St, Shahid Motahari Avenue, 1589675951, Tehran, Iran; Web site *www.ssa-smc.net;* Email Address *info@ssa-smc.net;* Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #111998C (Man, Isle of); Telephone: 982126100191; Fax: 982126100192 [NPWMD] [IFSR].

72. GOOD LUCK SHIPPING L.L.C., Office 206/207 Malik Saeed, Ahmad Ghabbash, Bur Dubai, Dubai, United Arab Emirates; P.O. Box 8486, Dubai, United Arab Emirates; P.O. Box 5562, Dubai, United Arab Emirates; Additional Sanctions Information—Subject to Secondary Sanctions; Commercial Registry Number 655319 (United Arab Emirates) [NPWMD] [IFSR].

73. GREAT METHOD LIMITED, 15th Floor, Tower One Lippo Center, 89 Queensway, Hong Kong; c/o Soroush Sarzamin Asatir (SSA) Ship Management Co, Shabnam Alley Golriz St, Vafa Valley Fajr St, Shahid Motahari Avenue, 1589675951, Tehran, Iran; Web site *www.ssa-smc.net;* Email Address *info@ssa-smc.net;* Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #1328889 (Hong Kong) issued 30 Mar 2009; Telephone: 982126100191; Fax: 982126100192 [NPWMD] [IFSR].

74. HAFIZ DARYA SHIPPING CO (a.k.a. HAFIZ DARYA SHIPPING LINES COMPANY; a.k.a. HDS LINES), No 60, Ehteshamiyeh Square, 7th Neyestan Street, Pasdaran Avenue, Tehran, Iran; BIC Container Code HDXU; Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #5478431 issued Mar 2009 [NPWMD] [IFSR].

75. HORSHAM SHIPPING COMPANY LIMITED, Manning House, 21 Bucks Road, Douglas IM1 3DA, Man, Isle of; c/o Soroush Sarzamin Asatir (SSA) Ship Management Co, Shabnam Alley, Golriz St, Vafa Alley, Fajr St, Shahid Motahari Avenue, 1589675951, Tehran, Iran; Web site *www.ssa-smc.net;* Email Address *info@ssa-smc.net;* Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #111999C (Man, Isle of); Telephone: 982126100191; Fax: 982126100192 [NPWMD] [IFSR].

76. HTTS HANSEATIC TRADE TRUST AND SHIPPING, GMBH, Schottweg 7, Hamburg 22087, Germany; Schottweg 5, Hamburg 22087, Germany; Web site *www.httsgmbh.com;* Web site *www.irisl-europe.de;* Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #HRB109492 (Germany); Telephone: 004940278740; Telephone: 004940600383200; Telephone: 0049406003830; Telephone: 00494027874112; Fax: 00494027874200 [NPWMD] [IFSR].

77. IDEAL SUCCESS INVESTMENTS LIMITED, RM B, 12th Floor Chinachem Plaza, 135 Des Voeux Road C, Central District, Hong Kong Island, Hong Kong; Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #1209837 (Hong Kong) issued 05 Feb 2008; Telephone: 85228682398; Fax: 85225372603 [NPWMD] [IFSR].

78. INDUS MARITIME INC, c/o Hafiz Darya Shipping Co, No. 60, Ehteshamiyeh Square, 7th Neyestan Street, Pasdaran Avenue, Tehran, Iran; Web site *www.hdslines.com;* Email Address *info@hdslines.com;* Additional Sanctions Information—Subject to Secondary Sanctions; RUC #1873701–1–717631 (Panama); Telephone: 982126100733; Fax: 982120100734 [NPWMD] [IFSR].

79. INTERNATIONAL SAFE OIL (a.k.a. ''ACCOUNT INTERNATIONAL SAFE OIL''), Tazunit Level 13, Main Office Tower Financial Park, Labuan, Jalan Merdeka Federal Territory of Labuan 87000, Malaysia; Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].

80. IRAN AIR (a.k.a. AIRLINE OF THE ISLAMIC REPUBLIC OF IRAN (HOMA); a.k.a. HAVAPEYMA MELI IRAN HOMA; a.k.a. HOMA; a.k.a. IRAN AIR CARGO; a.k.a. IRAN AIR P J S C; a.k.a. IRANAIR; a.k.a. IRANAIR CARGO; a.k.a. NATIONAL IRANIAN AIRLINES (HOMA); f.k.a. SHERKAT SAHAMI AAM HAVOPAYMAIE JOMHOURI ISLAMI IRAN), P.O. Box 13185–775, Mehrabad Airport, Tehran, Iran; Flour2, Cargo Building, Terminal3, Mehrabad Airport, Tehran, Iran; Bimeh Alborz side—2km of karaj special road, Iran; Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #8132 (Iran) issued 24 Feb 1961 [NPWMD] [IFSR].

81. IRAN O HIND SHIPPING COMPANY (a.k.a. IHSC; a.k.a. IRANO HIND SHIPPING COMPANY; a.k.a. IRANOHIND SHIPPING COMPANY, P.J.S.; a.k.a. KESHTIRANI IRAN VE HEND SAHAMI KHASS), 265, Next to Mehrshad, Sedaghat St., Opposite of Mellat Park, Vali Asr Ave., Tehran 1A001, Iran; 18 Mehrshad Street, Sadaghat Street, Opposite of Park Mellat, Vali-e-Asr Ave., Tehran, Iran; Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].

82. IRAN O MISR SHIPPING COMPANY (a.k.a. IRAN & EGYPT SHIPPING LINES; a.k.a. IRAN AND EGYPT SHIPPING LINES; a.k.a. IRANMISR SHIPPING CO.), El Nahda Building, Elnahda St., 4th Floor, Port Said, Egypt; No. 41, 3rd Floor, Corner of 6th Alley, Sanaei St., Karim Khan Zand Ave., Tehran, Iran; 6 El Horreya Avenue, Alexandria, Egypt; Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].

83. IRANAIR TOURS (a.k.a. IRAN AIR TOURS; a.k.a. IRAN AIRTOUR AIRLINE), 191 Motah-hari Ave., Dr. Mofatteh Crossroads, Tehran 15879, Iran; 191—Motahari Ave., Tehran 15897, Iran; 187 Mofatteh Cross—Motahari Ave., Tehran 1587997811, Iran; 110 Ahmadabad Ave., Between Mohtashami and Edalat Street, Mashhad 9176663479, Iran; Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].

84. IRANIAN–VENEZUELAN BI-NATIONAL BANK (a.k.a. ''IVBB''), Tosee Building Ground Floor, Bokharest Street 44–46, Tehran, Iran; SWIFT/BIC IVBBIRT1; Additional Sanctions Information—Subject to Secondary Sanctions; all offices worldwide [NPWMD] [IFSR].

85. IRINVESTSHIP LTD., Global House, 61 Petty France, London SW1H 9EU, United Kingdom; Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #4110179 (United Kingdom) [NPWMD] [IFSR].

86. IRISL (MALTA) LIMITED, Flat 1, 181, Tower Road, Sliema SLM 1604, Malta; Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #C33735 (Malta); Tax ID No. MT 17037313 (Malta) [NPWMD] [IFSR].

87. IRISL (UK) LTD., 2 Abbey Rd., Barking, Essex IG11 7 AX, United Kingdom; Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #4765305 (United Kingdom) [NPWMD] [IFSR].

88. IRISL CHINA SHIPPING CO., LTD. (a.k.a. YI HANG SHIPPING COMPANY, LTD.), F23A–D, Times Plaza No. 1, Taizi Road, Shekou, Shenzhen 518067, China; Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].

89. IRISL EUROPE GMBH, Schottweg 5, 22087, Hamburg, Germany; Additional Sanctions Information—Subject to Secondary Sanctions; V.A.T. Number DE217283818 (Germany) [NPWMD] [IFSR].

90. IRISL MARINE SERVICES & ENGINEERING COMPANY (a.k.a. IMSENGCO; a.k.a. IRISL MARINE SERVICES AND ENGINEERING COMPANY; a.k.a. SHERKATE KHADAMTE DARYA AND

MOHAMDESI KESHTIRANI), No. 221, Northern Iranshahr St., Karimkhan Ave., Tehran, Iran; Karim Khan Zand Ave., Iran Shahr Shomai, No. 221, Tehran, Iran; Sarbandar, Gas Station, P.O. Box 199, Bandar Imam Khomeini, Iran; Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].

91. IRISL MULTIMODAL TRANSPORT CO. (a.k.a. RAIL IRAN SHIPPING COMPANY), No. 25, Shahid Arabi Line, Sanaei St., Karimkhan Zand St., Tehran, Iran; Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].

92. IRITAL SHIPPING SRL COMPANY, Ponte Francesco Morosini 59, 16126 Genova (GE), Italy; Additional Sanctions Information—Subject to Secondary Sanctions; V.A.T. Number 12869140157 (Italy); Italian Fiscal Code 03329300101 (Italy); Commercial Registry Number GE 426505 (Italy) [NPWMD] [IFSR].

93. ISI MARITIME LIMITED, 147/1, St. Lucia Street, Valletta, Vlt 1185, Malta; Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #C 28940 (Malta) issued 23 Nov 2001 [NPWMD] [IFSR].

94. ISIM AMIN LIMITED, 147/1 St. Lucia Street, Valletta, VLT 1185, Malta; Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #C40069 (Malta) [NPWMD] [IFSR].

95. ISIM ATR LIMITED, 147/1 St. Lucia Street, Valletta VLT 1185, Malta; c/o Irano Hind Shipping Company, P.O. Box 15875, Mehrshad Street, Sadaghat Street, Opposite of Park Mellat, Vali-e-Asr Ave., Tehran, Iran; Web site *www.iranohind.com;* Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #C34477 (Malta) [NPWMD] [IFSR].

96. ISIM OLIVE LIMITED, 147/1 St. Lucia Street, Valletta, VLT 1185, Malta; Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #C34479 (Malta) [NPWMD] [IFSR].

97. ISIM SAT LIMITED, 147/1 St. Lucia Street, Valletta, VLT 1185, Malta; Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #C34476 (Malta) [NPWMD] [IFSR].

98. ISIM SEA CHARIOT LIMITED, 147/1 St. Lucia Street, Valletta, VLT 1185, Malta; Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #C45153 (Malta) [NPWMD] [IFSR].

99. ISIM SEA CRESCENT LIMITED, 147/1 St. Lucia Street, Valletta, VLT 1185, Malta; Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #C45152 (Malta) [NPWMD] [IFSR].

100. ISIM SININ LIMITED, c/o Irano Hind Shipping Company, P.O. Box 15875, Mehrshad Street, Sadaghat Street, Opposite of Park Mellat, Vali-e-Asr Ave., Tehran, Iran; 147/1 St. Lucia Street, Valletta, VLT 1185, Malta; Web site *www.iranohind.com;* Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #C37437 (Malta) [NPWMD] [IFSR].

101. ISIM TAJ MAHAL LIMITED, 147/1 St. Lucia Street, Valletta, VLT 1185, Malta; Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #C41660 (Malta) [NPWMD] [IFSR].

102. ISIM TOUR LIMITED, 147/1 St. Lucia Street, Valletta, VLT 1185, Malta; Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #C34478 (Malta) [NPWMD] [IFSR].

103. ISLAMIC REPUBLIC OF IRAN SHIPPING LINES (a.k.a. IRI SHIPPING LINES; a.k.a. IRISL; a.k.a. IRISL GROUP), No. 37, Aseman Tower, Sayyade Shirazee Square, Pasdaran Ave., P.O. Box 19395–1311, Tehran, Iran; No. 37, Corner of 7th Narenjestan, Sayad Shirazi Square, After Noboyand Square, Pasdaran Ave., Tehran, Iran; IFCA Determination—Involved in the Shipping Sector ; Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].[4]

104. JABBER IBN HAYAN (a.k.a. JABER IBN HAYAN RESEARCH DEPARTMENT; a.k.a. JABR IBN HAYAN MULTIPURPOSE LABORATORIES; a.k.a. ''JABIR BIN AL–HAYYAN LABORATORY''; a.k.a. ''JHL''), c/o AEOI–JIHRD P.O. Box 11365–8486, Tehran, Iran; Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].

105. KAVERI MARITIME INC, c/o Hafiz Darya Shipping Co, No. 60, Ehteshamiyeh Square, 7th Neyestan Street, Pasdaran Avenue, Tehran, Iran; Web site *www.hdslines.com;* Email Address *info@hdslines.com;* Additional Sanctions Information—Subject to Secondary Sanctions; RUC #1873621–1–717620 (Panama); Telephone: 982126100733; Fax: 982120100734 [NPWMD] [IFSR].

106. KAVOSHYAR COMPANY (a.k.a. KAAVOSH YAAR; a.k.a. KAVOSHYAR), Vanaq Square, Corner of Shiraz Across No. 71, Molla Sadra Ave., Tehran, Iran; P.O. Box 19395–1834, Tehran, Iran; No. 86, 20th St., North Karegar Ave., Tehran, Iran; Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].

107. KERMAN SHIPPING CO LTD, 143/1 Tower Road, SLM1604, Sliema, Malta; c/o Hafiz Darya Shipping Co, No 60, Ehteshamiyeh Square, 7th Neyestan Street, Pasdaran, Tehran, Iran; Web site *www.hdslines.com;* Email Address *info@hdslines.com;* Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #C37423 (Malta) issued 2005; Telephone: 0035621317171; Telephone: 00982126100733; Fax: 0035621317172; Fax: 00982120100734 [NPWMD] [IFSR].

108. KHAZAR SEA SHIPPING LINES (a.k.a. DARYA–YE KHAZAR SHIPPING COMPANY; a.k.a. KHAZAR SHIPPING CO), M. Khomeini St., Ghazian, Bandar Anzali, Gilan, Iran; No. 1, End of Shahid Mostafa Khomeini St., Tohid Square, P.O. Box 43145, Bandar Anzali 1711–324, Iran; Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].

109. KONT INVESTMENT BANK (a.k.a. KONT BANK), Kont Bank Head Office, No. 43, St Bukhara,, Dushanbe 734025, Tajikistan; Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].

110. KONT KOSMETIK (a.k.a. KONT GROUP VE KOZMETIK SANAYI DIS TICARET LTD STI KONT KOSMETIK VE DIS TICARET LTD STI KONT COSMETIC), Istanbul World Trade Center (IDTM), Block: A2 Floor: 6 No:234 Postal Code: 34149, Yesilkoy, Istanbul, Turkey; Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].

111. LANCELIN SHIPPING COMPANY LIMITED, Fortuna Court, Block B, 284 Archiepiskopou Makariou C' Avenue, 2nd Floor, 3105, Limassol, Cyprus; c/o Soroush Sarzamin Asatir (SSA) Ship Management Co, Shabnam Alley Golriz St, Vafa Alley, Fajr St, Shahid Motahari Avenue, 1589675951, Tehran, Iran; Web site *www.irisl.net;* Web site *www.ssa-smc.net;* Email Address *info@demetriades.com;* Email Address *info@ssa-smc.net;* Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #C133993 (Cyprus) issued 2002; Telephone: 0035725800000; Telephone: 00982126100191; Fax: 0035725588055; Fax: 0035725587191; Fax: 00982126100192 [NPWMD] [IFSR].

112. LEADING MARITIME PTE. LTD. (a.k.a. LEADMARINE), 200 Middle Road, #14–01 Prime Centre 188980, Singapore; Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #200818433E (Singapore) issued 2008; Telephone: 6563343772; Fax: 6563343126 [NPWMD] [IFSR].

113. LISSOME MARINE SERVICES LLC, Unit 1202, Al Attar Tower, Sheikh Zayed Road, Dubai, United Arab Emirates; Additional Sanctions Information—Subject to Secondary Sanctions; Executive Order 13645 Determination—Material Support; Vessel Registration Identification IMO 5689933 [EO13645] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

114. LOGISTIC SMART LIMITED, 15th Floor, Tower One Lippo Center, 89 Queensway, Hong Kong; c/o Soroush Sarzamin Asatir (SSA) Ship Management Co, Shabnam Alley Golriz St, Vafa Alley Fajr St, Shahid Motahari Avenue, 1589675951, Tehran, Iran; Web site *www.ssa-smc.net;* Email Address *info@ssa-smc.net;* Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #1342241 (Hong Kong) issued 01 Jun 2009; Telephone: 982126100191; Fax: 982126100192 [NPWMD] [IFSR].

115. LOWESWATER LIMITED, Manning House, 21 Bucks Road, Douglas IM1 3DA, Man, Isle of; Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #003648V (Man, Isle of) issued 02 Mar 2009 [NPWMD] [IFSR].

[4] On January 16, 2016, the Secretary of State waived the imposition of sanctions under Section 1244(c)(1) of the Iran Freedom and Counter-Proliferation Act of 2012 (IFCA) with respect to the following entities: the Islamic Republic of Iran Shipping Lines, the National Iranian Oil Company, the National Iranian Tanker Company, and South Shipping Line Iran. *See* 81 FR 4082 (January 16, 2016). On the basis of this waiver, OFAC removed the phrases ''IFCA Determination—Involved in the Shipping Sector'' and ''IFCA Determination—Involved in the Energy Sector'' from relevant sanctions list entries for these parties.

116. MALSHIP SHIPPING AGENCY LTD., 143/1 Tower Road, Sliema, Malta; Additional Sanctions Information—Subject to Secondary Sanctions; Commercial Registry Number C43447 (Malta) [NPWMD] [IFSR].

117. MARANER HOLDINGS LIMITED, 143 Flat 1, Tower Road, Sliema, Malta; Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #C33482 (Malta) [NPWMD] [IFSR].

118. MARBLE SHIPPING LIMITED, 143/1 Tower Road, Sliema, Slm 1604, Malta; Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #C 41949 (Malta) issued 25 Jul 2007 [NPWMD] [IFSR].

119. MAZANDARAN CEMENT COMPANY, Africa Street, Sattari Street No. 40, P.O. Box 121, Tehran 19688, Iran; 40 Satari Ave., Afrigha Highway, P.O. Box 19688, Tehran, Iran; Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].

120. MAZANDARAN TEXTILE COMPANY (a.k.a. SHERKATE NASAJI MAZANDARAN), Kendovan Alley 5, Vila Street, Enghelab Ave., P.O. Box 11365–9513, Tehran 11318, Iran; 28 Candovan Cooy Enghelab Ave., P.O. Box 11318, Tehran, Iran; Sari Ave., Ghaemshahr, Iran; Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].

121. MEHR CAYMAN LTD., Cayman Islands; Additional Sanctions Information—Subject to Secondary Sanctions; Commercial Registry Number 188926 (Cayman Islands) [NPWMD] [IFSR].

122. MELLAT BANK SB CJSC (a.k.a. MELLAT BANK DB AOZT), P.O. Box 24, Yerevan 0010, Armenia; Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].

123. MELLI AGROCHEMICAL COMPANY, P.J.S. (a.k.a. SHERKAT MELLI SHIMI KESHAVARZ), Mola Sadra Street, 215 Khordad, Sadr Alley No. 13, Vanak Sq., P.O. Box 15875–1734, Tehran, Iran; Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].

124. MELLI BANK PLC, 1 London Wall, London EC2Y 5EA, United Kingdom; Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].

125. MELLI INVESTMENT HOLDING INTERNATIONAL (a.k.a. MEHR), 514, Business Avenue Building, Deira, P.O. Box 181878, Dubai, United Arab Emirates; Additional Sanctions Information—Subject to Secondary Sanctions; Registration Certificate Number (Dubai) 0107 issued 30 Nov 2005 [NPWMD] [IFSR].

126. MELODIOUS MARITIME INC, c/o Hafiz Darya Shipping Co., No. 60, Ehteshamiyeh Square, 7th Neyestan Street, Pasdaran Avenue, Tehran, Iran; Web site *www.hdslines.com;* Email Address *info@hdslines.com;* Additional Sanctions Information—Subject to Secondary Sanctions; RUC #1873529–1–717598 (Panama); Telephone: 982126100733; Fax: 982120100734 [NPWMD] [IFSR].

127. MESBAH ENERGY COMPANY (a.k.a. ''MEC''), 77 Armaghan Gharbi Street, Valiasr Blve, Tehran, Iran; Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].

128. MID OIL ASIA PTE LTD, Harbourfront Centre, 1 Maritime Square #09–09 099253, Singapore; Additional Sanctions Information—Subject to Secondary Sanctions; Executive Order 13645 Determination—Material Support [EO13645] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

129. MILL DENE LIMITED, Manning House, 21 Bucks Road, Douglas IM1 3DA, Man, Isle of; Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #003645V (Man, Isle of) issued 02 Mar 2009 [NPWMD] [IFSR].

130. MIR BUSINESS BANK ZAO (f.k.a. BANK MELLI IRAN ZAO), Number 9/1, ul Mashkova, Moscow 105062, Russia; Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].

131. MOALLEM INSURANCE COMPANY, No 56, Haghani Boulevard, Vanak Square, Tehran 1517973511, Iran; Web site *www.mic-ir.com;* Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #110465 (Iran) issued 1994; Telephone: 9821887791835; Telephone: 982184223; Telephone: 9821887950512; Telephone: 982188870682; Fax: 982188771245 [NPWMD] [IFSR].

132. MODALITY LIMITED, 2, Liza, Fl. 5, Triq Il-Prekursur, Madliena, Swieqi, Malta; Additional Sanctions Information—Subject to Secondary Sanctions; Commercial Registry Number C49549 (Malta) [NPWMD] [IFSR].

133. MODERN INDUSTRIES TECHNIQUE COMPANY (a.k.a. RAHKAR COMPANY; a.k.a. RAHKAR INDUSTRIES; a.k.a. RAHKAR SANAYE COMPANY; a.k.a. RAHKAR SANAYE NOVIN; a.k.a. ''MITEC''), North Amirabad St., 21 St., No. 37, Tehran, Iran; Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].

134. MOUNT EVEREST MARITIME INC, c/o Hafiz Darya Shipping Co., No. 60, Ehteshamiyeh Square, 7th Neyestan Street, Pasdaran Avenue, Tehran, Iran; Web site *www.hdslines.com;* Email Address *info@hdslines.com;* Additional Sanctions Information—Subject to Secondary Sanctions; RUC #1873518–1–717595 (Panama); Telephone: 982126100733; Fax: 982120100734 [NPWMD] [IFSR].

135. NAFTIRAN INTERTRADE CO. (NICO) LIMITED (a.k.a. NAFT IRAN INTERTRADE COMPANY LTD; a.k.a. NAFTIRAN INTERTRADE COMPANY (NICO); a.k.a. NAFTIRAN INTERTRADE COMPANY LTD; a.k.a. NICO), 41, 1st Floor, International House, The Parade, St Helier JE2 3QQ, Jersey; Petro Pars Building, Saadat Abad Ave, No 35, Farhang Blvd., Tehran, Iran; Additional Sanctions Information—Subject to Secondary Sanctions; all offices worldwide [IRAN] [NPWMD] [IRGC] [IFSR] (Linked To: NIOC INTERNATIONAL AFFAIRS (LONDON) LIMITED).

136. NARI SHIPPING AND CHARTERING GMBH & CO. KG, Schottweg 5, Hamburg 22087, Germany; Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #HRA102485 (Germany) issued 19 Aug 2005; Telephone: 004940278740 [NPWMD] [IFSR].

137. NATIONAL IRANIAN OIL COMPANY (a.k.a. NIOC), Hafez Crossing, Taleghani Avenue, P.O. Box 1863 and 2501, Tehran, Iran; National Iranian Oil Company Building, Taleghani Avenue, Hafez Street, Tehran, Iran; Web site *www.nioc.ir;* IFCA Determination—Involved in Energy Sector; Additional Sanctions Information—Subject to Secondary Sanctions; all offices worldwide [IRAN] [NPWMD] [IRGC] [IFSR] [5]

138. NEFERTITI SHIPPING COMPANY (a.k.a. NEFERTITI SHIPPING; a.k.a. NEFERTITI SHIPPING AND MARITIME SERVICES), 6, El Horeya Rd., El Attarein, Alexandria, Egypt; Inside Damietta Port, New Damietta City, Damietta, Egypt; 403, El Nahda St., Port Said, Port Said, Egypt [NPWMD] [IFSR] (Linked To: ISLAMIC REPUBLIC OF IRAN SHIPPING LINES).

139. NEUMAN LIMITED, 15th Floor, Tower Lippo Center, 89 Queensway, Hong Kong; c/o Soroush Sarzamin Asatir (SSA) Ship Management Co., Shabnam Alley Golriz St., Vafa Valley Fajr St., Shahid Motahari Avenue, 1589675951, Tehran, Iran; Web site *www.ssa-smc.net;* Email Address *info@ssa-smc.net;* Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #1338887 (Hong Kong) issued 18 May 2009; Telephone: 982126100191; Fax: 982126100192 [NPWMD] [IFSR].

140. NEW DESIRE LIMITED, 15th Floor, Tower One Lippo Center, 89 Queensway, Hong Kong; c/o Soroush Sarzamin Asatir (SSA) Ship Management Co., Shabnam Alley Golriz St., Vafa Alley Fajr St., Shahid Motahari Avenue, 1589675951, Tehran, Iran; Web site *www.ssa-smc.net;* Email Address *info@ssa-smc.net;* Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #1329111 (Hong Kong) issued 30 Mar 2009; Telephone: 982126100191; Fax: 982126100192 [NPWMD] [IFSR].

141. NINTH OCEAN ADMINISTRATION GMBH, Schottweg 5, Hamburg 22087, Germany; Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #HRB94698 (Germany) issued 09 Sep 2005 [NPWMD] [IFSR].

142. NINTH OCEAN GMBH & CO. KG, Schottweg 5, Hamburg 22087, Germany; c/o Islamic Republic of Iran Shipping Lines (IRISL), No. 37, Aseman Tower, Sayyade Shirazee Square, Pasdaran Ave., P.O. Box 19395–1311, Tehran, Iran; Web site *www.irisl.net;* Email Address *smd@irisl.net;* Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #HRA102565 (Germany) issued 15 Sep 2005; Telephone: 00982120100488; Fax: 00982120100486 [NPWMD] [IFSR].

143. NOOR AFZAR GOSTAR COMPANY (a.k.a. NOOR AFZA GOSTAR; a.k.a. ''NAGC''; a.k.a. ''NAGCO''), 4th Floor, Bloc 1, Building 133, Mirdamad Avenue, Tehran, Iran; Opp Seventh Alley, Zarafrshan Street, Eivanak Street, Qods Township, Iran; Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].

144. NOVIN ENERGY COMPANY (a.k.a. ENERGY NOVIN; a.k.a. NOVEEN ENERGY COMPANY), End of North Karegar Avenue,

[5] *See* Note 4 above.

Tehran, Iran; Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].

145. NUCLEAR RESEARCH CENTER FOR AGRICULTURE AND MEDICINE (a.k.a. CENTER FOR AGRICULTURAL RESEARCH AND NUCLEAR MEDICINE; a.k.a. KARAJ NUCLEAR RESEARCH CENTER; a.k.a. NRCAM; a.k.a. ''KARAJI AGRICULTURAL AND MEDICAL RESEARCH CENTER''), P.O. Box 31585–4395, Karaj, Iran; Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].

146. NUCLEAR SCIENCE AND TECHNOLOGY RESEARCH INSTITUTE (a.k.a. NUCLEAR SCIENCE & TECHNOLOGY RESEARCH INSTITUTE; a.k.a. NUCLEAR SCIENCE AND TECHNOLOGY RESEARCH CENTER; a.k.a. RESEARCH INSTITUTE OF NUCLEAR SCIENCE & TECHNOLOGY; a.k.a. ''NSTRI''), P.O. Box 11365–3486, Tehran, Iran, Iran; P.O. Box 143/99–51113, Tehran, Iran; North Karegar Ave, P.O. Box 14399/51113, Tehran, Iran; Moazzen Blvd., Rajaee Shahr, P.O. Box 31485–498, Karaj, Iran; End of Karegare Shomali Street, P.O. Box 11365–3486, Tehran, Iran; Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].

147. OCEAN CAPITAL ADMINISTRATION GMBH, Schottweg 5, Hamburg 22087, Germany; Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #HRB92501 (Germany) issued 04 Jan 2005; Telephone: 004940278740 [NPWMD] [IFSR].

148. PACIFIC SHIPPING DMCEST, 206, Sharaf Building, Al Mina Road, Bur Dubai, Dubai, United Arab Emirates; Email Address *ops@pacificship.net;* Email Address *pacific@pacificship.net;* Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #167694 (United Arab Emirates) issued 2008; Telephone: 97143595580; Alt. Telephone: 97143516363; Fax: 97143527812 [NPWMD] [IFSR].

149. PARS TRASH COMPANY (a.k.a. PARS TARASH; a.k.a. PARS TERASH; a.k.a. PARS TRASH), 33 Fifteenth (15th) Street, Seyed-Jamal-Eddin-Assad Abadi Avenue, Tehran, Iran; Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].

150. PARTNER CENTURY LIMITED, 15th Floor, Tower One Lippo Center, 89 Queensway, Hong Kong, Hong Kong; c/o Soroush Sarzamin Asatir (SSA) Ship Management Co, Shabnam Alley Golriz St, Vafa Valley Fajr St, Shahid Motahari Avenue, 1589675951, Tehran, Iran; Web site *www.ssa-smc.net;* Email Address *info@ssa-smc.net;* Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #1342247 (Hong Kong) issued 01 Jun 2009; Telephone: 982126100191; Fax: 982126100192 [NPWMD] [IFSR].

151. PEARL ENERGY COMPANY LTD., Level 13(E) Main Office Tower, Jalan Merdeka, Financial Park Complex, Labuan 87000, Malaysia; Additional Sanctions Information—Subject to Secondary Sanctions; Telephone: 6087541688; Fax: 6087453688 [NPWMD] [IFSR].

152. PEARL ENERGY SERVICES, SA, 15 Avenue de Montchoisi, Lausanne, 1006 VD, Switzerland; Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #CH–550.1.058.055–9; Telephone: 0216140614 [NPWMD] [IFSR].

153. PERSIA INTERNATIONAL BANK PLC, 6 Lothbury, London EC2R 7HH, United Kingdom; Dubai International Financial Centre, Level 4, The Gate Building, P.O. Box 119871, Dubai, United Arab Emirates; Additional Sanctions Information—Subject to Secondary Sanctions; all offices worldwide [NPWMD] [IFSR].

154. PIONEER ENERGY INDUSTRIES COMPANY (a.k.a. PISHGAM ENERGY INDUSTRIES DEVELOPMENT; a.k.a. ''PEI''), P.O. Box 81465–361, Isfahan, Iran; Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].

155. POST BANK OF IRAN (a.k.a. SHERKAT–E DOLATI–E POST BANK; a.k.a. ''PBI''), 237 Motahari Avenue, Tehran 1587618118, Iran; Motahari Street, No. 237, Past Darya-e Noor, Tehran, Iran; Additional Sanctions Information—Subject to Secondary Sanctions [IRAN] [NPWMD] [IFSR].

156. PRYVATNE AKTSIONERNE TOVARYSTVO AVIAKOMPANIYA BUKOVYNA (a.k.a. AVIAKOMPANIYA BUKOVYNA; a.k.a. AVIAKOMPANIYA BUKOVYNA, PRYVATNE AT; a.k.a. BUKOVYNA AE; a.k.a. BUKOVYNA AIRLINES; a.k.a. BUKOVYNA AVIATION ENTERPRISE), Bud.30 vul.Chkalova Pershotravnevy R–N, Chernivtsi 58009, Ukraine; Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].

157. RISHI MARITIME INC, c/o Hafiz Darya Shipping Co, No. 60, Ehteshamiyeh Square, 7th Neyestan Street, Pasdaran Avenue, Tehran, Iran; Web site *www.hdslines.com;* Email Address *info@hdslines.com;* Additional Sanctions Information—Subject to Secondary Sanctions; RUC #1873623–1–717621 (Panama); Telephone: 982126100733; Fax: 982120100734 [NPWMD] [IFSR].

158. ROYAL–MED SHIPPING AGENCY LTD, Rockap Apartments No. 20, New Street, Luqa, Malta; 143 Flat 1, Tower Road, Sliema, Malta; Email Address *md@royalmed.com.mt;* Email Address *paffairs@royalmed.com.mt;* Email Address *admin@royalmed.com.mt;* Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #C47893 (Malta); Telephone: 0035620105010; Telephone: 0035620106381; Fax: 0035620106381; Fax: 0035621317172 [NPWMD] [IFSR].

159. SACKVILLE HOLDINGS LIMITED, 15th Floor, Tower One Lippo Center, 89 Queensway, Hong Kong; c/o Soroush Sarzamin Asatir (SSA) Ship Management Co, Shabnam Alley Golriz St, Vafa Valley Fajr St, Shahid Motahari Avenue, 1589675951, Tehran, Iran; Web site *www.ssa-smc.net;* Email Address *info@ssa-smc.net;* Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #1328844 (Hong Kong) issued 30 Mar 2009; Telephone: 982126100191; Fax: 982126100192 [NPWMD] [IFSR].

160. SAFIRAN PAYAM DARYA SHIPPING COMPANY (a.k.a. SAPID SHIPPING CO.), No. 3, 8th Narenjestan Street, Artesh Boulevard, Farmaniyah Avenue, Tehran, Iran; No. 33, 8th Narenjestan Street, Artesh Boulevard, Aghdasieh, Tehran, Iran; P.O. Box 1963116, Tehran, Iran; Web site *www.sapidshpg.com;* Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].

161. SANDFORD GROUP LIMITED, 15th Floor, Tower One Lippo Center, 89 Queensway, Hong Kong; c/o Soroush Sarzamin Asatir (SSA) Ship Management Co, Shabnam Alley Golriz St, Vafa Alley Fajr St, Shahid Motahari Avenue, 1589675951, Tehran, Iran; Web site *www.ssa-smc.net;* Email Address *info@ssa-smc.net;* Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #1328859 (Hong Kong) issued 30 Mar 2009; Telephone: 982126100191; Fax: 982126100192 [NPWMD] [IFSR].

162. SANTEX LINES LIMITED (a.k.a. SANTEX SHIPPING COMPANY; a.k.a. SANTEXLINES), Suite 1501, Shanghai Zhongrong Plaza, 1088 Pudong (S) Road, Shanghai 200122, China; F23A–D, Times Plaza No. 1, Taizi Road, Shekou, Shenzhen 518067, China; Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].

163. SECOND OCEAN ADMINISTRATION GMBH, Schottweg 5, Hamburg 22087, Germany; Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document # HRB94312 (Germany) issued 21 Jul 2005 [NPWMD] [IFSR].

164. SECOND OCEAN GMBH & CO. KG, Schottweg 5, Hamburg 22087, Germany; c/o Hafiz Darya Shipping Co., No 60, Ehteshamiyeh Square, 7th Neyestan Street, Pasdaran Avenue, Tehran, Iran; Web site *www.hdslines.com;* Email Address *info@hdslines.com;* Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #HRA102502 (Germany) issued 24 Aug 2005; Telephone: 00982126100733; Fax: 00982120100734 [NPWMD] [IFSR].

165. SEIBOW LIMITED, Room 803, 8/F, Futura Plaza, 111 How Kimg St., Kwun Tong, Kowloon, Hong Kong, China; Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #926320 issued 06 Oct 2004 [NPWMD] [IFSR].

166. SEIBOW LOGISTICS LIMITED, Room 803, 8/F, Futura Plaza, 111 How Kimg St., Kwun Tong, Kowloon, Hong Kong, China; BIC Container Code SBAU; Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #1218675 issued 18 Mar 2008 [NPWMD] [IFSR].

167. SEVENTH OCEAN ADMINISTRATION GMBH, Schottweg 5, Hamburg 22087, Germany; Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #HRB94829 (Germany) issued 19 Sep 2005 [NPWMD] [IFSR].

168. SEVENTH OCEAN GMBH & CO. KG, Schottweg 5, Hamburg 22087, Germany; c/o Islamic Republic of Iran Shipping Lines (IRISL), No. 37, Aseman Tower, Sayyade Shirazee Square, Pasdaran Ave., P.O. Box 19395–1311, Tehran, Iran; Web site

www.irisl.net; Email Address *smd@irisl.net;* Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #HRA102655 (Germany) issued 26 Sep 2005; Telephone: 00982120100488; Fax: 00982120100486 [NPWMD] [IFSR].

169. SHALLON LIMITED, Manning House, 21 Bucks Road, Douglas IM1 3DA, Man, Isle of; Additional Sanctions Information—Subject to Secondary Sanctions; RIF #003646V (Man, Isle of) issued 02 Mar 2009 [NPWMD] [IFSR].

170. SHERE SHIPPING COMPANY LIMITED, 143/1 Tower Road, SLM1604, Sliema, Malta; c/o Soroush Sarzamin Asatir (SSA) Ship Management Co., Shabnam Alley, Golriz St., Vafa Alley, Fajr St., Shahid Motahari Avenue, 1589675951, Tehran, Iran; Web site *www.ssa-smc.net;* Email Address *info@ssa-smc.net;* Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #C39928 (Malta) issued 2006; Telephone: 0035621317171; Telephone: 00982126100191; Fax: 0035621317172; Fax: 00982126100192 [NPWMD] [IFSR].

171. SHIPPING COMPUTER SERVICES COMPANY (a.k.a. SCSCO), No. 37, Asseman, Shahid Sayyad Shirazeesq, Pasdaran Ave., P.O. Box 1587553–1351, Tehran, Iran; No. 13, 1st Floor, Abgan Alley, Aban Ave., Karimkhan Zand Blvd., Tehran 15976, Iran; Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].

172. SHOMAL CEMENT COMPANY, Dr Beheshti Ave., No 289, Tehran 151446, Iran; 289 Shahid Beheshti Ave., P.O. Box 15146, Tehran, Iran; Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].

173. SINGA TANKERS PTE. LTD., 89 Short Street Number 10–07, Golden Wall Centre 188216, Singapore; Additional Sanctions Information—Subject to Secondary Sanctions; Executive Order 13645 Determination—Material Support [EO13645] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

174. SINO ACCESS HOLDINGS LIMITED, 15th Floor, Tower One Lippo Center, 89 Queensway, Hong Kong; c/o Soroush Sarzamin Asatir (SSA) Ship Management Co., Shabnam Alley Golriz St., Vafa Alley Fajr St., Shahid Motahari Avenue, 1589675951, Tehran, Iran; Web site *www.ssa-smc.net;* Email Address *info@ssa-smc.net;* Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #1328924 (Hong Kong) issued 30 Mar 2009; Telephone: 982126100191; Fax: 982126100192 [NPWMD] [IFSR].

175. SINOSE MARITIME PTE. LTD., 200 Middle Road, #14–03/04 Prime Centre 188980, Singapore; Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #198200741H (Singapore) issued 1982; Telephone: 6562201144; Fax: 6562240181; Alt. Fax: 6562255614 [NPWMD] [IFSR].

176. SIQIRIYA MARITIME CORP., Zen Towers, 111, Natividad Almeda-Lopez Street, Ermita, 1111, Manila, Philippines; Additional Sanctions Information—Subject to Secondary Sanctions; Executive Order 13645 Determination—Material Support [EO13645] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

177. SIXTH OCEAN ADMINISTRATION GMBH, Schottweg 5, Hamburg 22087, Germany; Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #HRB94316 (Germany) issued 21 Jul 2005 [NPWMD] [IFSR].

178. SIXTH OCEAN GMBH & CO. KG, Schottweg 5, Hamburg 22087, Germany; c/o Hafiz Darya Shipping Co., No 60, Ehteshamiyeh Square, 7th Neyestan Street, Pasdaran Avenue, Tehran, Iran; Web site *www.hdslines.com;* Email Address *info@hdslines.com;* Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #HRA102501 (Germany) issued 24 Aug 2005; Telephone: 00982126100733; Fax: 00982120100734 [NPWMD] [IFSR].

179. SMART DAY HOLDINGS GROUP LIMITED, 15th Floor, Tower One Lippo Center, 89 Queensway, Hong Kong; c/o Soroush Sarzamin Asatir (SSA) Ship Management Co., Shabnam Alley Golriz St., Vafa Alley Fajr St., Shahid Motahari Avenue, 1589675951, Tehran, Iran; Web site *www.ssa-smc.net;* Email Address *info@ssa-smc.net;* Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #1325234 (Hong Kong) issued 26 Mar 2009; Telephone: 982126100191; Fax: 982126100192 [NPWMD] [IFSR].

180. SORINET COMMERCIAL TRUST (SCT) BANKERS (a.k.a. SCT BANKERS), 1808, 18th Floor, Grosvenor House Commercial Tower, Sheik Zayed Road, Dubai, United Arab Emirates; Kish Island, Iran; SWIFT/BIC SCER AE A1; alt. SWIFT/BIC SCTS AE A1; Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].

181. SOROUSH SARZAMIN ASATIR SHIP MANAGEMENT COMPANY (a.k.a. RAHBARAN OMID DARYA SHIP MANAGEMENT COMPANY), No. 5 Shabnam Alley, Golzar Street, Fajr Street, Shahid Motahari Avenue, Tehran 193651, Iran; P.O. Box 19365–1114, Tehran, Iran; Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #5466371 issued 2009; alt. Business Registration Document #341563 [NPWMD] [IFSR].

182. SOUTH SHIPPING LINE IRAN (a.k.a. SOUTH SHIPPING LINES IRAN COMPANY), Qaem Magham Farahani St., Tehran, Iran; Apt. No. 7, 3rd Floor, No. 2, 4th Alley, Gandi Ave., Tehran, Iran; IFCA Determination—Involved in the Shipping Sector; Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].[6]

183. SPRINGTHORPE LIMITED, Manning House, 21 Bucks Road, Douglas IM1 3DA, Man, Isle of; Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #003647 (Man, Isle of) issued 02 Mar 2009 [NPWMD] [IFSR].

184. STARRY SHINE INTERNATIONAL LIMITED, RM B, 12th Floor Two Chinachem Plaza, 135 Des Voeux Road C, Central District, Hong Kong Island, Hong Kong; Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #1213306 (Hong Kong) issued 26 Feb 2008; Telephone: 85228682398; Fax: 85225372603 [NPWMD] [IFSR].

185. SYSTEM WISE LIMITED, 15th Floor, Tower One Lippo Center, 89 Queensway, Hong Kong; c/o Soroush Sarzamin Asatir (SSA) Ship Management Co., Shabnam Alley Golriz St., Vafa Alley Fajr St., Shahid Motahari Avenue, 1589675951, Tehran, Iran; Web site *www.ssa-smc.net;* Email Address *info@ssa-smc.net;* Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #1328944 (Hong Kong) issued 30 Mar 2009; Telephone: 982126100191; Fax: 982126100192 [NPWMD] [IFSR].

186. TAMAS COMPANY (a.k.a. NUCLEAR FUEL PRODUCTION COMPANY; a.k.a. TAMAS), No. 84, 20th Street, Northern Kargar Avenue, Tehran 10000, Iran; Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].

187. TENTH OCEAN GMBH & CO. KG, Schottweg 5, Hamburg 22087, Germany; c/o Islamic Republic of Iran Shipping Lines (IRISL), No. 37, Aseman Tower, Sayyade Shirazee Square, Pasdaran Ave., P.O. Box 19395–1311, Tehran, Iran; Web site *www.irisl.net;* Email Address *smd@irisl.net;* Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #HRA102679 (Germany) issued 27 Sep 2005; Telephone: 00982120100488; Fax: 00982120100486 [NPWMD] [IFSR].

188. THE EXPLORATION AND NUCLEAR RAW MATERIALS PRODUCTION COMPANY (a.k.a. EMKA; a.k.a. EMKA COMPANY), Tehran, Iran; Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].

189. THE NUCLEAR REACTORS FUEL COMPANY (a.k.a. ''SUREH''), 61 Shahid Abtahi St., Karegar e Shomali, Tehran, Iran; Persian Gulf Boulevard, Km20 SW Esfahan Road, Iran; Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].

190. THIRD OCEAN ADMINISTRATION GMBH, Schottweg 5, Hamburg 22087, Germany; Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #HRB94313 (Germany) issued 21 Jul 2005 [NPWMD] [IFSR].

191. THIRD OCEAN GMBH & CO. KG, Schottweg 5, Hamburg 22087, Germany; c/o Islamic Republic of Iran Shipping Lines (IRISL), No. 37, Aseman Tower, Sayyade Shirazee Square, Pasdaran Ave., P.O. Box 19395–1311, Tehran, Iran; Web site *www.irisl.net;* Email Address *smd@irisl.net;* Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #HRA102520 (Germany) issued 29 Aug 2005; Telephone: 00982120100488; Fax: 00982120100486 [NPWMD] [IFSR].

192. THIRTEENTH OCEAN GMBH & CO. KG, Schottweg 5, Hamburg 22087, Germany; c/o Islamic Republic of Iran Shipping Lines (IRISL), No. 37, Aseman Tower, Sayyade

[6] *See* Note 4 above.

Shirazee Square, Pasdaran Ave., P.O. Box 19395–1311, Tehran, Iran; Web site *www.irisl.net;* Email Address *smd@irisl.net;* Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #HRA104149 (Germany) issued 10 Jul 2006; Telephone: 00982120100488; Fax: 00982120100486 [NPWMD] [IFSR].

193. TONGHAM SHIPPING CO LTD, 143/1 Tower Road, SLM1604, Sliema, Malta; c/o Soroush Sarzamin Asatir (SSA) Ship Management Co., Shabnam Alley Golriz St., Vafa Alley Fajr St., Shahid Motahari Avenue, 1589675951, Tehran, Iran; Web site *www.ssa-smc.net;* Email Address *info@ssa-smc.net;* Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #C39931 (Malta) issued 2006; Telephone: 0035621317171; Telephone: 00982126100191; Fax: 0035621317172; Fax: 00982126100192 [NPWMD] [IFSR].

194. TOP GLACIER COMPANY LIMITED, RM B, 12th Floor Chinachem Plaza, 135 Des Voeux Road C, Central District, Hong Kong Island, Hong Kong; Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #1209891 (Hong Kong) issued 05 Feb 2008; Telephone: 85228682398; Fax: 85225372603 [NPWMD] [IFSR].

195. TOP PRESTIGE TRADING LIMITED, RM B, 12th Floor Chinachem Plaza, 135 Des Voeux Road C, Central District, Hong Kong Island, Hong Kong; Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #1204518 (Hong Kong) issued 17 Jan 2008; Telephone: 85228682398; Fax: 85225372603 [NPWMD] [IFSR].

196. TRADE TREASURE LIMITED, 15th Floor, Tower One Lippo Center, 89 Queensway, Hong Kong; c/o Soroush Sarzamin Asatir (SSA) Ship Management Co., Shabnam Alley Golriz St., Vafa Alley Fajr St., Shahid Motahari Avenue, 1589675951, Tehran, Iran; Web site *www.ssa-smc.net;* Email Address *info@ssa-smc.net;* Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #1338904 (Hong Kong) issued 18 May 2009; Telephone: 982126100191; Fax: 982126100192 [NPWMD] [IFSR].

197. TRUE HONOUR HOLDINGS LIMITED, 15th Floor, Tower One Lippo Center, 89 Queensway, Hong Kong; c/o Soroush Sarzamin Asatir (SSA) Ship Management Co., Shabnam Alley Golriz St., Vafa Alley Fajr St., Shahid Motahari Avenue, 1589675951, Tehran, Iran; Web site *www.ssa-smc.net;* Email Address *info@ssa-smc.net;* Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #1338908 issued 18 May 2009; Telephone: 982126100191; Fax: 982126100192 [NPWMD] [IFSR].

198. TWELFTH OCEAN ADMINISTRATION GMBH, Schottweg 5, Hamburg 22087, Germany; Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #HRB94573 (Germany) issued 18 Aug 2005 [NPWMD] [IFSR].

199. TWELFTH OCEAN GMBH & CO. KG, Schottweg 5, Hamburg 22087, Germany; c/o Hafiz Darya Shipping Co., No 60, Ehteshamiyeh Square, 7th Neyestan Street, Pasdaran Avenue, Tehran, Iran; Web site *www.hdslines.com;* Email Address *info@hdslines.com;* Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #HRA102506 (Germany) issued 25 Aug 2005; Telephone: 00982126100733; Fax: 00982120100734 [NPWMD] [IFSR].

200. UPPERCOURT SHIPPING COMPANY LIMITED, 143/1 Tower Road, SLM1604, Sliema, Malta; c/o Soroush Sarzamin Asatir (SSA) Ship Management Co., Shabnam Alley Golriz St., Vafa Alley Fajr St., Shahid Motahari Avenue, 1589675951, Tehran, Iran; Web site *www.ssa-smc.net;* Email Address *info@ssa-smc.net;* Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #C39926 (Malta) issued 2006; Telephone: 0035621317171; Telephone: 00982126100191; Fax: 0035621317172; Fax: 00982126100192 [NPWMD] [IFSR].

201. VALFAJR 8TH SHIPPING LINE CO SSK (a.k.a. SHERKAT SAHAMI KHASS KESHTIRANI VALFAJR 8TH; a.k.a. VAL FAJR HASHT SHIPPING CO; a.k.a. VAL FAJR–E–8 SHIPPING COMPANY; a.k.a. VALFAJRE EIGHT SHIPPING CO; a.k.a. VESC), Shahid Azodi St., Karimkhan Zand Ave., Abiar Alley, P.O. Box 4155, Tehran, Iran; Abyar Alley, Corner of Shahid Azodi St. & Karim Khan Zand Ave., Tehran, Iran; Additional Sanctions Information—Subject to Secondary Sanctions [NPWMD] [IFSR].

202. VOBSTER SHIPPING COMPANY LTD, 143/1 Tower Road, SLM1604, Sliema, Malta; c/o Soroush Sarzamin Asatir (SSA) Ship Management Co., Shabnam Alley Golriz St., Vafa Alley Fajr St., Shahid Motahari Avenue, 1589675951, Tehran, Iran; Web site *www.ssa-smc.net;* Email Address *info@ssa-smc.net;* Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #C39927 (Malta) issued 2006; Telephone: 0035621317171; Telephone: 00982126100191; Fax: 0035621317172; Fax: 00982126100192 [NPWMD] [IFSR].

203. WOKING SHIPPING INVESTMENTS LIMITED, 143/1 Tower Road, SLM1604, Sliema, Malta; Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #C39912 issued 2006; Telephone: 0035621317171; Fax: 0035621317172 [NPWMD] [IFSR].

Aircraft

1. EP–CFD; Aircraft Manufacture Date 19 Feb 1993; Aircraft Model F.28–0100; Aircraft Operator IRAN AIR; Aircraft Manufacturer's Serial Number (MSN) 11442 (aircraft) [NPWMD] (Linked To: IRAN AIR).

2. EP–CFE; Aircraft Manufacture Date 06 Oct 1992; Aircraft Model F.28–0100; Aircraft Operator IRAN AIR; Aircraft Manufacturer's Serial Number (MSN) 11422 (aircraft) [NPWMD] (Linked To: IRAN AIR).

3. EP–CFH; Aircraft Manufacture Date 24 Feb 1993; Aircraft Model F.28–0100; Aircraft Operator IRAN AIR; Aircraft Manufacturer's Serial Number (MSN) 11443 (aircraft) [NPWMD] (Linked To: IRAN AIR).

4. EP–CFI; Aircraft Manufacture Date 22 Jan 1996; Aircraft Model F.28–0100; Aircraft Operator IRAN AIR; Aircraft Manufacturer's Serial Number (MSN) 11511 (aircraft) [NPWMD] (Linked To: IRAN AIR).

5. EP–CFJ; Aircraft Manufacture Date 09 Jan 1996; Aircraft Model F.28–0100; Aircraft Operator IRAN AIR; Aircraft Manufacturer's Serial Number (MSN) 11516 (aircraft) [NPWMD] (Linked To: IRAN AIR).

6. EP–CFK; Aircraft Manufacture Date 18 Feb 1986; Aircraft Model F.28–0100; Aircraft Operator IRAN AIR; Aircraft Manufacturer's Serial Number (MSN) 11518 (aircraft) [NPWMD] (Linked To: IRAN AIR).

7. EP–CFL; Aircraft Manufacture Date 28 Jun 1991; Aircraft Model F.28–0100; Aircraft Operator IRAN AIR; Aircraft Manufacturer's Serial Number (MSN) 11343 (aircraft) [NPWMD] (Linked To: IRAN AIR).

8. EP–CFM; Aircraft Manufacture Date 27 Apr 1992; Aircraft Model F.28–0100; Aircraft Operator IRAN AIR; Aircraft Manufacturer's Serial Number (MSN) 11394 (aircraft) [NPWMD] (Linked To: IRAN AIR).

9. EP–CFO; Aircraft Manufacture Date 03 Apr 1992; Aircraft Model F.28–0100; Aircraft Operator IRAN AIR; Aircraft Manufacturer's Serial Number (MSN) 11389 (aircraft) [NPWMD] (Linked To: IRAN AIR).

10. EP–CFP; Aircraft Manufacture Date 24 Jul 1992; Aircraft Model F.28–0100; Aircraft Operator IRAN AIR; Aircraft Manufacturer's Serial Number (MSN) 11409 (aircraft) [NPWMD] (Linked To: IRAN AIR).

11. EP–CFQ; Aircraft Manufacture Date 02 Dec 1992; Aircraft Model F.28–0100; Aircraft Operator IRAN AIR; Aircraft Manufacturer's Serial Number (MSN) 11429 (aircraft) [NPWMD] (Linked To: IRAN AIR).

12. EP–CFR; Aircraft Manufacture Date 31 Mar 1992; Aircraft Model F.28–0100; Aircraft Operator IRAN AIR; Aircraft Manufacturer's Serial Number (MSN) 11383 (aircraft) [NPWMD] (Linked To: IRAN AIR).

13. EP–IAA; Aircraft Construction Number (also called L/N or S/N or F/N) 275; Aircraft Manufacture Date 20 Feb 1976; Aircraft Model B.747SP–86; Aircraft Operator IRAN AIR; Aircraft Manufacturer's Serial Number (MSN) 20998 (aircraft) [NPWMD] (Linked To: IRAN AIR).

14. EP–IAB; Aircraft Construction Number (also called L/N or S/N or F/N) 278; Aircraft Manufacture Date 22 Apr 1976; Aircraft Model B747SP–86; Aircraft Operator IRAN AIR; Aircraft Manufacturer's Serial Number (MSN) 20999 (aircraft) [NPWMD] (Linked To: IRAN AIR).

15. EP–IAC; Aircraft Construction Number (also called L/N or S/N or F/N) 307; Aircraft Manufacture Date 16 May 1977; Aircraft Model B.747SP–86; Aircraft Operator IRAN AIR; Aircraft Manufacturer's Serial Number (MSN) 21093 (aircraft) [NPWMD] (Linked To: IRAN AIR).

16. EP–IAD; Aircraft Construction Number (also called L/N or S/N or F/N) 371; Aircraft Manufacture Date 26 Apr 1979; Aircraft Model B.747SP–86; Aircraft Operator IRAN AIR; Aircraft Manufacturer's Serial Number (MSN) 21758 (aircraft) [NPWMD] (Linked To: IRAN AIR).

17. EP–IAG; Aircraft Construction Number (also called L/N or S/N or F/N) 291; Aircraft Manufacture Date 21 Jul 1976; Aircraft Model B.747–286B(SCD); Aircraft Operator IRAN AIR; Aircraft Manufacturer's Serial Number

(MSN) 21217 (aircraft) [NPWMD] (Linked To: IRAN AIR).

18. EP–IAH; Aircraft Construction Number (also called L/N or S/N or F/N) 300; Aircraft Manufacture Date 22 Dec 1976; Aircraft Model B.747–286B(SCD); Aircraft Operator IRAN AIR; Aircraft Manufacturer's Serial Number (MSN) 21218 (aircraft) [NPWMD] (Linked To: IRAN AIR).

19. EP–IAI; Aircraft Construction Number (also called L/N or S/N or F/N) 550; Aircraft Manufacture Date 01 Dec 1981; Aircraft Model B.747–286B(SCD); Aircraft Operator IRAN AIR; Aircraft Manufacturer's Serial Number (MSN) 22670 (aircraft) [NPWMD] (Linked To: IRAN AIR).

20. EP–IAM; Aircraft Construction Number (also called L/N or S/N or F/N) 381; Aircraft Manufacture Date 20 Jun 1979; Aircraft Model B.747–186B; Aircraft Operator IRAN AIR; Aircraft Manufacturer's Serial Number (MSN) 21759 (aircraft) [NPWMD] (Linked To: IRAN AIR).

21. EP–IBA; Aircraft Construction Number (also called L/N or S/N or F/N) 723; Aircraft Manufacture Date 21 Dec 1993; Aircraft Model A300B4–605R; Aircraft Operator IRAN AIR (aircraft) [NPWMD] (Linked To: IRAN AIR).

22. EP–IBB; Aircraft Construction Number (also called L/N or S/N or F/N) 727; Aircraft Manufacture Date 27 Dec 1994; Aircraft Model A300B4–605R; Aircraft Operator IRAN AIR (aircraft) [NPWMD] (Linked To: IRAN AIR).

23. EP–IBC; Aircraft Construction Number (also called L/N or S/N or F/N) 632; Aircraft Manufacture Date 11 Mar 1992; Aircraft Model A300B4–605R; Aircraft Operator IRAN AIR (aircraft) [NPWMD] (Linked To: IRAN AIR).

24. EP–IBD; Aircraft Construction Number (also called L/N or S/N or F/N) 696; Aircraft Manufacture Date Apr 1993; Aircraft Model A300B4–605R; Aircraft Operator IRAN AIR (aircraft) [NPWMD] (Linked To: IRAN AIR).

25. EP–IBG; Aircraft Construction Number (also called L/N or S/N or F/N) 299; Aircraft Manufacture Date 09 Aug 1984; Aircraft Model A300B4–203; Aircraft Operator Iran Air (aircraft) [NPWMD] (Linked To: IRAN AIR).

26. EP–IBH; Aircraft Construction Number (also called L/N or S/N or F/N) 302; Aircraft Manufacture Date 14 Nov 1984; Aircraft Model A300B4–203; Aircraft Operator IRAN AIR (aircraft) [NPWMD] (Linked To: IRAN AIR).

27. EP–IBI; Aircraft Construction Number (also called L/N or S/N or F/N) 151; Aircraft Manufacture Date 09 Jun 1981; Aircraft Model A300B4–2C; Aircraft Operator IRAN AIR (aircraft) [NPWMD] (Linked To: IRAN AIR).

28. EP–IBJ; Aircraft Construction Number (also called L/N or S/N or F/N) 256; Aircraft Manufacture Date 18 May 1983; Aircraft Model A300B4–203; Aircraft Operator IRAN AIR (aircraft) [NPWMD] (Linked To: IRAN AIR).

29. EP–IBK; Aircraft Construction Number (also called L/N or S/N or F/N) 671; Aircraft Manufacture Date 19 Feb 1993; Aircraft Model A310–304; Aircraft Operator IRAN AIR (aircraft) [NPWMD] (Linked To: IRAN AIR).

30. EP–IBL; Aircraft Construction Number (also called L/N or S/N or F/N) 436; Aircraft Manufacture Date 02 May 1987; Aircraft Model A310–304; Aircraft Operator IRAN AIR (aircraft) [NPWMD] (Linked To: IRAN AIR).

31. EP–IBM; Aircraft Construction Number (also called L/N or S/N or F/N) 338; Aircraft Manufacture Date 05 Apr 1985; Aircraft Model A310–203; Aircraft Operator IRAN AIR (aircraft) [NPWMD] (Linked To: IRAN AIR).

32. EP–IBN; Aircraft Construction Number (also called L/N or S/N or F/N) 375; Aircraft Manufacture Date 16 Apr 1985; Aircraft Model A310–203; Aircraft Operator IRAN AIR (aircraft) [NPWMD] (Linked To: IRAN AIR).

33. EP–IBP; Aircraft Construction Number (also called L/N or S/N or F/N) 370; Aircraft Manufacture Date 06 Jan 1986; Aircraft Model A310–203; Aircraft Operator IRAN AIR (aircraft) [NPWMD] (Linked To: IRAN AIR).

34. EP–IBQ; Aircraft Construction Number (also called L/N or S/N or F/N) 389; Aircraft Manufacture Date 20 Jan 1986; Aircraft Model A310–203; Aircraft Operator IRAN AIR (aircraft) [NPWMD] (Linked To: IRAN AIR).

35. EP–IBS; Aircraft Construction Number (also called L/N or S/N or F/N) 80; Aircraft Manufacture Date 13 Feb 1980; Aircraft Model A300B2–203; Aircraft Operator IRAN AIR (aircraft) [NPWMD] (Linked To: IRAN AIR).

36. EP–IBT; Aircraft Construction Number (also called L/N or S/N or F/N) 185; Aircraft Manufacture Date 09 Mar 1982; Aircraft Model A300B2–203; Aircraft Operator IRAN AIR (aircraft) [NPWMD] (Linked To: IRAN AIR).

37. EP–IBV; Aircraft Construction Number (also called L/N or S/N or F/N) 187; Aircraft Manufacture Date 23 Mar 1982; Aircraft Model A300B2–203; Aircraft Operator IRAN AIR (aircraft) [NPWMD] (Linked To: IRAN AIR).

38. EP–IBZ; Aircraft Construction Number (also called L/N or S/N or F/N) 226; Aircraft Manufacture Date 13 Dec 1982; Aircraft Operator IRAN AIR (aircraft) [NPWMD] (Linked To: IRAN AIR).

39. EP–ICD; Aircraft Construction Number (also called L/N or S/N or F/N) 712; Aircraft Manufacture Date 15 Sep 1988; Aircraft Model B.747–21AC; Aircraft Operator IRAN AIR; Aircraft Manufacturer's Serial Number (MSN) 24134 (aircraft) [NPWMD] (Linked To: IRAN AIR).

40. EP–ICE; Aircraft Construction Number (also called L/N or S/N or F/N) 139; Aircraft Manufacture Date 11 Mar 1981; Aircraft Model A300B4–203; Aircraft Operator IRAN AIR (aircraft) [NPWMD] (Linked To: IRAN AIR).

41. EP–ICF; Aircraft Construction Number (also called L/N or S/N or F/N) 173; Aircraft Manufacture Date 14 Dec 1981; Aircraft Model A300B4–203; Aircraft Operator IRAN AIR (aircraft) [NPWMD] (Linked To: IRAN AIR).

42. EP–IDA; Aircraft Manufacture Date 12 Jun 1990; Aircraft Model F.28–0100; Aircraft Operator IRAN AIR; Aircraft Manufacturer's Serial Number (MSN) 11292 (aircraft) [NPWMD].

43. EP–IDD; Aircraft Manufacture Date 31 Oct 1990; Aircraft Model F.28–0100; Aircraft Operator IRAN AIR; Aircraft Manufacturer's Serial Number (MSN) 11294 (aircraft) [NPWMD] (Linked To: IRAN AIR).

44. EP–IDF; Aircraft Manufacture Date 07 Nov 1990; Aircraft Model F.28–0100; Aircraft Operator IRAN AIR; Aircraft Manufacturer's Serial Number (MSN) 11298 (aircraft) [NPWMD] (Linked To: IRAN AIR).

45. EP–IDG; Aircraft Manufacture Date 30 Jan 1991; Aircraft Model F.28–0100; Aircraft Operator IRAN AIR; Aircraft Manufacturer's Serial Number (MSN) 11302 (aircraft) [NPWMD] (Linked To: IRAN AIR).

46. EP–IEB; Aircraft Construction Number (also called L/N or S/N or F/N) 575; Aircraft Manufacture Date 26 Jan 1996; Aircraft Model A320–232; Aircraft Operator IRAN AIR (aircraft) [NPWMD] (Linked To: IRAN AIR).

47. EP–IEC; Aircraft Construction Number (also called L/N or S/N or F/N) 857; Aircraft Manufacture Date 18 Jun 1998; Aircraft Model A320–232; Aircraft Operator IRAN AIR (aircraft) [NPWMD] (Linked To: IRAN AIR).

48. EP–IED; Aircraft Construction Number (also called L/N or S/N or F/N) 345; Aircraft Manufacture Date 18 Jun 1992; Aircraft Model A320–212; Aircraft Operator IRAN AIR (aircraft) [NPWMD] (Linked To: IRAN AIR).

49. EP–IEE; Aircraft Construction Number (also called L/N or S/N or F/N) 303; Aircraft Manufacture Date 14 Feb 1992; Aircraft Model A320–211; Aircraft Operator IRAN AIR (aircraft) [NPWMD] (Linked To: IRAN AIR).

50. EP–IEF; Aircraft Construction Number (also called L/N or S/N or F/N) 312; Aircraft Manufacture Date 05 Mar 1992; Aircraft Model A320–211; Aircraft Operator IRAN AIR (aircraft) [NPWMD] (Linked To: IRAN AIR).

51. EP–IEG; Aircraft Construction Number (also called L/N or S/N or F/N) 2054; Aircraft Manufacture Date 06 Jun 2003; Aircraft Model A320–211; Aircraft Operator IRAN AIR (aircraft) [NPWMD] (Linked To: IRAN AIR).

52. EP–IRK; Aircraft Construction Number (also called L/N or S/N or F/N) 541; Aircraft Manufacture Date 04 Dec 1966; Aircraft Model B.707–321C; Aircraft Operator IRAN AIR; Aircraft Manufacturer's Serial Number (MSN) 19267 (aircraft) [NPWMD] (Linked To: IRAN AIR).

53. EP–IRL; Aircraft Construction Number (also called L/N or S/N or F/N) 832; Aircraft Manufacture Date 15 Dec 1969; Aircraft Model B.707–386C; Aircraft Operator IRAN AIR; Aircraft Manufacturer's Serial Number (MSN) 20287 (aircraft) [NPWMD] (Linked To: IRAN AIR).

54. EP–IRM; Aircraft Construction Number (also called L/N or S/N or F/N) 839; Aircraft Manufacture Date 04 Mar 1970; Aircraft Model B.707–386C; Aircraft Operator IRAN AIR; Aircraft Manufacturer's Serial Number (MSN) 20288 (aircraft) [NPWMD] (Linked To: IRAN AIR).

55. EP–IRN; Aircraft Construction Number (also called L/N or S/N or F/N) 866; Aircraft Manufacture Date 18 Apr 1973; Aircraft Model B.707–386C; Aircraft Operator IRAN

AIR; Aircraft Manufacturer's Serial Number (MSN) 20741 (aircraft) [NPWMD] (Linked To: IRAN AIR).

56. EP–IRR; Aircraft Construction Number (also called L/N or S/N or F/N) 1052; Aircraft Manufacture Date 24 Jun 1974; Aircraft Model B.727–286; Aircraft Operator IRAN AIR; Aircraft Manufacturer's Serial Number (MSN) 20946 (aircraft) [NPWMD] (Linked To: IRAN AIR).

57. EP–IRS; Aircraft Construction Number (also called L/N or S/N or F/N) 1070; Aircraft Manufacture Date 12 Sep 1974; Aircraft Model B.727–286; Aircraft Operator IRAN AIR; Aircraft Manufacturer's Serial Number (MSN) 20947 (aircraft) [NPWMD] (Linked To: IRAN AIR).

58. EP–IRT; Aircraft Construction Number (also called L/N or S/N or F/N) 1114; Aircraft Manufacture Date 03 Mar 1975; Aircraft Model B.727–286; Aircraft Operator IRAN AIR; Aircraft Manufacturer's Serial Number (MSN) 21078 (aircraft) [NPWMD] (Linked To: IRAN AIR).

59. EP–MDD; Aircraft Construction Number (also called L/N or S/N or F/N) 1959; Aircraft Manufacture Date Jul 1992; Aircraft Model MD–82; Aircraft Operator IRAN AIR TOURS; Aircraft Manufacturer's Serial Number (MSN) 49852 (aircraft) [NPWMD] (Linked To: IRAN AIR).

60. EP–MDE; Aircraft Construction Number (also called L/N or S/N or F/N) 1724; Aircraft Manufacture Date Dec 1990; Aircraft Model MD–82; Aircraft Operator IRAN AIR TOURS; Aircraft Manufacturer's Serial Number (MSN) 49523 (aircraft) [NPWMD] (Linked To: IRAN AIR).

61. UR–BHJ; Aircraft Construction Number (also called L/N or S/N or F/N) 2088; Aircraft Manufacture Date Jul 1994; Aircraft Model MD–83; Aircraft Operator Bukovyna AE; Aircraft Manufacturer's Serial Number (MSN) 53184 (aircraft) [NPWMD] [IFSR].

62. UR–BXI; Aircraft Construction Number (also called L/N or S/N or F/N) 2065; Aircraft Manufacture Date Jun 1993; Aircraft Model MD–82; Aircraft Operator IRAN AIR TOURS; Aircraft Manufacturer's Serial Number (MSN) 53170 (aircraft) [NPWMD] (Linked To: IRAN AIR).

63. UR–BXL; Aircraft Construction Number (also called L/N or S/N or F/N) 1548; Aircraft Manufacture Date Jun 1989; Aircraft Model MD–82; Aircraft Operator IRAN AIR TOURS; Aircraft Manufacturer's Serial Number (MSN) 49512 (aircraft) [NPWMD] (Linked To: IRAN AIR).

64. UR–BXM; Aircraft Construction Number (also called L/N or S/N or F/N) 1381; Aircraft Manufacture Date Jan 1988; Aircraft Model MD–82; Aircraft Operator IRAN AIR TOURS; Aircraft Manufacturer's Serial Number (MSN) 49505 (aircraft) [NPWMD] (Linked To: IRAN AIR).

65. UR–BXN; Aircraft Construction Number (also called L/N or S/N or F/N) 1405; Aircraft Manufacture Date 08 Apr 1987; Aircraft Model MD–83; Aircraft Operator Bukovyna AE; Aircraft Manufacturer's Serial Number (MSN) 49569 (aircraft) [NPWMD] [IFSR].

66. UR–CGS; Aircraft Construction Number (also called L/N or S/N or F/N) 1240; Aircraft Model MD–82; Aircraft Operator IRAN AIR TOURS; Aircraft Manufacturer's Serial Number (MSN) 49425 (aircraft) [NPWMD] (Linked To: IRAN AIR).

67. UR–CGT; Aircraft Construction Number (also called L/N or S/N or F/N) 1241; Aircraft Model MD–82; Aircraft Operator Iran Air Tours; Aircraft Manufacturer's Serial Number (MSN) 49428 (aircraft) [NPWMD] (Linked To: IRAN AIR).

68. UR–CHW; Aircraft Construction Number (also called L/N or S/N or F/N) 1514; Aircraft Manufacture Date Mar 1989; Aircraft Model MD–82; Aircraft Operator IRAN AIR TOURS; Aircraft Manufacturer's Serial Number (MSN) 49510 (aircraft) [NPWMD] (Linked To: IRAN AIR).

69. UR–CHX; Aircraft Construction Number (also called L/N or S/N or F/N) 2010; Aircraft Manufacture Date Jul 1992; Aircraft Model MD–82; Aircraft Operator IRAN AIR TOURS; Aircraft Manufacturer's Serial Number (MSN) 53162 (aircraft) [NPWMD] (Linked To: IRAN AIR).

70. UR–CHY; Aircraft Construction Number (also called L/N or S/N or F/N) 2067; Aircraft Manufacture Date Jun 1993; Aircraft Model MD–82; Aircraft Operator IRAN AIR TOURS; Aircraft Manufacturer's Serial Number (MSN) 53171 (aircraft) [NPWMD] (Linked To: IRAN AIR).

71. UR–CHZ; Aircraft Construction Number (also called L/N or S/N or F/N) 2063; Aircraft Manufacture Date May 1993; Aircraft Model MD–82; Aircraft Operator IRAN AIR TOURS; Aircraft Manufacturer's Serial Number (MSN) 53169 (aircraft) [NPWMD] (Linked To: IRAN AIR).

72. UR–CIX; Aircraft Construction Number (also called L/N or S/N or F/N) 2167; Aircraft Manufacture Date Nov 1996; Aircraft Model MD–88; Aircraft Operator Bukovyna AE; Aircraft Manufacturer's Serial Number (MSN) 53546 (aircraft) [NPWMD] [IFSR].

73. UR–CIY; Aircraft Construction Number (also called L/N or S/N or F/N) 2176; Aircraft Manufacture Date Mar 1997; Aircraft Model MD–88; Aircraft Operator Bukovyna AE; Aircraft Manufacturer's Serial Number (MSN) 53547 (aircraft) [NPWMD] [IFSR].

74. UR–CJA; Aircraft Construction Number (also called L/N or S/N or F/N) 1181; Aircraft Manufacture Date 04 Jan 1985; Aircraft Model MD–82; Aircraft Operator Bukovyna AE; Aircraft Manufacturer's Serial Number (MSN) 49277 (aircraft) [NPWMD] [IFSR].

75. UR–CJK; Aircraft Construction Number (also called L/N or S/N or F/N) 2180; Aircraft Manufacture Date Apr 1997; Aircraft Model MD–88; Aircraft Operator Bukovyna AE; Aircraft Manufacturer's Serial Number (MSN) 53548 (aircraft) [NPWMD] [IFSR].

76. UR–CJQ; Aircraft Construction Number (also called L/N or S/N or F/N) 1300; Aircraft Manufacture Date Jun 1987; Aircraft Model MD–82; Aircraft Operator IRAN AIR TOURS; Aircraft Manufacturer's Serial Number (MSN) 49502 (aircraft) [NPWMD] (Linked To: IRAN AIR).

Vessels

1. AAJ Unknown vessel type 72DWT 103GRT IRAN flag (IRISL); Vessel Registration Identification IMO 8984484 (vessel) [NPWMD].

2. ABBA (a.k.a. IRAN MATIN) General Cargo 24,065DWT 16,621GRT Iran flag (IRISL); Vessel Registration Identification IMO 9051624 (vessel) [NPWMD].

3. ABTIN 1 Container Ship 13,760DWT 9,957GRT IRAN flag (IRISL); Vessel Registration Identification IMO 9379636 (Iran) (vessel) [NPWMD].

4. ACCURATE (a.k.a. DRIFTER; a.k.a. IRAN DRIFTER) Bulk Carrier 43,499DWT 25,770GRT Hong Kong flag (IRISL); Vessel Registration Identification IMO 8320169 (vessel) [NPWMD].

5. ACROBAT (a.k.a. DEVOTIONAL; a.k.a. IRAN DEVOTIONAL) Bulk Carrier 43,330DWT 25,768GRT Hong Kong flag (IRISL); Vessel Registration Identification IMO 8309684 (vessel) [NPWMD].

6. ADALIA (f.k.a. IRAN SAHAND; f.k.a. SAHAND) Container Ship 66,900DWT 53,453GRT Sierra Leone flag (IRISL); Vessel Registration Identification IMO 9328900 (Sierra Leone) (vessel) [NPWMD].

7. ADRIAN (a.k.a. DELIGHT; a.k.a. IRAN DELIGHT; a.k.a. IRAN JAMAL) Bulk Carrier 43,218DWT 25,768GRT Hong Kong flag (IRISL); Vessel Registration Identification IMO 8320133 (vessel) [NPWMD].

8. ADVENTIST (a.k.a. IRAN MADANI) Bulk Carrier 43,369DWT 25,768GRT HONG KONG flag (IRISL); Vessel Registration Identification IMO 8309622 (Hong Kong) (vessel) [NPWMD].

9. AEROLITE (a.k.a. DELEGATE; a.k.a. IRAN DELEGATE) Bulk Carrier 43,265DWT 25,768GRT Hong Kong flag (IRISL); Vessel Registration Identification IMO 8320121 (vessel) [NPWMD].

10. AGATA (f.k.a. IRAN TUCHAL; f.k.a. TUCHAL) Container Ship 66,900DWT 53,453GRT Sierra Leone flag (IRISL); Vessel Registration Identification IMO 9346536 (Sierra Leone) (vessel) [NPWMD].

11. AGEAN (a.k.a. DYNAMIZE; a.k.a. IRAN DYNAMIZE) Bulk Carrier 43,369DWT 25,768GRT Hong Kong flag (IRISL); Vessel Registration Identification IMO 8309634 (vessel) [NPWMD].

12. AGILE (a.k.a. DECOROUS; a.k.a. IRAN DECOROUS) Bulk Carrier 43,369DWT 25,768GRT Hong Kong flag (IRISL); Vessel Registration Identification IMO 8309658 (vessel) [NPWMD].

13. AJAX (a.k.a. DYNASTY; a.k.a. IRAN GHAZI) Bulk Carrier 43,497DWT 25,768GRT HONG KONG flag (IRISL); Vessel Registration Identification IMO 8309672 (Hong Kong) (vessel) [NPWMD].

14. ALAMEDA (a.k.a. IRAN DOLPHIN) Bulk Carrier 43,480DWT 25,770GRT Hong Kong flag (IRISL); Vessel Registration Identification IMO 8320195 (Hong Kong) (vessel) [NPWMD].

15. ALIAS (a.k.a. DEVOTEE; a.k.a. IRAN DEVOTEE) Bulk Carrier 43,369DWT 25,768GRT Hong Kong flag (IRISL); Vessel Registration Identification IMO 8309608 (vessel) [NPWMD].

16. AMIN Crude Oil Tanker 157,985DWT 81,306GRT Sierra Leone flag (IRISL); Vessel Registration Identification IMO 9422366 (Sierra Leone) (vessel) [NPWMD].

17. AMITEES (a.k.a. IRAN JOMHURI) Bulk Carrier 35,828DWT 20,811GRT Iran flag (IRISL); Vessel Registration Identification IMO 7632826 (vessel) [NPWMD].

18. AMPLIFY (a.k.a. DIPLOMAT; a.k.a. IRAN DIPLOMAT) Bulk Carrier 43,262DWT 25,768GRT Hong Kong flag (IRISL); Vessel Registration Identification IMO 8309701 (vessel) [NPWMD].

19. ANGEL (a.k.a. DAPPER; a.k.a. IRAN DAPPER) Bulk Carrier 43,499DWT 25,768GRT Hong Kong flag (IRISL); Vessel Registration Identification IMO 8309646 (vessel) [NPWMD].

20. ANTHEM Panama flag (Siqiriya Maritime Corp.); Vessel Registration Identification IMO 8310669 (vessel) [EO13645] (Linked To: SIQIRIYA MARITIME CORP.).

21. AQUARIAN (a.k.a. DIGNIFIED; a.k.a. IRAN DIGNIFIED) Bulk Carrier 43,369DWT 25,768GRT Hong Kong flag (IRISL); Vessel Registration Identification IMO 8309610 (vessel) [NPWMD].

22. ARDAVAN (f.k.a. CHAPAREL; f.k.a. HAKIM; f.k.a. IRAN HAKIM) Bulk Carrier 53,100DWT 31,117GRT Iran flag (IRISL); Former Vessel Flag Moldova; Vessel Registration Identification IMO 9465863 (vessel) [NPWMD].

23. ARIES (f.k.a. ELVIRA; f.k.a. FILBERT; f.k.a. GRACEFUL) Bulk Carrier 76,000DWT 41,226GRT Iran flag (IRISL); Former Vessel Flag Bolivia; Vessel Registration Identification IMO 9369722 (vessel) [NPWMD].

24. ARSHAM (f.k.a. CHASTITY; a.k.a. IRAN SHAAFI; a.k.a. SHAAFI) Bulk Carrier 53,000DWT 32,474GRT Iran flag (IRISL); Former Vessel Flag Malta; Vessel Registration Identification IMO 9386500 (vessel) [NPWMD].

25. ARTAVAND (f.k.a. DORSAN; f.k.a. IRAN KHORASAN; f.k.a. KHORASAN) Bulk Carrier 72,622DWT 39,424GRT Iran flag (IRISL); Former Vessel Flag Malta; Vessel Registration Identification IMO 9193214 (vessel) [NPWMD].

26. ARTMAN (f.k.a. BAAGHI) Bulk Carrier 53,457DWT 32,474GRT Iran flag (IRISL); Former Vessel Flag Tanzania; Vessel Registration Identification IMO 9405930 (vessel) [NPWMD].

27. ARVIN (f.k.a. BLUEBELL; f.k.a. EGLANTINE; f.k.a. IRAN GILAN) Bulk Carrier 63,400DWT 39,424GRT Iran flag (IRISL); Former Vessel Flag Bolivia; Vessel Registration Identification IMO 9193202 (vessel) [NPWMD].

28. ASSA (a.k.a. IRAN ENTEKHAB) Bulk Carrier 35,896DWT 20,811GRT Iran flag (IRISL); Vessel Registration Identification IMO 7632814 (vessel) [NPWMD].

29. ATTAR Bulk Carrier 43,706DWT 25,885GRT Tanzania flag (IRISL); Vessel Registration Identification IMO 9074092 (Tanzania) (vessel) [NPWMD].

30. ATTRIBUTE (a.k.a. DIAMOND; a.k.a. IRAN DIAMOND) Bulk Carrier 43,369DWT 25,768GRT HONG KONG flag (IRISL); Vessel Registration Identification IMO 8309593 (vessel) [NPWMD].

31. AVANG (f.k.a. CHAPLET; f.k.a. IRAN RAHIM; f.k.a. RAHIM) Bulk Carrier 53,100DWT 31,117GRT Iran flag (IRISL); Former Vessel Flag Malta; Vessel Registration Identification IMO 9465746 (vessel) [NPWMD].

32. AZARGOUN (f.k.a. ARMIS; f.k.a. IRAN ZANJAN; f.k.a. VISEA) Container Ship 33,850DWT 25,391GRT Iran flag (IRISL); Former Vessel Flag Tanzania; Vessel Registration Identification IMO 9283019 (vessel) [NPWMD].

33. BAHJAT (f.k.a. BAANI) Bulk Carrier 53,500DWT 32,474GRT Iran flag (IRISL); Former Vessel Flag Moldova; Vessel Registration Identification IMO 9405954 (vessel) [NPWMD].

34. BARSAM (a.k.a. IRAN SHARIAT) Bulk Carrier 44,441DWT 25,168GRT Iran flag (IRISL); Vessel Registration Identification IMO 8107581 (vessel) [NPWMD].

35. BASKAR (f.k.a. AALI) Bulk Carrier 53,500DWT 32,474GRT Iran flag (IRISL); Former Vessel Flag Moldova; Vessel Registration Identification IMO 9405942 (vessel) [NPWMD].

36. BATIS (f.k.a. AZIM; f.k.a. CHAPMAN; f.k.a. IRAN AZIM) Bulk Carrier 53,100DWT 31,117GRT Iran flag (IRISL); Former Vessel Flag Malta; Vessel Registration Identification IMO 9465760 (vessel) [NPWMD].

37. BEHDAD (f.k.a. BRILLIANCE; f.k.a. CLOVER; f.k.a. DORITA; f.k.a. IRAN BRILLIANCE; f.k.a. MULBERRY) General Cargo 24,065DWT 16,621GRT Iran flag (IRISL); Former Vessel Flag Bolivia; Vessel Registration Identification IMO 9051636 (vessel) [NPWMD].

38. BEHSHAD (f.k.a. BLANCA; f.k.a. LIMNETIC; f.k.a. MAGNOLIA; f.k.a. SEA FLOWER) General Cargo 23,176DWT 16,694GRT Iran flag (IRISL); Former Vessel Flag Bolivia; Vessel Registration Identification IMO 9167289 (vessel) [NPWMD].

39. BENITA (f.k.a. IRAN ZAGROS; f.k.a. PALMARY; f.k.a. ZAGROS) Container Ship 54,340DWT 54,851GRT Sierra Leone flag; Vessel Registration Identification IMO 9346548 (Sierra Leone) (vessel) [NPWMD].

40. BRELYAN General Cargo Iran flag (IRISL); Vessel Registration Identification IMO 9138056 (vessel) [NPWMD].

41. DORITA (f.k.a. IRAN MOEIN) General Cargo 2,495DWT 1,630GRT Iran flag (IRISL); Vessel Registration Identification IMO 8605234 (Iran) (vessel) [NPWMD].

42. ELYANA (f.k.a. EVITA; f.k.a. GOLDENROD; f.k.a. IRAN LUCKY LILY; f.k.a. LUCKY LILY) General Cargo 22,882DWT 15,670GRT Iran flag (IRISL); Former Vessel Flag Bolivia; Vessel Registration Identification IMO 9165827 (vessel) [NPWMD].

43. GABRIELA (f.k.a. DANDELION; f.k.a. IRAN NEW STATE; f.k.a. NEW STATE) Container Ship 41,937DWT 36,014GRT Bolivia flag (IRISL); Vessel Registration Identification IMO 9209336 (Bolivia) (vessel) [NPWMD].

44. GAS CAMELLIA LPG Tanker St. Kitts and Nevis flag; Vessel Registration Identification IMO 8803381 (vessel) [EO13645].

45. GILDA (f.k.a. IRAN ANZALI) General Cargo 6,750DWT 5,750GRT Iran flag (IRISL); Vessel Registration Identification IMO 9367982 (Iran) (vessel) [NPWMD].

46. GLADIOLUS (f.k.a. TENTH OCEAN) General Cargo 22,882DWT 15,670GRT Malta flag (IRISL); Vessel Registration Identification IMO 9165815 (Malta) (vessel) [NPWMD].

47. GLORY Bulk Carrier 76,500DWT 41,226GRT Barbados flag (IRISL); Vessel Registration Identification IMO 9369710 (Barbados) (vessel) [NPWMD].

48. GLOXINIA (f.k.a. IRAN SEA STATE; f.k.a. LILIED; f.k.a. SEA STATE) General Cargo 23,176DWT 16,694GRT Barbados flag (IRISL); Vessel Registration Identification IMO 9167265 (Barbados) (vessel) [NPWMD].

49. GOLAFRUZ (f.k.a. DIANTHE; f.k.a. HORSHAM; f.k.a. IRAN BAM) Bulk Carrier 73,664DWT 40,166GRT Iran flag (IRISL); Former Vessel Flag Barbados; Vessel Registration Identification IMO 9323833 (vessel) [NPWMD].

50. GOLBON (f.k.a. HADIS; f.k.a. IRAN ILAM; f.k.a. SEPITAM) Container Ship 37,894DWT 27,681GRT Iran flag (IRISL); Vessel Registration Identification IMO 9283033 (Iran) (vessel) [NPWMD].

51. GOLSAR (f.k.a. CARMELA; f.k.a. IRAN AZARBAYJAN; f.k.a. NAFIS; f.k.a. ZAWA) Bulk Carrier 72,642DWT 39,424GRT Iran flag (IRISL); Former Vessel Flag Bolivia; Vessel Registration Identification IMO 9193185 (vessel) [NPWMD].

52. GOWHAR Ferry Iran flag (IRISL); Vessel Registration Identification IMO 9103087 (vessel) [NPWMD].

53. GULAFSHAN (f.k.a. ATLANTIC; f.k.a. DREAMLAND; f.k.a. IRAN DREAMLAND) Bulk Carrier 43,302DWT 25,770GRT Iran flag (IRISL); Former Vessel Flag Hong Kong; Vessel Registration Identification IMO 8320183 (vessel) [NPWMD].

54. HAADI Bulk Carrier 53,442DWT 32,474GRT Moldova flag; Vessel Registration Identification IMO 9387798 (Moldova) (vessel) [NPWMD].

55. HAAMI Bulk Carrier 53,500DWT 32,474GRT MALTA flag; Vessel Registration Identification IMO 9405966 (Malta) (vessel) [NPWMD].

56. HAMADAN (f.k.a. IRAN HAMADAN) Bulk Carrier 72,162DWT 39,517GRT Tanzania flag (IRISL); Vessel Registration Identification IMO 9226956 (Tanzania) (vessel) [NPWMD].

57. HAMD Bunkering Tanker 750DWT 335GRT Iran flag (IRISL); Vessel Registration Identification IMO 9036052 (Iran) (vessel) [NPWMD].

58. HORMUZ 2 Ferry Iran flag (IRISL); Vessel Registration Identification IMO 7904580 (vessel) [NPWMD].

59. IRAN AKHAVAN Bulk Carrier 34,859DWT 20,576GRT Iran flag (IRISL); Vessel Registration Identification IMO 8113009 (vessel) [NPWMD].

60. IRAN CHARAK Bunkering Tanker 700DWT 335GRT Iran flag (IRISL); Vessel Registration Identification IMO 8322076 (Iran) (vessel) [NPWMD].

61. IRAN DALEER General Cargo 5,885DWT 4,954GRT Iran flag (IRISL); Vessel Registration Identification IMO 9118551 (vessel) [NPWMD].

62. IRAN HORMUZ 12 General Cargo Iran flag (IRISL); Vessel Registration Identification IMO 9005596 (vessel) [NPWMD].

63. IRAN HORMUZ 14 General Cargo Iran flag (IRISL); Vessel Registration Identification IMO 9020778 (vessel) [NPWMD].

64. IRAN HORMUZ 21 General Cargo 1,000DWT 910GRT Iran flag (IRISL); Vessel Registration Identification IMO 8314263 (vessel) [NPWMD].

65. IRAN HORMUZ 22 General Cargo 1,000DWT 910GRT Iran flag (IRISL); Vessel Registration Identification IMO 8314275 (vessel) [NPWMD].

66. IRAN HORMUZ 23 General Cargo Iran flag (IRISL); Vessel Registration Identification IMO 8319782 (vessel) [NPWMD].

67. IRAN HORMUZ 25 General Cargo Iran flag (IRISL); Vessel Registration Identification IMO 8422072 (vessel) [NPWMD].

68. IRAN HORMUZ 26 General Cargo Iran flag (IRISL); Vessel Registration Identification IMO 8422084 (vessel) [NPWMD].

69. IRAN KASHAN Container Ship 29,870DWT 23,200GRT Iran flag (IRISL); Vessel Registration Identification IMO 9270696 (vessel) [NPWMD].

70. IRAN KONG Unknown vessel type 0DWT 63GRT IRAN flag (IRISL); Vessel Registration Identification IMO 9007582 (Iran) (vessel) [NPWMD].

71. IRAN PARAK Bunkering Tanker 750DWT 321GRT Iran flag (IRISL); Vessel Registration Identification IMO 8322064 (Iran) (vessel) [NPWMD].

72. IRAN SHAHED General Cargo 3,480DWT 2,615GRT Iran flag (IRISL); Vessel Registration Identification IMO 9184691 (vessel) [NPWMD].

73. IRAN SHAHR–E–KORD Container Ship 29,870DWT 23,200GRT Iran flag (IRISL); Vessel Registration Identification IMO 9270684 (Iran) (vessel) [NPWMD].

74. IRAN SHALAK Bunkering Tanker 750DWT 335GRT Iran flag (IRISL); Vessel Registration Identification IMO 8319940 (Iran) (vessel) [NPWMD].

75. IRAN SHALAMCHEH General Cargo 3,918DWT 3,135GRT Iran flag (IRISL); Vessel Registration Identification IMO 8820925 (vessel) [NPWMD].

76. IRAN YOUSHAT Bunkering Tanker 710DWT 335GRT Iran flag (IRISL); Vessel Registration Identification IMO 8319952 (Iran) (vessel) [NPWMD].

77. JAFFNA Panama flag (Siqiriya Maritime Corp.); Vessel Registration Identification IMO 8609515 (vessel) [EO13645] (Linked To: SIQIRIYA MARITIME CORP.).

78. JAIRAN (f.k.a. CAMELLIA; f.k.a. CATALINA; f.k.a. IRAN SEA BLOOM; f.k.a. LODESTAR; f.k.a. SEA BLOOM) General Cargo 23,176DWT 16,694GRT Iran flag (IRISL); Former Vessel Flag Bolivia; Vessel Registration Identification IMO 9167291 (vessel) [NPWMD].

79. JOVITA (f.k.a. GALAX; f.k.a. NINTH OCEAN) General Cargo 22,882DWT 15,670GRT Sierra Leone flag (IRISL); Vessel Registration Identification IMO 9165798 (Sierra Leone) (vessel) [NPWMD].

80. KADOS (f.k.a. IRAN SAHEL) General Cargo 3,816DWT 2,842GRT Iran flag (IRISL); Vessel Registration Identification IMO 9137258 (Iran) (vessel) [NPWMD].

81. KATERINA 1 Crude Oil Tanker Panama flag; Vessel Registration Identification IMO 9031959 (vessel) [EO13645].

82. KIAZAND (f.k.a. CHARIOT; f.k.a. IRAN KARIM; f.k.a. KARIM) Bulk Carrier 53,100DWT 31,117GRT Iran flag (IRISL); Former Vessel Flag Malta; Vessel Registration Identification IMO 9465758 (vessel) [NPWMD].

83. MAHNAM (f.k.a. ATENA; f.k.a. CONSUELO; f.k.a. IRAN YAZD; f.k.a. LANCELIN) Bulk Carrier 72,642DWT 40,609GRT Iran flag (IRISL); Former Vessel Flag Bolivia; Vessel Registration Identification IMO 9213387 (vessel) [NPWMD].

84. MAHSAN (f.k.a. GOLESTAN; f.k.a. IRAN GOLESTAN) Bulk Carrier 72,162DWT 39,517GRT Malta flag (IRISL); Vessel Registration Identification IMO 9226944 (Malta) (vessel) [NPWMD].

85. MANOLA (f.k.a. EIGHTH OCEAN) General Cargo 22,882DWT 15,670GRT Sierra Leone flag (IRISL); Vessel Registration Identification IMO 9165803 (Sierra Leone) (vessel) [NPWMD].

86. MARIA Chemical/Products Tanker St. Kitts and Nevis flag; Vessel Registration Identification IMO 9110626 (vessel) [EO13645].

87. MARISOL (f.k.a. FIRST OCEAN) Container Ship 85,896DWT 74,175GRT Sierra Leone flag (IRISL); Vessel Registration Identification IMO 9349576 (Sierra Leone) (vessel) [NPWMD].

88. MERCEDES (f.k.a. DECKER; f.k.a. FIFTH OCEAN) Container Ship 81,112DWT 75,395GRT Sierra Leone flag (IRISL); Vessel Registration Identification IMO 9349667 (Sierra Leone) (vessel) [NPWMD].

89. MIRZA KOCHEK KHAN Unknown vessel type Iran flag (IRISL); Vessel Registration Identification IMO 7027899 (vessel) [NPWMD].

90. NAGHMEH (f.k.a. APOLLO; f.k.a. IRAN DESTINY; f.k.a. IRAN NAVAB) Bulk Carrier 43,329DWT 25,768GRT Iran flag (IRISL); Former Vessel Flag Hong Kong; Vessel Registration Identification IMO 8320145 (vessel) [NPWMD].

91. NAMI Chemical/Products Tanker Panama flag; Vessel Registration Identification IMO 8419178 (vessel) [EO13645].

92. NARDIS (f.k.a. FERDOS) (Iran) General Cargo 3,817DWT 2,842GRT Iran flag (IRISL); Vessel Registration Identification IMO 9137246 (Iran) (vessel) [NPWMD].

93. NEGAR (f.k.a. ELICIA; f.k.a. GARLAND; f.k.a. IRAN LUCKY MAN; f.k.a. LUCKY MAN) General Cargo 22,882DWT 15,670GRT Iran flag (IRISL); Former Vessel Flag Bolivia; Vessel Registration Identification IMO 9165839 (vessel) [NPWMD].

94. NEGEEN Unknown vessel type Iran flag (IRISL); Vessel Registration Identification IMO 9071519 (vessel) [NPWMD].

95. NESHAT (f.k.a. BEGONIA; f.k.a. IRAN PRETTY SEA (KHUZESTAN); f.k.a. LAVENDER; f.k.a. PRETTY SEA) General Cargo 23,116DWT 16,694GRT Iran flag (IRISL); Former Vessel Flag Moldova; Vessel Registration Identification IMO 9167277 (vessel) [NPWMD].

96. NILDA (f.k.a. GABION; f.k.a. SEVENTH OCEAN) General Cargo 22,882DWT 15,670GRT Sierra Leone flag (IRISL); Vessel Registration Identification IMO 9165786 (Sierra Leone) (vessel) [NPWMD].

97. OLYSA Panama flag (Siqiriya Maritime Corp.); Vessel Registration Identification IMO 9001605 (vessel) [EO13645] (Linked To: SIQIRIYA MARITIME CORP.).

98. ORIANA (f.k.a. THIRD OCEAN) Container Ship 85,878DWT 74,175GRT Sierra Leone flag (IRISL); Vessel Registration Identification IMO 9349590 (Sierra Leone) (vessel) [NPWMD].

99. PANTEA (a.k.a. IRAN ADL) Bulk Carrier 37,537DWT 22,027GRT Iran flag (IRISL); Vessel Registration Identification IMO 8108559 (vessel) [NPWMD].

100. PARDIS (f.k.a. IRAN YASOOJ; f.k.a. SIMBER) Container Ship 33,812DWT 25,391GRT Tanzania flag (IRISL); Vessel Registration Identification IMO 9284142 (Tanzania) (vessel) [NPWMD].

101. PARIN (f.k.a. IRAN KABEER) General Cargo 5,885DWT 4,991GRT Iran flag (IRISL); Vessel Registration Identification IMO 9076478 (Iran) (vessel) [NPWMD].

102. PARMIDA (a.k.a. IRAN AFZAL) Bulk Carrier 37,564DWT 22,027GRT Iran flag (IRISL); Vessel Registration Identification IMO 8105284 (vessel) [NPWMD].

103. PARMIS (f.k.a. IRAN BARAN; f.k.a. PARDIS) General Cargo 3,839DWT 2,842GRT Iran flag (IRISL); Vessel Registration Identification IMO 9245316 (Iran) (vessel) [NPWMD].

104. PARMIS (f.k.a. IRAN PIROOZI; f.k.a. SAKAS) Container Ship 33,853DWT 25,391GRT Tanzania flag (IRISL); Vessel Registration Identification IMO 9283007 (Tanzania) (vessel) [NPWMD].

105. PARSHAD (f.k.a. CHIMES; f.k.a. IRAN VAAFI; f.k.a. VAAFI) Bulk Carrier 53,000DWT 32,474GRT Iran flag (IRISL); Former Vessel Flag Tanzania; Vessel Registration Identification IMO 9387786 (vessel) [NPWMD].

106. PARSHAN (f.k.a. BRIGHTNESS; f.k.a. IRAN BRIGHTNESS; f.k.a. MARIGOLD) General Cargo 24,065DWT 16,621GRT Iran flag (IRISL); Vessel Registration Identification IMO 9051648 (Iran) (vessel) [NPWMD].

107. PATRIS General Cargo 3,853DWT 2,842GRT Malta flag (IRISL); Vessel Registration Identification IMO 9137210 (Malta) (vessel) [NPWMD].

108. RAAZI Bulk Carrier 53,412DWT 32,474GRT Tanzania flag; Vessel Registration Identification IMO 9387803 (Tanzania) (vessel) [NPWMD].

109. RAMONA (f.k.a. DECRETIVE; f.k.a. SIXTH OCEAN) Container Ship 79,030DWT 75,395GRT Sierra Leone flag (IRISL); Vessel Registration Identification IMO 9349679 (Sierra Leone) (vessel) [NPWMD].

110. RIONA (f.k.a. SECOND OCEAN) Container Ship 86,018DWT 74,175GRT Sierra Leone flag (HDS); Vessel Registration Identification IMO 9349588 (Sierra Leone) (vessel) [NPWMD].

111. RONAK (f.k.a. ANIL; f.k.a. DANDY; f.k.a. IRAN DANDY) Bulk Carrier 43,279DWT 25,768GRT Iran flag (IRISL); Former Vessel Flag Hong Kong; Vessel Registration Identification IMO 8320157 (vessel) [NPWMD].

112. SABRINA (f.k.a. IRAN BASHEER) General Cargo 2,850DWT 2,563GRT Iran flag (IRISL); Vessel Registration Identification IMO 8215742 (vessel) [NPWMD].

113. SAEI Bulk Carrier 53,386DWT 32,474GRT Moldova flag; Vessel Registration Identification IMO 9387815 (Moldova) (vessel) [NPWMD].

114. SALIM Bulk Carrier 53,100DWT 31,117GRT Moldova flag (IRISL); Vessel Registration Identification IMO 9465851 (Moldova) (vessel) [NPWMD].

115. SALIS (f.k.a. IRAN FARS; f.k.a. SEWAK) Container Ship 33,850DWT 25,391GRT Tanzania flag (IRISL); Vessel Registration Identification IMO 9283021 (Tanzania) (vessel) [NPWMD].

116. SANIA (f.k.a. IRAN NOWSHAHR) General Cargo 7,004DWT 5,676GRT Iran flag (IRISL); Vessel Registration Identification IMO 9367994 (Iran) (vessel) [NPWMD].

117. SARINA (f.k.a. IRAN SAHAR; f.k.a. RA–EES ALI) General Cargo 2,876DWT 2,576GRT Iran flag (IRISL); Vessel Registration Identification IMO 8203608 (vessel) [NPWMD].

118. SARIR (f.k.a. IRAN AMIRABAD) General Cargo 7,004DWT 5,676GRT Iran flag (IRISL); Vessel Registration Identification IMO 9368003 (vessel) [NPWMD].

119. SARITA (f.k.a. DANDLE; f.k.a. TWELFTH OCEAN) Container Ship 41,971DWT 36,014GRT Sierra Leone flag (IRISL); Vessel Registration Identification IMO 9209348 (Sierra Leone) (vessel) [NPWMD].

120. SATTAR Bulk Carrier 43,419DWT 24,155GRT Sierra Leone flag (IRISL); Vessel Registration Identification IMO 9040479 (Sierra Leone) (vessel) [NPWMD].

121. SAVIZ (f.k.a. AZALEA; f.k.a. IRAN OCEAN CANDLE; f.k.a. LANTANA; f.k.a. OCEAN CANDLE) General Cargo 23,176DWT 16,694GRT Iran flag (IRISL); Vessel Registration Identification IMO 9167253 (Iran) (vessel) [NPWMD].

122. SHAADI Bulk Carrier 53,500DWT 32,474GRT MALTA flag; Vessel Registration Identification IMO 9405978 (Malta) (vessel) [NPWMD].

123. SHABGOUN (f.k.a. ALVA; f.k.a. IRAN SABALAN; f.k.a. SABALAN) Container Ship 66,900DWT 53,453GRT Iran flag (IRISL); Former Vessel Flag Sierra Leone; Vessel Registration Identification IMO 9346524 (vessel) [NPWMD].

124. SHADFAR (f.k.a. ADMIRAL; f.k.a. DAIS; f.k.a. IRAN DAIS) Bulk Carrier 43,406DWT 25,768GRT Iran flag (IRISL); Former Vessel Flag Hong Kong; Vessel Registration Identification IMO 8309696 (vessel) [NPWMD].

125. SHAMIM (a.k.a. IRAN BUSHEHR; f.k.a. SILVER ZONE) Container Ship 30,146DWT 23,285GRT Iran flag (IRISL); Vessel Registration Identification IMO 9270658 (Iran) (vessel) [NPWMD].

126. SHAYAN 1 Container Ship 13,772DWT 9,957GRT IRAN flag (IRISL); Vessel Registration Identification IMO 9420356 (Iran) (vessel) [NPWMD].

127. SHERE (a.k.a. IRAN TABAS) Bulk Carrier 73,586DWT 40,166GRT Moldova flag (IRISL); Vessel Registration Identification IMO 9305192 (Moldova) (vessel) [NPWMD].

128. SILVER CRAFT (a.k.a. IRAN KERMAN) Container Ship 41,978DWT 36,014GRT Malta flag (IRISL); Vessel Registration Identification IMO 9209350 (vessel) [NPWMD].

129. SININ Bulk Carrier 52,466DWT 30,064GRT Tanzania flag (IRISL); Vessel Registration Identification IMO 9274941 (Tanzania) (vessel) [NPWMD].

130. SOBHAN Bunkering Tanker 750DWT 453GRT Iran flag (IRISL); Vessel Registration Identification IMO 9036935 (Iran) (vessel) [NPWMD].

131. SOMIA (f.k.a. IRAN TORKAMAN) General Cargo 7,004DWT 5,676GRT Iran flag (IRISL); Vessel Registration Identification IMO 9368015 (Iran) (vessel) [NPWMD].

132. SUN OCEAN Chemical/Products Tanker Panama flag; Vessel Registration Identification IMO 9408358 (vessel) [EO13645].

133. TABAN 1 Container Ship 13,734DWT 9,957GRT IRAN flag (IRISL); Vessel Registration Identification IMO 9420368 (Iran) (vessel) [NPWMD].

134. TABANDEH (f.k.a. ATRIUM; f.k.a. IRAN HAMZEH) Bulk Carrier 43,288DWT 25,770GRT Iran flag (IRISL); Former Vessel Flag Hong Kong; Vessel Registration Identification IMO 8320171 (vessel) [NPWMD].

135. TANDIS (f.k.a. IRAN ARDEBIL; f.k.a. SEPANTA) Container Ship 37,875DWT 27,681GRT Tanzania flag (IRISL); Vessel Registration Identification IMO 9284154 (Tanzania) (vessel) [NPWMD].

136. TARADIS (f.k.a. IRAN DARYA) General Cargo 3,850DWT 2,842GRT Iran flag (IRISL); Vessel Registration Identification IMO 9245304 (Iran) (vessel) [NPWMD].

137. TEEN Bulk Carrier 43,671DWT 26,828GRT Malta flag (IRISL); Vessel Registration Identification IMO 9101649 (vessel) [NPWMD].

138. TERESA (f.k.a. DAFFODIL; f.k.a. ELEVENTH OCEAN) Container Ship 41,962DWT 36,014GRT Sierra Leone flag (IRISL); Vessel Registration Identification IMO 9209324 (Sierra Leone) (vessel) [NPWMD].

139. TERMEH (f.k.a. ACENA; f.k.a. CELESTINA; f.k.a. IRAN KERMANSHAH) Bulk Carrier 75,249DWT 40,609GRT Iran flag (IRISL); Former Vessel Flag Bolivia; Vessel Registration Identification IMO 9213399 (vessel) [NPWMD].

140. TESS Crude Oil Tanker St. Kitts and Nevis flag; Vessel Registration Identification IMO 8913564 (vessel) [EO13645].

141. TONGHAM (a.k.a. IRAN BIRJAND) Bulk Carrier 73,664DWT 40,166GRT Tanzania flag (IRISL); Vessel Registration Identification IMO 9305219 (Tanzania) (vessel) [NPWMD].

142. UPPERCOURT (a.k.a. IRAN BOJNOORD) Bulk Carrier 73,518DWT 40,166GRT Tanzania flag (IRISL); Vessel Registration Identification IMO 9305207 (Tanzania) (vessel) [NPWMD].

143. VALERIAN (f.k.a. IRAN BRAVE; f.k.a. MARGRAVE) General Cargo 22,950DWT 16,620GRT Bolivia flag (IRISL); Vessel Registration Identification IMO 9051650 (Bolivia) (vessel) [NPWMD].

144. VALILI (a.k.a. IRAN ARAK) Container Ship 29,870DWT 23,200GRT MALTA flag (IRISL); Vessel Registration Identification IMO 9270646 (Malta) (vessel) [NPWMD].

145. VIANA (f.k.a. IRAN GHADEER) General Cargo 3,955DWT 3,638GRT Iran flag (IRISL); Vessel Registration Identification IMO 9010723 (vessel) [NPWMD].

146. VISTA (f.k.a. IRAN BASEER) General Cargo 3,955DWT 3,638GRT Iran flag (IRISL); Vessel Registration Identification IMO 9010711 (vessel) [NPWMD].

147. VOBSTER (a.k.a. IRAN PERSIAN GULF; a.k.a. PERSIAN GULF) Bulk Carrier 73,664DWT 40,166GRT Moldova flag (IRISL); Vessel Registration Identification IMO 9305221 (Moldova) (vessel) [NPWMD].

148. WARTA (f.k.a. ALIM; f.k.a. CHAIRMAN; f.k.a. IRAN ALIM) Bulk Carrier 53,100DWT 31,117GRT Iran flag (IRISL); Former Vessel Flag Tanzania; Vessel Registration Identification IMO 9465849 (vessel) [NPWMD].

149. YARAN (f.k.a. SAMIN 1) Container Ship 13,739DWT 9,957GRT Iran flag (IRISL); Vessel Registration Identification IMO 9420370 (Iran) (vessel) [NPWMD].

150. ZAR Unknown vessel type 800DWT 644GRT Iran flag (IRISL); Vessel Registration Identification IMO 9260160 (vessel) [NPWMD].

151. ZARSAN (f.k.a. IRAN MAZANDARAN; f.k.a. MAZANDARAN) Bulk Carrier 72,642DWT 39,424GRT Malta flag (IRISL); Vessel Registration Identification IMO 9193197 (Malta) (vessel) [NPWMD].

152. ZIVAR Unknown vessel type Iran flag (IRISL); Vessel Registration Identification IMO 9260172 (vessel) [NPWMD].

153. ZOMOROUD Bulk Carrier Iran flag (IRISL); Vessel Registration Identification IMO 9138044 (vessel) [NPWMD].

B. Removals of Sanctions Imposed Pursuant to Section 5(a) of the Iran Sanctions Act of 1996, as Amended (ISA), Section 212 of the Iran Threat Reduction and Syria Human Rights Act of 2012 (TRA), Section 1244(d)(1) of IFCA, and Section 4 of E.O. 13622

On January 16, 2015, the Secretary of State determined that the sanctions previously imposed pursuant to Section 5(a) of ISA, Section 212 of the TRA, or Section 4 of E.O. 13622 on the persons named below shall be discontinued. 81 FR 4082 (January 25, 2016). On the same day, OFAC gave effect to the Secretary of State's determination by removing the below-listed individual and 13 entities from the SDN List and/or the NS–ISA List,[7] as appropriate: [8]

Individuals

1. CAMBIS, Dimitris (a.k.a. KAMPIS, Dimitrios Alexandros; a.k.a. ''KLIMT, Gustav''); DOB 14 Oct 1963; Additional Sanctions Information—Subject to Secondary Sanctions (individual) [IRAN] [ISA].

[7] OFAC implements the blocking sanction under Section 6 of ISA by adding persons subject to that sanction to the SDN List with the identifying tag ''[ISA].'' OFAC implements the non-blocking provisions of Section 6 of ISA by adding persons subject to those sanctions to the NS–ISA List. The names of persons subject to sanctions imposed pursuant to ISA are published in the **Federal Register**.

[8] One individual and several entities listed in this Section I.B are persons whom OFAC has previously identified as meeting the definition of the term ''Government of Iran'' or the term ''Iranian financial institution'' as set forth in, respectively, Sections 560.304 and 560.324 of the ITSR. Such persons have been added to the E.O. 13599 List. *See* Section III below. For other persons not previously identified as meeting the definition of the term ''Government of Iran'' or the term ''Iranian financial institution'', the determination to remove these individuals and entities from the SDN List and/or NS–ISA List does not represent a determination that they do not meet the definition of the term ''Government of Iran'' or the term ''Iranian financial institution'' as set forth in, respectively, Sections 560.304 and 560.324 of the ITSR. Persons on the E.O. 13599 List and any other person meeting the definitions of the term ''Government of Iran'' or the term ''Iranian financial institution'' remain persons whose property and interests in property are blocked if they are or come within the United States or if they are or come within the possession or control of a U.S. person, wherever located.

Entities

1. CENTRAL INSURANCE OF IRAN (a.k.a. BIMEH MARKAZI; a.k.a. BIMEH MARKAZI IRAN; a.k.a. CENTRAL INSURANCE OF IR IRAN; a.k.a. CENTRAL INSURANCE OF THE ISLAMIC REPUBLIC OF IRAN), No. 223 N. East St., Africa Ave., Tehran, Iran; Additional Sanctions Information—Subject to Secondary Sanctions [IRAN–TRA].

2. FAL OIL COMPANY LTD., Sultan Al Awal Street (Sheikh Sultan Bin Awal Road), Near Mina Sea Port, Near Mina Khalid Road, Al Khan Area, Sharjah, Sharjah, United Arab Emirates; Telephone: 97165029999; Telephone: 97165280861; Telephone: 97165286666; Telephone: 97165283334; Telephone: 97165283323; Telephone: 97165022234; Telephone: 97165029999; Telephone: 97165029804; Telephone: 97165029914; Telephone: 97165029824; Telephone: 97165281737; Telephone: 97165029814; Telephone: 97165029825; Telephone: 97165029840; Telephone: 97165029863; Telephone: 97165029842; Telephone: 97165029819; Telephone: 97165029836; Telephone: 97168029939; Fax: 97165281437; Fax: 97165280861; United States financial institutions are prohibited from making loans or providing credits totaling more than $10,000,000 in any 12-month period to the person listed here unless such person is engaged in activities to relieve human suffering and the loans or credits are provided for such activities [NS–ISA].

3. FERLAND COMPANY LIMITED (a.k.a. FERLAND CO. LTD), 29 A Anna Komnini St., P.O. Box 2303, Nicosia, Cyprus; 5/7 Sabaneyev Most., Odessa, Ukraine; Executive Order 13645 Determination—Material Support [ISA] [FSE–IR] [E.O.13645] (Linked To: NATIONAL IRANIAN TANKER COMPANY).[9]

4. IMPIRE SHIPPING COMPANY (a.k.a. IMPIRE SHIPPING; a.k.a. IMPIRE SHIPPING LIMITED), Greece; Additional Sanctions Information—Subject to Secondary Sanctions [IRAN] [ISA].[10]

5. JAM PETROCHEMICAL COMPANY, Pars Special Economic Zone, Assaluyeh, Boushehr Province, Iran [E.O.13622].

6. KISH PROTECTION & INDEMNITY (a.k.a. KISH MUTUAL PROTECTION & INDEMNITY; a.k.a. KISH P&I), Flt No. 9, No. 78, Vaali Nejad Alley, Africa Blvd., Tehran, Iran; Additional Sanctions Information—Subject to Secondary Sanctions [IRAN–TRA].

7. KUO OIL (S) PTE. LIMITED, 200 Cantonment Road, #15–00 Southpoint, Singapore 089763, Singapore; Telephone: 6563184677; Fax: 6562243040; United States financial institutions are prohibited from making loans or providing credits totaling more than $10,000,000 in any 12-month period to the person listed here unless such person is engaged in activities to relieve human suffering and the loans or credits are provided for such activities [NS–ISA].

8. NAFTIRAN INTERTRADE CO. (NICO) LIMITED (a.k.a. NAFT IRAN INTERTRADE COMPANY LTD; a.k.a. NAFTIRAN INTERTRADE COMPANY (NICO); a.k.a. NAFTIRAN INTERTRADE COMPANY LTD; a.k.a. NICO), 41, 1st Floor, International House, The Parade, St Helier JE2 3QQ, Jersey; Petro Pars Building, Saadat Abad Ave, No 35, Farhang Blvd., Tehran, Iran; Additional Sanctions Information—Subject to Secondary Sanctions; all offices worldwide [IRAN] [NPWMD] [IRGC] [IFSR] (Linked To: NIOC INTERNATIONAL AFFAIRS (LONDON) LIMITED).

9. NIKSIMA FOOD AND BEVERAGE JLT, Dubai, United Arab Emirates [E.O.13622].

10. PETROCHEMICAL COMMERCIAL COMPANY INTERNATIONAL (a.k.a. PETROCHEMICAL COMMERCIAL COMPANY INTERNATIONAL LIMITED; a.k.a. PETROCHEMICAL COMMERCIAL COMPANY INTERNATIONAL LTD; a.k.a. PETROCHEMICAL TRADING COMPANY LIMITED; a.k.a. ''PCCI''), 41, 1st Floor, International House, The Parade, St. Helier JE2 3QQ, Jersey; Ave. 54, Yimpash Business Center, No. 506, 507, Ashkhabad 744036, Turkmenistan; P.O. Box 261539, Jebel Ali, Dubai, United Arab Emirates; No. 21 End of 9th St, Gandi Ave, Tehran, Iran; 21, Africa Boulevard, Tehran, Iran; Additional Sanctions Information—Subject to Secondary Sanctions; Registration ID 77283 (Jersey); all offices worldwide [IRAN] [ISA].

11. ROYAL OYSTER GROUP, ROG Corporate Office, Royal Oyster General Trading LLC, P.O. Box 34299, Dubai, United Arab Emirates; Web site *www.oystersgroup.com* [ISA].

12. SPEEDY SHIP FZC (a.k.a. SEPAHAN OIL COMPANY; a.k.a. ''SPD''), Room 206, 2nd Floor, Building W5B, Dubai Airport Free Zone, P.O. Box 54916, Dubai, United Arab Emirates [ISA].

13. ZHUHAI ZHENRONG COMPANY, Zhenrong Building, 121, DaTunli, Chaoyang District, Beijing 100108, China; Telephone: 861052925900; Fax: 861052025900; United States financial institutions are prohibited from making loans or providing credits totaling more than $10,000,000 in any 12-month period to the person listed here unless such person is engaged in activities to relieve human suffering and the loans or credits are provided for such activities [NS–ISA].

On January 16, 2016, the Secretary of State determined that the sanctions previously imposed on the entity named below pursuant to section 1244(d)(1) of IFCA should be waived. 81 FR 4082 (January 25, 2016). On the same day, OFAC gave effect to the Secretary of State's determination and removed this entity from the SDN List.

1. GOLDENTEX FZE, M05 Bin Thani Building, Sheikh Khalifa Bin Zayed Road, Bur Dubai, Dubai, United Arab Emirates [ISA].

C. Removals From the SDN List of Persons Whose Property and Interests in Property Are Blocked Solely Pursuant to E.O. 13599 and Section 560.211 of the ITSR

On January 16, 2015, OFAC determined that the circumstances no longer warrant the inclusion on the SDN List of the below-listed 13 individuals and 177 entities, as well as 74 vessels identified as blocked property of the foregoing. Notwithstanding their removal from the SDN List, the property and interests in property of the below-named persons, including the vessels identified below, remain blocked pursuant to E.O. 13599 and section 560.211 of the ITSR, and the names of these persons and vessels were added to the E.O. 13599 List on Implementation Day. *See* Section III below.

Individuals

1. BAHADORI, Masoud; nationality Iran; Additional Sanctions Information—Subject to Secondary Sanctions; Passport T12828814 (Iran); Managing Director, Petro Suisse Intertrade Company (individual) [IRAN].

2. BAZARGAN, Farzad; DOB 03 Jun 1956; Additional Sanctions Information—Subject to Secondary Sanctions; Passport D14855558 (Iran); alt. Passport Y21130717 (Iran); Managing Director, Hong Kong Intertrade Company (individual) [IRAN].

3. CAMBIS, Dimitris (a.k.a. KAMPIS, Dimitrios Alexandros; a.k.a. ''KLIMT, Gustav''); DOB 14 Oct 1963; Additional Sanctions Information—Subject to Secondary Sanctions (individual) [IRAN] [ISA].[11]

4. GHALEBANI, Ahmad (a.k.a. GHALEHBANI, Ahmad; a.k.a. QALEHBANI, Ahmad); DOB 01 Jan 1953 to 31 Dec 1954; Additional Sanctions Information—Subject to Secondary Sanctions; Passport H20676140 (Iran); Managing Director, National Iranian Oil Company; Director,Hong Kong Intertrade Company; Director, Petro Suisse Intertrade Company (individual) [IRAN].

5. JASHNSAZ, Seifollah (a.k.a. JASHN SAZ, Seifollah; a.k.a. JASHNSAZ, Seyfollah); DOB 22 Mar 1958; POB Behbahan, Iran; nationality Iran; Additional Sanctions Information—Subject to Secondary Sanctions; Passport R17589399 (Iran); alt. Passport T23700825 (Iran); Chairman & Director, Naftiran Intertrade Co. (NICO) Sarl; Chairman & Director, Naft Iran Intertrade Company Ltd.; Director, Hong Kong Intertrade Company; Chairman of the Board of Directors, Iranian Oil Company (U.K.) Limited; Chairman & Director, Petro Suisse Intertrade Company (individual) [IRAN].

6. MOHADDES, Seyed Mahmoud; DOB 07 Jun 1957; citizen Iran; Additional Sanctions Information—Subject to Secondary Sanctions; Managing Director, Iranian Oil Company (U.K.) Ltd. (individual) [IRAN].

7. MOINIE, Mohammad; DOB 04 Jan 1956; POB Brojerd, Iran; citizen United Kingdom;

[9] On Implementation Day, the Secretary of State and OFAC took administrative actions under, respectively, ISA and E.O.s 13608 and 13645, allowing for the removal of this entity from the SDN List and FSE List. *See also* Sections I.A and II.

[10] On Implementation Day, the Secretary of State took administrative action under ISA, allowing for the removal of this entity from the SDN List. *See* Section I.B.

[11] On Implementation Day, the Secretary of State took administrative action under ISA, allowing for the removal of this individual from the SDN List. *See* Section I.B.

Additional Sanctions Information—Subject to Secondary Sanctions; Passport 301762718 (United Kingdom); Commercial Director, Naftiran Intertrade Company Sarl (individual) [IRAN].

8. NIKOUSOKHAN, Mahmoud; DOB 01 Jan 1961 to 31 Dec 1962; nationality Iran; Additional Sanctions Information—Subject to Secondary Sanctions; Passport U14624657 (Iran); Finance Director, National Iranian Oil Company; Director, Hong Kong Intertrade Company; Director, Petro Suisse Intertrade Company (individual) [IRAN].

9. PARSAEI, Reza; DOB 09 Aug 1963; citizen Iran; Additional Sanctions Information—Subject to Secondary Sanctions; Director, NIOC International Affairs (London) Ltd. (individual) [IRAN].

10. POURANSARI, Hashem; nationality Iran; Additional Sanctions Information—Subject to Secondary Sanctions; Passport B19488852 (Iran); Managing Director, Asia Energy General Trading (individual) [IRAN].

11. SEYYEDI, Seyed Nasser Mohammad; DOB 21 Apr 1963; citizen Iran; Additional Sanctions Information—Subject to Secondary Sanctions; Passport B14354139 (Iran); alt. Passport L18507193 (Iran); alt. Passport X95321252 (Iran); Managing Director, Sima General Trading (individual) [IRAN].

12. TABATABAEI, Seyyed Mohammad Ali Khatibi; DOB 27 Sep 1955; citizen Iran; Additional Sanctions Information—Subject to Secondary Sanctions; Director, NIOC International Affairs (London) Ltd.; Director of International Affairs, NIOC (individual) [IRAN].

13. ZIRACCHIAN ZADEH, Mahmoud; DOB 24 Jul 1959; citizen Iran; Additional Sanctions Information—Subject to Secondary Sanctions; Director, Iranian Oil Company (U.K.) Ltd. (individual) [IRAN].

Entities

1. AA ENERGY FZCO, United Arab Emirates; Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

2. AMIN INVESTMENT BANK (a.k.a. AMINIB), No. 51 Ghobadiyan Street, Valiasr Street, Tehran 1968917173, Iran; Web site *http://www.aminib.com* [IRAN].

3. ARASH SHIPPING ENTERPRISES LIMITED, Diagoras House, 7th Floor, 16 Panteli Katelari Street, Nicosia 1097, Cyprus; Additional Sanctions Information—Subject to Secondary Sanctions; Telephone (357)(22660766); Fax (357)(22678777) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

4. ARTA SHIPPING ENTERPRISES LIMITED, Diagoras House, 7th Floor, 16 Panteli Katelari Street, Nicosia 1097, Cyprus; Additional Sanctions Information—Subject to Secondary Sanctions; Telephone (357)(22660766); Fax (357)(22678777) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

5. ASAN SHIPPING ENTERPRISE LIMITED, 85 St. John Street, Valletta VLT 1165, Malta; Additional Sanctions Information—Subject to Secondary Sanctions; Telephone (356)(21241817); Fax (356)(25990640) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

6. ASCOTEC HOLDING GMBH (f.k.a. AHWAZ STEEL COMMERCIAL & TECHNICAL SERVICE GMBH ASCOTEC; f.k.a. AHWAZ STEEL COMMERCIAL AND TECHNICAL SERVICE GMBH ASCOTEC; a.k.a. ASCOTEC GMBH), Tersteegen Strasse 10, Dusseldorf 40474, Germany; Additional Sanctions Information—Subject to Secondary Sanctions; Registration ID HRB 26136 (Germany); all offices worldwide [IRAN].

7. ASCOTEC JAPAN K.K., 8th Floor, Shiba East Building, 2–3–9 Shiba, Minato-ku, Tokyo 105–0014, Japan; Additional Sanctions Information—Subject to Secondary Sanctions; all offices worldwide [IRAN].

8. ASCOTEC MINERAL & MACHINERY GMBH (a.k.a. ASCOTEC MINERAL AND MACHINERY GMBH; f.k.a. BREYELLER KALTBAND GMBH), Tersteegenstr. 10, Dusseldorf 40474, Germany; Additional Sanctions Information—Subject to Secondary Sanctions; Registration ID HRB 55668 (Germany); all offices worldwide [IRAN].

9. ASCOTEC SCIENCE & TECHNOLOGY GMBH (a.k.a. ASCOTEC SCIENCE AND TECHNOLOGY GMBH), Tersteegenstrasse 10, Dusseldorf D 40474, Germany; Additional Sanctions Information—Subject to Secondary Sanctions; Registration ID HRB 58745 (Germany); all offices worldwide [IRAN].

10. ASCOTEC STEEL TRADING GMBH (a.k.a. ASCOTEC STEEL), Tersteegenstr. 10, Dusseldorf 40474, Germany; Georg-Glock-Str. 3, Dusseldorf 40474, Germany; Additional Sanctions Information—Subject to Secondary Sanctions; Registration ID HRB 48319 (Germany); all offices worldwide [IRAN].

11. ASIA ENERGY GENERAL TRADING (LLC), Suite 703, Twin Tower, Baniyas Street, Deira, Dubai, United Arab Emirates; Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

12. BANDAR IMAM PETROCHEMICAL COMPANY, North Kargar Street, Tehran, Iran; Mahshahr, Bandar Imam, Khuzestan Province, Iran; Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

13. BANK KESHAVARZI IRAN (a.k.a. AGRICULTURAL BANK OF IRAN; a.k.a. BANK KESHAVARZI), P.O. Box 14155–6395, 129 Patrice Lumumba St, Jalal-al-Ahmad Expressway, Tehran 14454, Iran; all offices worldwide [IRAN].

14. BANK MARKAZI JOMHOURI ISLAMI IRAN (a.k.a. BANK MARKAZI IRAN; a.k.a. CENTRAL BANK OF IRAN; a.k.a. CENTRAL BANK OF THE ISLAMIC REPUBLIC OF IRAN), P.O. Box 15875/7177, 144 Mirdamad Blvd., Tehran, Iran; 213 Ferdowsi Avenue, Tehran 11365, Iran; Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

15. BANK MASKAN (a.k.a. HOUSING BANK (OF IRAN)), P.O. Box 11365/5699, No 247 3rd Floor Fedowsi Ave, Cross Sarhang Sakhaei St, Tehran, Iran; all offices worldwide [IRAN].

16. BANK MELLAT, Head Office Bldg, 327 Taleghani Ave, Tehran 15817, Iran; 327 Forsat and Taleghani Avenue, Tehran 15817, Iran; P.O. Box 375010, Amiryan Str #6, P/N–24, Yerevan, Armenia; Keumkang Tower—13th & 14th Floor, 889–13 Daechi-Dong, Gangnam-Ku, Seoul 135–280, Korea, South; P.O. Box 79106425, Ziya Gokalp Bulvari No 12, Kizilay, Ankara, Ankara, Turkey; Cumhuriyet Bulvari No 88/A, PK 7103521, Konak, Izmir, Turkey; Buyukdere Cad, Cicek Sokak No 1—1 Levent, Levent, Istanbul, Turkey; Additional Sanctions Information—Subject to Secondary Sanctions; all offices worldwide [IRAN] [NPWMD] [IFSR].

17. BANK MELLI IRAN (a.k.a. BANK MELLI; a.k.a. NATIONAL BANK OF IRAN), P.O. Box 11365–171, Ferdowsi Avenue, Tehran, Iran; 43 Avenue Montaigne, Paris 75008, France; Room 704–6, Wheelock Hse, 20 Pedder St, Central, Hong Kong; Bank Melli Iran Bldg, 111 St 24, 929 Arasat, Baghdad, Iraq; P.O. Box 2643, Ruwi, Muscat 112, Oman; P.O. Box 2656, Liva Street, Abu Dhabi, United Arab Emirates; P.O. Box 248, Hamad Bin Abdulla St, Fujairah, United Arab Emirates; P.O. Box 1888, Clock Tower, Industrial Rd, Al Ain Club Bldg, Al Ain, Abu Dhabi, United Arab Emirates; P.O. Box 1894, Baniyas St, Deira, Dubai City, United Arab Emirates; P.O. Box 5270, Oman Street Al Nakheel, Ras Al- Khaimah, United Arab Emirates; P.O. Box 459, Al Borj St, Sharjah, United Arab Emirates; P.O. Box 3093, Ahmed Seddiqui Bldg, Khalid Bin El-Walid St, Bur-Dubai, Dubai City 3093, United Arab Emirates; P.O. Box 1894, Al Wasl Rd, Jumeirah, Dubai, United Arab Emirates; Postfach 112 129, Holzbruecke 2, D–20459, Hamburg, Germany; Nobel Ave. 14, Baku, Azerbaijan; Unit 1703–4, 17th Floor, Hong Kong Club Building, 3 A Chater Road Central, Hong Kong; Esteghlal St., Opposite to Otbeh Ibn Ghazvan Hall, Basrah, Iraq; Additional Sanctions Information—Subject to Secondary Sanctions; all offices worldwide [IRAN] [NPWMD] [IFSR].

18. BANK OF INDUSTRY AND MINE (OF IRAN) (a.k.a. BANK SANAD VA MADAN; a.k.a. ''BIM''), P.O. Box 15875–4456, Firouzeh Tower, No 1655 Vali-Asr Ave after Chamran Crossroads, Tehran 1965643511, Iran; No 1655, Firouzeh Building, Mahmoudiye Street, Valiasr Ave, Tehran, Iran; Additional Sanctions Information—Subject to Secondary Sanctions; all offices worldwide [IRAN] [NPWMD] [IFSR].

19. BANK REFAH KARGARAN (a.k.a. BANK REFAH; a.k.a. WORKERS' WELFARE BANK (OF IRAN)), No. 40 North Shiraz Street, Mollasadra Ave, Vanak Sq, Tehran 19917, Iran; Additional Sanctions Information—Subject to Secondary Sanctions; all offices worldwide [IRAN] [NPWMD] [IFSR].

20. BANK SEPAH, Imam Khomeini Square, Tehran 1136953412, Iran; 64 Rue de Miromesnil, Paris 75008, France; Hafenstrasse 54, D–60327, Frankfurt am Main, Germany; Via Barberini 50, Rome, RM 00187, Italy; 17 Place Vendome, Paris 75008, France; Additional Sanctions Information—Subject to Secondary Sanctions; all offices worldwide [IRAN] [NPWMD] [IFSR].

21. BANK TEJARAT, P.O. Box 11365–5416, 152 Taleghani Avenue, Tehran 15994, Iran; 130, Zandi Alley, Taleghani Avenue, No 152, Ostad Nejat Ollahi Cross, Tehran 14567, Iran; 124–126 Rue de Provence, Angle 76 bd Haussman, Paris 75008, France; P.O. Box 734001, Rudaki Ave 88, Dushanbe 734001, Tajikistan; Office C208, Beijing Lufthansa Center No 50, Liangmaqiao Rd, Chaoyang District, Beijing 100016, China; c/o Europaisch-Iranische Handelsbank AG, Depenau 2, D–20095, Hamburg, Germany;

P.O. Box 119871, 4th Floor, c/o Persia International Bank PLC, The Gate Bldg, Dubai City, United Arab Emirates; c/o Persia International Bank, 6 Lothbury, London EC2R 7HH, United Kingdom; SWIFT/BIC BTEJ IR TH; Additional Sanctions Information—Subject to Secondary Sanctions; all offices worldwide [IRAN] [NPWMD] [IFSR].

22. BANK TORGOVOY KAPITAL ZAO (a.k.a. TC BANK; a.k.a. TK BANK; a.k.a. TK BANK ZAO; a.k.a. TORGOVY KAPITAL (TK BANK); a.k.a. TRADE CAPITAL BANK; a.k.a. TRADE CAPITAL BANK (TC BANK); a.k.a. ZAO BANK TORGOVY KAPITAL), 3 Kozlova Street, Minsk 220005, Belarus; SWIFT/BIC BBTK BY 2X; Additional Sanctions Information—Subject to Secondary Sanctions; Registration ID 30 (Belarus); all offices worldwide [IRAN] [NPWMD] [IFSR].

23. BANK–E SHAHR, Sepahod Gharani, Corner of Khosro St., No. 147, Tehran, Iran [IRAN].

24. BEHSAZ KASHANE TEHRAN CONSTRUCTION CO. (a.k.a. BEHSAZ KASHANEH CO.), No. 40, East Street Journal, North Shiraz Street, Sadra Avenue, Tehran, Iran; Web site *http://www.behsazco.ir;* Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

25. BIMEH IRAN INSURANCE COMPANY (U.K.) LIMITED (a.k.a. BIUK), 4/5 Fenchurch Buildings, London EC3M 5HN, United Kingdom; Additional Sanctions Information—Subject to Secondary Sanctions; UK Company Number 01223433 (United Kingdom); all offices worldwide [IRAN].

26. BLUE TANKER SHIPPING SA, Care of Sambouk Shipping FCZ, Office 101, 1st Floor, FITCO Building No 3, Inside Fujairah Port, P.O. Box 50044, Fujairah, United Arab Emirates; Majuro MH, Marshall Islands; Liberia; Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

27. BOU ALI SINA PETROCHEMICAL COMPANY (a.k.a. BUALI SINA PETROCHEMICAL COMPANY), No. 17, 1st Floor, Daman Afshar St., Vanak Sq., Vali-e-Asr Ave, Tehran 19697, Iran; Petrochemical Special Economic Zone (PETZONE), Iran; Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

28. BREYELLER STAHL TECHNOLOGY GMBH & CO. KG (a.k.a. BREYELLER STAHL TECHNOLOGY GMBH AND CO. KG; f.k.a. ROETZEL–STAHL GMBH & CO. KG; f.k.a. ROETZEL–STAHL GMBH AND CO. KG), Josefstrasse 82, Nettetal 41334, Germany; Additional Sanctions Information—Subject to Secondary Sanctions; Registration ID HRA 4528 (Germany); all offices worldwide [IRAN].

29. CASPIAN MARITIME LIMITED, Fortuna Court, Block B, 284 Archbishop Makarios II Avenue, Limassol 3105, Cyprus; Additional Sanctions Information—Subject to Secondary Sanctions; Telephone (357)(25800000); Fax (357)(25588055) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

30. COMMERCIAL PARS OIL CO., 9th Floor, No. 346, Mirdamad Avenue, Tehran, Iran; Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

31. CREDIT INSTITUTION FOR DEVELOPMENT, 53 Saanee, Jahan-e Koodak, Crossroads Africa St., Tehran, Iran [IRAN].

32. CYLINDER SYSTEM L.T.D. (a.k.a. CILINDER SISTEM D.O.O.; a.k.a. CILINDER SISTEM D.O.O. ZA PROIZVODNJU I USLUGE), Dr. Mile Budaka 1, Slavonski Brod 35000, Croatia; 1 Mile Budaka, Slavonski Brod 35000, Croatia; Web site *http://www.csc-sb.hr;* Additional Sanctions Information—Subject to Secondary Sanctions; Registration ID 050038884 (Croatia); Tax ID No. 27694384517 (Croatia) [IRAN].

33. DANESH SHIPPING COMPANY LIMITED, Diagoras House, 7th Floor, 16 Panteli Katelari Street, Nicosia 1097, Cyprus; Additional Sanctions Information—Subject to Secondary Sanctions; Telephone (357)(22660766); Fax (357)(22668608) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

34. DAVAR SHIPPING CO LTD, Diagoras House, 7th Floor, 16 Panteli Katelari Street, Nicosia 1097, Cyprus; Additional Sanctions Information—Subject to Secondary Sanctions; Telephone (357)(22660766); Fax (357)(22678777) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

35. DENA TANKERS FZE, Free Zone, P.O. Box 5232, Fujairah, United Arab Emirates; Additional Sanctions Information—Subject to Secondary Sanctions [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

36. DEY BANK (a.k.a. BANK–E DEY), Bokharest St., 1st St., No. 13, Tehran, Iran [IRAN].

37. EGHTESAD NOVIN BANK (a.k.a. BANK–E EGHTESAD NOVIN; a.k.a. EN BANK PJSC), Vali Asr Street, Above Vanak Circle, across Niayesh, Esfandiari Blvd., No. 24, Tehran, Iran; SWIFT/BIC BEGN IR TH [IRAN].

38. EUROPAISCH–IRANISCHE HANDELSBANK AG (f.k.a. DEUTSCH–IRANISCHE HANDELSBANK AG; a.k.a. EUROPAEISCH–IRANISCHE HANDELSBANK; a.k.a. EUROPAESCH–IRANISCHE HANDELSBANK AKTIENGESELLSCHAFT; a.k.a. GERMAN–IRANIAN TRADE BANK), Hamburg Head Office, Depenau 2, D–20095 Hamburg, P.O. Box 101304, D–20008 Hamburg, Hamburg, Germany; Kish Branch, Sanaee Avenue, P.O. Box 79415/148, Kish Island 79415, Iran; Tehran Branch, No. 1655/1, Valiasr Avenue, P.O. Box 19656 43 511, Tehran, Iran; Additional Sanctions Information—Subject to Secondary Sanctions; all offices worldwide [IRAN] [NPWMD] [IFSR].

39. EXECUTION OF IMAM KHOMEINI'S ORDER (a.k.a. EIKO; a.k.a. SETAD; a.k.a. SETAD EJRAEI EMAM; a.k.a. SETAD–E EJRAEI–E FARMAN–E HAZRAT–E EMAM; a.k.a. SETAD–E FARMAN–EJRAEI–YE EMAM), Khaled Stamboli St., Tehran, Iran; Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

40. EXPORT DEVELOPMENT BANK OF IRAN (a.k.a. BANK TOSEH SADERAT IRAN; a.k.a. BANK TOWSEEH SADERAT IRAN; a.k.a. BANK TOWSEH SADERAT IRAN; a.k.a. EDBI), Tose'e Tower, Corner of 15th St., Ahmed Qasir Ave., Argentine Square, Tehran, Iran; No. 129, 21's Khaled Eslamboli, No. 1 Building, Tehran, Iran; Export Development Building, Next to the 15th Alley, Bokharest Street, Argentina Square, Tehran, Iran; No. 26, Tosee Tower, Arzhantine Square, P.O. Box 15875–5964, Tehran 15139, Iran; No. 4, Gandi Ave., Tehran 1516747913, Iran; Additional Sanctions Information—Subject to Secondary Sanctions; Registration ID 86936 (Iran) issued 10 Jul 1991; all offices worldwide [IRAN] [NPWMD] [IFSR].

41. FUTURE BANK B.S.C. (a.k.a. BANK–E AL–MOSTAGHBAL; a.k.a. FUTURE BANK), P.O. Box 785, City Centre Building, Government Avenue, Manama, Bahrain; Block 304, City Centre Building, Building 199, Government Avenue, Road 383, Manama, Bahrain; Free Trade Zone, Sanaati-e Kish, Vilay-e Ferdos 2, Corner of Klinik-e Khanevadeh, No 1/5 and 3/5, Kish, Iran; Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document #54514–1 (Bahrain) expires 09 Jun 2009; Trade License No. 13388 (Bahrain); All branches worldwide [IRAN] [NPWMD] [IFSR].

42. GARBIN NAVIGATION LTD, Care of Sambouk Shipping FCZ, Office 101, 1st Floor, FITCO Building No 3, Inside Fujairah Port, P.O. Box 50044, Fujairah, United Arab Emirates; 80 Broad Street, Monrovia, Liberia; Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

43. GHADIR INVESTMENT COMPANY, 341 West Mirdamad Boulevard, Tehran, Iran; P.O. Box 19696, Tehran, Iran; Web site *http://www.ghadir-invest.com;* Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

44. GHAED BASSIR PETROCHEMICAL PRODUCTS COMPANY (a.k.a. GHAED BASSIR), No. 15, Palizvani (7th) Street, Gandhi (South) Avenue, Tehran 1517655711, Iran; Km 10 of Khomayen Road, Golpayegan, Iran; Web site *http://www.gbpc.net;* Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

45. GHARZOLHASANEH RESALAT BANK, Biside the No. 1 Baghestan Alley, Saadat Abad Ave., Kaj Sq., Tehran, Iran; All offices worldwide [IRAN].

46. GHAVAMIN BANK (a.k.a. ''GHAVAMIN FINANCIAL & CREDIT INS.''), No. 252 Milad Tower, Beginning of Africa Blvd., Argentina Sq, Tehran, Iran; All offices worldwide [IRAN].

47. GOLDEN RESOURCES TRADING COMPANY L.L.C. (a.k.a. ''GRTC''), 9th Floor, Office No. 905, Khalid Al Attar Tower 1, Sheikh Zayed Road, After Crown Plaza Hotel, Al Wasl Area, Dubai, United Arab Emirates; Postal Box 34489, Dubai, United Arab Emirates; Postal Box 14358, Dubai, United Arab Emirates; Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

48. GRACE BAY SHIPPING INC, Care of Sambouk Shipping FCZ, 1st Floor, FITCO Building No 3, Inside Fujairah Port, P.O. Box 50044, Fujairah, United Arab Emirates; Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro MH96960, Marshall Islands; Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

49. HADI SHIPPING COMPANY LIMITED, Diagoras House, 7th Floor, 16 Panteli Katelari Street, Nicosia 1097, Cyprus; Additional

Sanctions Information—Subject to Secondary Sanctions; Telephone (357)(22660766); Fax (357)(22668608) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

50. HARAZ SHIPPING COMPANY LIMITED, Diagoras House, 7th Floor, 16 Panteli Katelari Street, Nicosia 1097, Cyprus; Additional Sanctions Information—Subject to Secondary Sanctions; Telephone (357)(22660766); Fax (357)(22668608) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

51. HATEF SHIPPING COMPANY LIMITED, Diagoras House, 7th Floor, 16 Panteli Katelari Street, Nicosia 1097, Cyprus; Additional Sanctions Information—Subject to Secondary Sanctions; Telephone (357)(22660766); Fax (357)(22668608) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

52. HEKMAT IRANIAN BANK (a.k.a. BANK–E HEKMAT IRANIAN), Argentine Circle, beginning of Africa St., Corner of 37th St., (Dara Cul-de-sac), No.26, Tehran, Iran [IRAN].

53. HERCULES INTERNATIONAL SHIP, Care of Sambouk Shipping FCZ, Office 101, 1st Floor, FITCO Building No 3, Inside Fujairah Port, P.O. Box 50044, Fujairah, United Arab Emirates; 80 Broad Street, Monrovia, Liberia; Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

54. HERMIS SHIPPING SA, Care of Sambouk Shipping FCZ, Office 101, 1st Floor, FITCO Building No 3, Inside Fujairah Port, P.O. Box 50044, Fujairah, United Arab Emirates; Panama City, Panama; Monrovia, Liberia; Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

55. HIRMAND SHIPPING COMPANY LIMITED, Diagoras House, 7th Floor, 16 Panteli Katelari Street, Nicosia 1097, Cyprus; Additional Sanctions Information—Subject to Secondary Sanctions; Telephone (357)(22660766); Fax (357)(22668608) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

56. HODA SHIPPING COMPANY LIMITED, Diagoras House, 7th Floor, 16 Panteli Katelari Street, Nicosia 1097, Cyprus; Additional Sanctions Information—Subject to Secondary Sanctions; Telephone (357)(22660766); Fax (357)(22668608) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

57. HOMA SHIPPING COMPANY LIMITED, Diagoras House, 7th Floor, 16 Panteli Katelari Street, Nicosia 1097, Cyprus; Additional Sanctions Information—Subject to Secondary Sanctions; Telephone (357)(22660766); Fax (357)(22668608) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

58. HONAR SHIPPING COMPANY LIMITED, Diagoras House, 7th Floor, 16 Panteli Katelari Street, Nicosia 1097, Cyprus; Additional Sanctions Information—Subject to Secondary Sanctions; Telephone (357)(22660766); Fax (357)(22668608) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

59. HONG KONG INTERTRADE COMPANY, Hong Kong; Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

60. HORMOZ OIL REFINING COMPANY, Next to the Current Bandar Abbas Refinery, Bandar Abbas City, Iran; Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

61. IFIC HOLDING AG (a.k.a. IHAG), Koenigsallee 60 D, Dusseldorf 40212, Germany; Additional Sanctions Information—Subject to Secondary Sanctions; Registration ID HRB 48032 (Germany); all offices worldwide [IRAN].

62. IHAG TRADING GMBH, Koenigsallee 60 D, Dusseldorf 40212, Germany; Additional Sanctions Information—Subject to Secondary Sanctions; Registration ID HRB 37918 (Germany); all offices worldwide [IRAN].

63. IMPIRE SHIPPING COMPANY (a.k.a. IMPIRE SHIPPING; a.k.a. IMPIRE SHIPPING LIMITED), Greece; Additional Sanctions Information—Subject to Secondary Sanctions [IRAN] [ISA].[12]

64. INDUSTRIAL DEVELOPMENT AND RENOVATION ORGANIZATION OF IRAN (a.k.a. IDRO; a.k.a. IRAN DEVELOPMENT & RENOVATION ORGANIZATION COMPANY; a.k.a. IRAN DEVELOPMENT AND RENOVATION ORGANIZATION COMPANY; a.k.a. SAWZEMANE GOSTARESH VA NOWSAZI SANAYE IRAN), Vali Asr Building, Jam e Jam Street, Vali Asr Avenue, Tehran 15815–3377, Iran; Additional Sanctions Information—Subject to Secondary Sanctions; all offices worldwide [IRAN].

65. INTRA CHEM TRADING GMBH (a.k.a. INTRA–CHEM TRADING CO. (GMBH)), Schottweg 3, Hamburg 22087, Germany; Additional Sanctions Information—Subject to Secondary Sanctions; Registration ID HRB48416 (Germany); all offices worldwide [IRAN].

66. IRAN & SHARGH COMPANY (a.k.a. IRAN AND EAST COMPANY; a.k.a. IRAN AND SHARGH COMPANY; a.k.a. IRANOSHARGH COMPANY; a.k.a. SHERKAT–E IRAN VA SHARGH), 827, North of Seyedkhandan Bridge, Shariati Street, P.O. Box 13185–1445, Tehran 16616, Iran; No. 41, Next to 23rd Alley, South Gandi St., Vanak Square, Tehran 15179, Iran; Web site *http://www.iranoshargh.com;* Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

67. IRAN & SHARGH LEASING COMPANY (a.k.a. IRAN AND EAST LEASING COMPANY; a.k.a. IRAN AND SHARGH LEASING COMPANY; a.k.a. SHERKAT–E LIZING–E IRAN VA SHARGH), 1st Floor, No. 33, Shahid Atefi Alley, Opposite Mellat Park, Vali-e-Asr Street, Tehran 1967933759, Iran; Web site *http://www.isleasingco.com;* Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

68. IRAN FOREIGN INVESTMENT COMPANY (a.k.a. IFIC), No. 4, Saba Blvd., Africa Blvd., Tehran 19177, Iran; P.O. Box 19395–6947, Tehran, Iran; Additional Sanctions Information—Subject to Secondary Sanctions; all offices worldwide [IRAN].

69. IRAN INSURANCE COMPANY (a.k.a. BIMEH IRAN), 107 Dr Fatemi Avenue, Tehran 14155/6363, Iran; Abdolaziz-Al-Masaeed Building, Sheikh Maktoom St., Deira, P.O. Box 2004, Dubai, United Arab Emirates; P.O. Box 1867, Al Ain, Abu Dhabi, United Arab Emirates; P.O. Box 3281, Abu Dhabi, United Arab Emirates; P.O. Box 1666, Sharjah, United Arab Emirates; P.O. Box 849, Ras-Al-Khaimah, United Arab Emirates; P.O. Box 417, Muscat 113, Oman; P.O. Box 676, Salalah 211, Oman; P.O. Box 995, Manama, Bahrain; Al-Lami Center, Ali-Bin-Abi Taleb St. Sharafia, P.O. Box 11210, Jeddah 21453, Saudi Arabia; Al Alia Center, Salaheddine Rd., Al Malaz, P.O. Box 21944, Riyadh 11485, Saudi Arabia; Al Rajhi Bldg., 3rd Floor, Suite 23, Dhahran St., P.O. Box 1305, Dammam 31431, Saudi Arabia; Additional Sanctions Information—Subject to Secondary Sanctions; all offices worldwide [IRAN].

70. IRAN PETROCHEMICAL COMMERCIAL COMPANY (a.k.a. PETROCHEMICAL COMMERCIAL COMPANY; a.k.a. SHERKATE BASARGANI PETROCHEMIE (SAHAMI KHASS); a.k.a. SHERKATE BAZARGANI PETRCHEMIE; a.k.a. ''IPCC''; a.k.a. ''PCC''), No. 1339, Vali Nejad Alley, Vali-e-Asr St., Vanak Sq., Tehran, Iran; INONU CAD. SUMER Sok., Zitas Bloklari C.2 Bloc D.H, Kozyatagi, Kadikoy, Istanbul, Turkey; Topcu Ibrahim Sokak No: 13 D: 7 Icerenkoy-Kadikoy, Istanbul, Turkey; 99–A, Maker Tower F, 9th Floor, Cuffe Parade, Colabe, Mumbai 400 005, India; No. 1014, Doosan We've Pavilion, 58, Soosong-Dong, Jongno-Gu, Seoul, Korea, South; Office No. 707, No. 10, Chao Waidajie, Chao Tang District, Beijing 100020, China; Additional Sanctions Information—Subject to Secondary Sanctions; all offices worldwide [IRAN].

71. IRAN ZAMIN BANK (a.k.a. BANK–E IRAN ZAMIN), Seyyed Jamal-oldin Asadabadi St., Corner of 68th St., No. 472, Tehran, Iran [IRAN].

72. IRANIAN MINES AND MINING INDUSTRIES DEVELOPMENT AND RENOVATION ORGANIZATION (a.k.a. IMIDRO; a.k.a. IRAN MINING INDUSTRIES DEVELOPMENT AND RENOVATION ORGANIZATION; a.k.a. IRANIAN MINES AND MINERAL INDUSTRIES DEVELOPMENT AND RENOVATION), No. 39, Sepahbod Gharani Avenue, Ferdousi Square, Tehran, Iran; Additional Sanctions Information—Subject to Secondary Sanctions; all offices worldwide [IRAN].

73. IRANIAN OIL COMPANY (U.K.) LIMITED (a.k.a. IOC UK LTD), Riverside House, Riverside Drive, Aberdeen AB11 7LH, United Kingdom; Additional Sanctions Information—Subject to Secondary Sanctions; UK Company Number 01019769 (United Kingdom); all offices worldwide [IRAN].

74. IRASCO S.R.L. (a.k.a. IRASCO ITALY), Via Di Francia 3, Genoa 16149, Italy; Additional Sanctions Information—Subject to Secondary Sanctions; Registration ID GE 348075 (Italy); all offices worldwide [IRAN].

75. ISLAMIC REGIONAL COOPERATION BANK (a.k.a. BANK–E TAAWON MANTAGHEEY–E ESLAMI; a.k.a. REGIONAL COOPERATION OF THE ISLAMIC BANK FOR DEVELOPMENT & INVESTMENT), Building No. 59, District 929, Street No. 17, Arsat Al-Hindia, Al

[12] On Implementation Day, the Secretary of State took administrative action under ISA, allowing for the removal of this entity from the SDN List. *See* Section I.B.

Masbah, Baghdad, Iraq; Tohid Street, Before Tohid Circle, No. 33, Upper Level of Eghtesad-e Novin Bank, Tehran 1419913464, Iran; SWIFT/BIC RCDF IQ BA [IRAN].

76. JOINT IRAN–VENEZUELA BANK (a.k.a. BANK MOSHTAREK–E IRAN VENEZUELA), Ahmad Ghasir St. (Bokharest), Corner of 15th St., Tose Tower, No.44–46, Tehran 1013830711, Iran [IRAN].

77. JUPITER SEAWAYS SHIPPING, Care of Sambouk Shipping FCZ, Office 101, 1st Floor, FITCO Building No 3, Inside Fujairah Port, P.O. Box 50044, Fujairah, United Arab Emirates; 80 Broad Street, Monrovia, Liberia; Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

78. KAFOLATBANK (a.k.a. CJSC KAFOLATBANK), Apartment 4/1, Academics Rajabovs Street, Dushanbe, Tajikistan; SWIFT/BIC KACJ TJ 22; All offices worldwide [IRAN].

79. KALA LIMITED (a.k.a. KALA NAFT LONDON LTD), NIOC House, 4 Victoria Street, Westminster, London SW1H 0NE, United Kingdom; Additional Sanctions Information—Subject to Secondary Sanctions; UK Company Number 01517853 (United Kingdom); all offices worldwide [IRAN].

80. KALA PENSION TRUST LIMITED, C/O Kala Limited, N.I.O.C. House, 4 Victoria Street, London SW1H 0NE, United Kingdom; Additional Sanctions Information—Subject to Secondary Sanctions; UK Company Number 01573317 (United Kingdom); all offices worldwide [IRAN].

81. KARAFARIN BANK (a.k.a. BANK–E KARAFARIN), Zafar St. No. 315, Between Vali Asr and Jordan, Tehran, Iran; SWIFT/BIC KBID IR TH [IRAN].

82. KASB INTERNATIONAL LLC (a.k.a. FIRST FURAT TRADING LLC), 10th Floor, Citi Bank Building, Oud Metha Road, Oud Metha, Dubai, United Arab Emirates; Additional Sanctions Information—Subject to Secondary Sanctions; Telephone Number: (971) (4) (3248000) [IRAN].

83. KHAVARMIANEH BANK (a.k.a. MIDDLE EAST BANK), No. 22, Second Floor Sabounchi St., Shahid Beheshti Ave., Tehran, Iran; SWIFT/BIC KHMI IR TH; All offices worldwide [IRAN].

84. KISH INTERNATIONAL BANK (a.k.a. KISH INTERNATIONAL BANK OFFSHORE COMPANY PJS), NBO–9, Andisheh Blvd., Sanayi Street, Kish Island, Iran; All offices worldwide [IRAN].

85. KONING MARINE CORP, Care of Sambouk Shipping FCZ, Office 101, 1st Floor, FITCO Building No 3, Inside Fujairah Port, P.O. Box 50044, Fujairah, United Arab Emirates; 80 Broad Street, Monrovia, Liberia; Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

86. MACHINE SAZI ARAK CO. LTD. (a.k.a. MACHINE SAZI ARAK COMPANY P J S C; a.k.a. MACHINE SAZI ARAK SSA; a.k.a. MASHIN SAZI ARAK; a.k.a. ''MSA''), P.O. Box 148, Arak 351138, Iran; Arak, Km 4 Tehran Road, Arak, Markazi Province, Iran; No. 1, Northern Kargar Street, Tehran 14136, Iran; Additional Sanctions Information—Subject to Secondary Sanctions; all offices worldwide [IRAN].

87. MAHAB GHODSS CONSULTING ENGINEERING COMPANY (a.k.a. MAHAB GHODSS CONSULTING ENGINEERING CO.; a.k.a. MAHAB GHODSS CONSULTING ENGINEERS SSK; a.k.a. MAHAB QODS ENGINEERING CONSULTING CO.), No. 17, Dastgerdy Avenue, Takharestan Alley, 19395–6875, Tehran 1918781185, Iran; 16 Takharestan Alley, Dastgerdy Avenue, P.O. Box 19395–6875, Tehran 19187 81185, Iran; Additional Sanctions Information—Subject to Secondary Sanctions; Registration ID 48962 (Iran) issued 1983; all offices worldwide [IRAN].

88. MARJAN PETROCHEMICAL COMPANY (a.k.a. MARJAN METHANOL COMPANY), Ground Floor, No. 39, Meftah/Garmsar West Alley, Shiraz (South) Street, Molla Sadra Avenue, Tehran, Iran; Post Office Box 19935–561, Tehran, Iran; Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

89. MCS ENGINEERING (a.k.a. EFFICIENT PROVIDER SERVICES GMBH), Karlstrasse 21, Dinslaken, Nordrhein-Westfalen 46535, Germany; Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

90. MCS INTERNATIONAL GMBH (a.k.a. MANNESMAN CYLINDER SYSTEMS; a.k.a. MCS TECHNOLOGIES GMBH), Karlstrasse 23–25, Dinslaken, Nordrhein-Westfalen 46535, Germany; Web site *http://www.mcs-tch.com;* Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

91. MEHR IRAN CREDIT UNION BANK (a.k.a. BANK–E GHARZOLHASANEH MEHR IRAN; a.k.a. GHARZOLHASANEH MEHR IRAN BANK), Taleghani St., No.204, Before the intersection of Mofateh, across from the former U.S. embassy, Tehran, Iran [IRAN].

92. MEHRAN SHIPPING COMPANY LIMITED, Diagoras House, 7th Floor, 16 Panteli Katelari Street, Nicosia 1097, Cyprus; Additional Sanctions Information—Subject to Secondary Sanctions; Telephone (357)(22660766); Fax (357)(22668608) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

93. MELLAT INSURANCE COMPANY, No. 48, Haghani Street, Vanak Square, Before Jahan-Kodak Cross, Tehran 1517973913, Iran; No. 40, Shahid Haghani Express Way, Vanak Square, Tehran, Iran; No. 9, Niloofar Street, Sharabyani Avenue, Taavon Boulevard, Shahr-e-Ziba, Tehran, Iran; 72 Hillview Court, Woking, Surrey GU22 7QW, United Kingdom; No. 697 Saeeidi Alley, Crossroads College, Enghelab St., Tehran, Iran; Web site *http://www.mellatinsurance.com;* Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

94. MERSAD SHIPPING COMPANY LIMITED, Diagoras House, 7th Floor, 16 Panteli Katelari Street, Nicosia 1097, Cyprus; Additional Sanctions Information—Subject to Secondary Sanctions; Telephone (357)(22660766); Fax (357)(22668608) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

95. METAL & MINERAL TRADE S.A.R.L. (a.k.a. METAL & MINERAL TRADE (MMT); a.k.a. METAL AND MINERAL TRADE (MMT); a.k.a. METAL AND MINERAL TRADE S.A.R.L.; a.k.a. MMT LUXEMBURG; a.k.a. MMT SARL), 11b, Boulevard Joseph II L–1840, Luxembourg; Additional Sanctions Information—Subject to Secondary Sanctions; Registration ID B 59411 (Luxembourg); all offices worldwide [IRAN].

96. MINAB SHIPPING COMPANY LIMITED (f.k.a. MIGHAT SHIPPING COMPANY LIMITED), Diagoras House, 7th Floor, 16 Panteli Katelari Street, Nicosia 1097, Cyprus; Additional Sanctions Information—Subject to Secondary Sanctions; Telephone (357)(22660766); Fax (357)(22668608) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

97. MINES AND METALS ENGINEERING GMBH (a.k.a. ''M.M.E.''), Georg-Glock-Str. 3, Dusseldorf 40474, Germany; Additional Sanctions Information—Subject to Secondary Sanctions; Registration ID HRB 34095 (Germany); all offices worldwide [IRAN].

98. MOBIN PETROCHEMICAL COMPANY, South Pars Special Economic Energy Zone, Postal Box: 75391–418, Assaluyeh, Bushehr, Iran; P.O. Box, Mashhad, Iran; Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

99. MODABER (a.k.a. MODABER INVESTMENT COMPANY; a.k.a. TADBIR INDUSTRIAL HOLDING COMPANY); Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

100. MONSOON SHIPPING LTD, Care of Sambouk Shipping FCZ, Office 101, 1st Floor, FITCO Building No 3, Inside Fujairah Port, P.O. Box 50044, Fujairah, United Arab Emirates; Valletta, Malta; Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro MH96960, Marshall Islands; Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

101. MSP KALA NAFT CO. TEHRAN (a.k.a. KALA NAFT CO SSK; a.k.a. KALA NAFT COMPANY LTD; a.k.a. KALA NAFT TEHRAN; a.k.a. KALA NAFT TEHRAN COMPANY; a.k.a. KALAYEH NAFT CO; a.k.a. M.S.P.-KALA; a.k.a. MANUFACTURING SUPPORT & PROCUREMENT CO.-KALA NAFT; a.k.a. MANUFACTURING SUPPORT AND PROCUREMENT (M.S.P.) KALA NAFT CO. TEHRAN; a.k.a. MANUFACTURING, SUPPORT AND PROCUREMENT KALA NAFT COMPANY; a.k.a. MSP KALA NAFT TEHRAN COMPANY; a.k.a. MSP KALANAFT; a.k.a. MSP–KALANAFT COMPANY; a.k.a. SHERKAT SAHAMI KHASS KALA NAFT; a.k.a. SHERKAT SAHAMI KHASS POSHTIBANI VA TEHIYEH KALAYE NAFT TEHRAN; a.k.a. SHERKATE POSHTIBANI SAKHT VA TAHEIH KALAIE NAFTE TEHRAN), 242 Sepahbod Gharani Street, Karim Khan Zand Bridge, Corner Kalantari Street, 8th Floor, P.O. Box 15815–1775/15815–3446, Tehran 15988, Iran; Building No. 226, Corner of Shahid Kalantari Street, Sepahbod Gharani Avenue, Karimkhan Avenue, Tehran 1598844815, Iran; No. 242, Shahid Kalantari St., Near Karimkhan Bridge, Sepahbod Gharani Avenue, Tehran, Iran; Head Office Tehran, Sepahbod Gharani Ave., P.O. Box 15815/1775 15815/3446, Tehran, Iran; P.O. Box 2965, Sharjah, United Arab Emirates; 333 7th Ave SW #1102, Calgary, AB T2P 2Z1, Canada; Chekhov St., 24.2, AP 57, Moscow, Russia; Room No. 704—No. 10 Chao Waidajie Chao Yang District, Beijing 10020, China; Sanaee Ave., P.O. Box 79417–76349, N.I.O.C., Kish, Iran; 10th Floor, Sadaf Tower,

Kish Island, Iran; Additional Sanctions Information—Subject to Secondary Sanctions; all offices worldwide [IRAN].

102. N.I.T.C. REPRESENTATIVE OFFICE (a.k.a. NATIONAL IRANIAN TANKER COMPANY), Droogdokweg 71, Rotterdam 3089 JN, Netherlands; Email Address *nitcrdam@tiscali.net;* Additional Sanctions Information—Subject to Secondary Sanctions; Telephone +31 010–4951863; Telephone +31 10–4360037; Fax +31 10–4364096 [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

103. NAFTIRAN INTERTRADE CO. (NICO) LIMITED (a.k.a. NAFT IRAN INTERTRADE COMPANY LTD; a.k.a. NAFTIRAN INTERTRADE COMPANY (NICO); a.k.a. NAFTIRAN INTERTRADE COMPANY LTD; a.k.a. NICO), 41, 1st Floor, International House, The Parade, St Helier JE2 3QQ, Jersey; Petro Pars Building, Saadat Abad Ave, No 35, Farhang Blvd., Tehran, Iran; Additional Sanctions Information—Subject to Secondary Sanctions; all offices worldwide [IRAN] [NPWMD] [IRGC] [IFSR] (Linked To: NIOC INTERNATIONAL AFFAIRS (LONDON) LIMITED).

104. NAFTIRAN INTERTRADE CO. (NICO) SARL (a.k.a. NICO), 6, Avenue de la Tour-Haldimand, Pully, VD 1009, Switzerland; Additional Sanctions Information—Subject to Secondary Sanctions; all offices worldwide [IRAN].

105. NAFTIRAN TRADING SERVICES CO. (NTS) LIMITED, 47 Queen Anne Street, London W1G 9JG, United Kingdom; 6th Floor NIOC Ho, 4 Victoria St, London SW1H 0NE, United Kingdom; Additional Sanctions Information—Subject to Secondary Sanctions; UK Company Number 02600121 (United Kingdom); all offices worldwide [IRAN].

106. NATIONAL IRANIAN OIL COMPANY PTE LTD, 7 Temasek Boulevard #07–02, Suntec Tower One 038987, Singapore; Additional Sanctions Information—Subject to Secondary Sanctions; Registration ID 199004388C (Singapore); all offices worldwide [IRAN].

107. NATIONAL IRANIAN OIL COMPANY (a.k.a. NIOC), Hafez Crossing, Taleghani Avenue, P.O. Box 1863 and 2501, Tehran, Iran; National Iranian Oil Company Building, Taleghani Avenue, Hafez Street, Tehran, Iran; Web site *www.nioc.ir;* IFCA Determination—Involved in Energy Sector; Additional Sanctions Information—Subject to Secondary Sanctions; all offices worldwide [IRAN] [NPWMD] [IRGC] [IFSR].[13]

108. NATIONAL IRANIAN TANKER COMPANY (a.k.a. NITC), NITC Building, 67–88, Shahid Atefi Street, Africa Avenue, Tehran, Iran; Web site *www.nitc.co.ir;* Email Address *info@nitc.co.ir;* alt. Email Address *administrator@nitc.co.ir;* IFCA Determination—Involved in the Shipping Sector; Additional Sanctions Information—Subject to Secondary Sanctions; Telephone (98)(21)(66153220); Telephone (98)(21)(23803202); Telephone (98)(21)(23803303); Telephone (98)(21)(66153224); Telephone (98)(21)(23802230); Telephone (98)(9121115315); Telephone (98)(9128091642); Telephone (98)(9127389031); Fax (98)(21)(22224537); Fax (98)(21)(23803318); Fax (98)(21)(22013392); Fax (98)(21)(22058763) [IRAN].[14]

109. NATIONAL IRANIAN TANKER COMPANY LLC (a.k.a. NATIONAL IRANIAN TANKER COMPANY LLC SHARJAH BRANCH; a.k.a. NITC SHARJAH), Al Wahda Street, Street No. 4, Sharjah, United Arab Emirates; P.O. Box 3267, Sharjah, United Arab Emirates; Web site *http://nitcsharjah.com/index.html;* Additional Sanctions Information—Subject to Secondary Sanctions; Telephone +97165030600; Telephone + 97165749996; Telephone +971506262258; Fax +97165394666; Fax +97165746661 [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

110. NATIONAL PETROCHEMICAL COMPANY (a.k.a. ''NPC''), No. 104, North Sheikh Bahaei Blvd., Molla Sadra Ave., Tehran, Iran; Additional Sanctions Information—Subject to Secondary Sanctions; all offices worldwide [IRAN].

111. NICO ENGINEERING LIMITED, 41, 1st Floor, International House, The Parade, St. Helier JE2 3QQ, Jersey; Additional Sanctions Information—Subject to Secondary Sanctions; Registration ID 75797 (Jersey); all offices worldwide [IRAN].

112. NIOC INTERNATIONAL AFFAIRS (LONDON) LIMITED, NIOC House, 4 Victoria Street, London SW1H 0NE, United Kingdom; Additional Sanctions Information—Subject to Secondary Sanctions; UK Company Number 02772297 (United Kingdom); all offices worldwide [IRAN].

113. NOOR ENERGY (MALAYSIA) LTD., Labuan, Malaysia; Additional Sanctions Information—Subject to Secondary Sanctions; Company Number LL08318 [IRAN].

114. NOURI PETROCHEMICAL COMPANY (a.k.a. BORZUYEH PETROCHEMICAL COMPANY; a.k.a. NOURI PETROCHEMICAL COMPLEX), Pars Special Economic Energy Zone, Assaluyeh Port, Bushehr, Iran; Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

115. NPC INTERNATIONAL LIMITED (a.k.a. N P C INTERNATIONAL LTD; a.k.a. NPC INTERNATIONAL COMPANY), 5th Floor NIOC House, 4 Victoria Street, London SW1H 0NE, United Kingdom; Additional Sanctions Information—Subject to Secondary Sanctions; UK Company Number 02696754 (United Kingdom); all offices worldwide [IRAN].

116. OIL INDUSTRY INVESTMENT COMPANY (a.k.a. ''O.I.I.C.''), No. 83, Sepahbod Gharani Street, Tehran, Iran; Web site *http://www.oiic-ir.com;* Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

117. OMID REY CIVIL & CONSTRUCTION COMPANY (a.k.a. OMID DEVELOPMENT AND CONSTRUCTION; a.k.a. OMID REY CIVIL AND CONSTRUCTION COMPANY; a.k.a. OMID REY RENOVATION AND DEVELOPMENT CO.); Web site *http://www.omidrey.com;* Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

118. ONE CLASS PROPERTIES (PTY) LTD. (a.k.a. ONE CLASS INCORPORATED), Cape Town, South Africa; Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

119. ONE VISION INVESTMENTS 5 (PTY) LTD. (a.k.a. ONE VISION 5), 3rd Floor, Tygervalley Chambers, Bellville, Cape Town 7530, South Africa; Canal Walk, P.O. Box 17, Century City, Milnerton 7446, South Africa; Additional Sanctions Information—Subject to Secondary Sanctions; Registration ID 2002/022757/07 (South Africa) [IRAN].

120. ONERBANK ZAO (a.k.a. EFTEKHAR BANK; a.k.a. HONOR BANK; a.k.a. HONORBANK; a.k.a. HONORBANK ZAO; a.k.a. ONER BANK; a.k.a. ONERBANK; a.k.a. ONER–BANK), Ulitsa Klary Tsetkin 51, Minsk 220004, Belarus; SWIFT/BIC HNRBBY2X; Registration ID 807000227 (Belarus) issued 16 Oct 2009; all offices worldwide [IRAN].

121. P.C.C. (SINGAPORE) PRIVATE LIMITED (a.k.a. P.C.C. SINGAPORE BRANCH; a.k.a. PCC SINGAPORE PTE LTD), 78 Shenton Way, #08–02 079120, Singapore; 78 Shenton Way, 26–02A Lippo Centre 079120, Singapore; Additional Sanctions Information—Subject to Secondary Sanctions; Registration ID 199708410K (Singapore); all offices worldwide [IRAN].

122. PARDIS INVESTMENT COMPANY (a.k.a. SHERKAT–E SARMAYEGOZARI–E PARDIS), Iran; Unit D4 and C4, 4th Floor, Building 29 Africa, Corner of 25th Street, Africa Boulevard, Tehran, Iran; Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

123. PARS MCS (a.k.a. PARS MCS CO.; a.k.a. PARS MCS COMPANY), 2nd Floor, No. 4, Sasan Dead End, Afriqa Avenue, After Esfandiar, Crossroads, Tehran, Iran; No. 5 Sasan Alley, Atefi Sharghi St., Afrigha Boulevard, Tehran, Iran; Oshtorjan Industrial Zone, Zob-e Ahan Highway, Isafahan, Iran; Web site *http://www.parsmcs.com;* Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

124. PARS OIL AND GAS COMPANY (a.k.a. POGC), No. 133, Side of Parvin Etesami Alley, opposite Sazman Ab—Dr. Fatemi Avenue, Tehran, Iran; No. 1 Parvin Etesami Street, Fatemi Avenue, Tehran, Iran; Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

125. PARS OIL CO. (a.k.a. PARS OIL; a.k.a. SHERKAT NAFT PARS SAHAMI AAM), Iran; No. 346, Pars Oil Company Building, Modarres Highway, East Mirdamad Boulevard, Tehran 1549944511, Iran; Postal Box 14155–1473, Tehran 159944511, Iran; Web site *http://www.parsoilco.com;* Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

126. PARS PETROCHEMICAL COMPANY, Pars Special Economic Energy Zone, P.O. Box 163–75391, Assaluyeh, Bushehr, Iran; Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

127. PARS PETROCHEMICAL SHIPPING COMPANY, 1st Floor, No. 19, Shenasa Street, Vali E Asr Avenue, Tehran, Iran; Web site *www.parsshipping.com;* Additional Sanctions Information—Subject to Secondary Sanctions [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

[13] *See* Note 4 above.

[14] *See* Note 4 above.

128. PARSIAN BANK (a.k.a. BANK–E PARSIAN), Keshavarz Blvd., No. 65, Corner of Shahid Daemi St., P.O. Box 141553163, Tehran 1415983111, Iran; No. 4 Zarafshan St, Farahzadi Blvd., Shahrak-e Ghods, 1467793811, Tehran, Iran; SWIFT/BIC BKPA IR TH [IRAN].

129. PASARGAD BANK (a.k.a. BANK–E PASARGAD), Valiasr St., Mirdamad St., No. 430, Tehran, Iran; SWIFT/BIC BKBP IR TH [IRAN].

130. PERSIA OIL & GAS INDUSTRY DEVELOPMENT CO. (a.k.a. PERSIA OIL AND GAS INDUSTRY DEVELOPMENT CO.; a.k.a. TOSE SANAT–E NAFT VA GAS PERSIA), 7th Floor, No. 346, Mirdamad Avenue, Tehran, Iran; Ground Floor, No. 14, Saba Street, Africa Boulevard, Tehran, Iran; Web site *http://www.pogidc.com;* Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

131. PETRO ENERGY INTERTRADE COMPANY, Dubai, United Arab Emirates; Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

132. PETRO ROYAL FZE, United Arab Emirates; Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

133. PETRO SUISSE INTERTRADE COMPANY SA, 6 Avenue de la Tour-Haldimand, Pully 1009, Switzerland; Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

134. PETROCHEMICAL COMMERCIAL COMPANY (U.K.) LIMITED (a.k.a. PCC (UK); a.k.a. PCC UK; a.k.a. PCC UK LTD), 4 Victoria Street, London SW1H 0NE, United Kingdom; Additional Sanctions Information—Subject to Secondary Sanctions; UK Company Number 02647333 (United Kingdom); all offices worldwide [IRAN].

135. PETROCHEMICAL COMMERCIAL COMPANY FZE (a.k.a. PCC FZE), 1703, 17th Floor, Dubai World Trade Center Tower, Sheikh Zayed Road, Dubai, United Arab Emirates; Office No. 99–A, Maker Tower ''F'' 9th Floor Cutte Pavade, Colabe, Mumbai 700005, India; Additional Sanctions Information—Subject to Secondary Sanctions; all offices worldwide [IRAN].

136. PETROCHEMICAL COMMERCIAL COMPANY INTERNATIONAL (a.k.a. PETROCHEMICAL COMMERCIAL COMPANY INTERNATIONAL LIMITED; a.k.a. PETROCHEMICAL COMMERCIAL COMPANY INTERNATIONAL LTD; a.k.a. PETROCHEMICAL TRADING COMPANY LIMITED; a.k.a. ''PCCI''), 41, 1st Floor, International House, The Parade, St. Helier JE2 3QQ, Jersey; Ave. 54, Yimpash Business Center, No. 506, 507, Ashkhabad 744036, Turkmenistan; P.O. Box 261539, Jebel Ali, Dubai, United Arab Emirates; No. 21 End of 9th St, Gandi Ave, Tehran, Iran; 21, Africa Boulevard, Tehran, Iran; Additional Sanctions Information—Subject to Secondary Sanctions; Registration ID 77283 (Jersey); all offices worldwide [IRAN] [ISA].[15]

137. PETROIRAN DEVELOPMENT COMPANY (PEDCO) LIMITED (a.k.a. PETRO IRAN DEVELOPMENT COMPANY; a.k.a. ''PEDCO''), 41, 1st Floor, International House, The Parade, St. Helier JE2 3QQ, Jersey; National Iranian Oil Company—PEDCO, P.O. Box 2965, Al Bathaa Tower, 9th Floor, Apt. 905, Al Buhaira Corniche, Sharjah, United Arab Emirates; P.O. Box 15875–6731, Tehran, Iran; No. 22, 7th Lane, Khalid Eslamboli Street, Shahid Beheshti Avenue, Tehran, Iran; No. 102, Next to Shahid Amir Soheil Tabrizian Alley, Shahid Dastgerdi (Ex Zafar) Street, Shariati Street, Tehran 19199/45111, Iran; Kish Harbour, Bazargan Ferdos Warehouses, Kish Island, Iran; Additional Sanctions Information—Subject to Secondary Sanctions; Registration ID 67493 (Jersey); all offices worldwide [IRAN].

138. PETROPARS INTERNATIONAL FZE (a.k.a. PPI FZE), P.O. Box 72146, Dubai, United Arab Emirates; Additional Sanctions Information—Subject to Secondary Sanctions; all offices worldwide [IRAN].

139. PETROPARS LTD. (a.k.a. PETROPARS LIMITED; a.k.a. ''PPL''), No. 35, Farhang Blvd., Saadat Abad, Tehran, Iran; Calle La Guairita, Centro Profesional Eurobuilding, Piso 8, Oficina 8E, Chuao, Caracas 1060, Venezuela; P.O. Box 3136, Road Town, Tortola, Virgin Islands, British; Additional Sanctions Information—Subject to Secondary Sanctions; all offices worldwide [IRAN].

140. PETROPARS UK LIMITED, 47 Queen Anne Street, London W1G 9JG, United Kingdom; Additional Sanctions Information—Subject to Secondary Sanctions; UK Company Number 03503060 (United Kingdom); all offices worldwide [IRAN].

141. POLINEX GENERAL TRADING LLC, Health Care City, Umm Hurair Rd., Oud Mehta Offices, Block A, 4th Floor 420, Dubai, United Arab Emirates; Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

142. POLYNAR COMPANY, No. 58, St. 14, Qanbarzadeh Avenue, Resalat Highway, Tehran, Iran; Web site *http://www.polynar.com;* Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

143. POST BANK OF IRAN (a.k.a. SHERKAT–E DOLATI–E POST BANK; a.k.a. ''PBI''), 237 Motahari Avenue, Tehran 1587618118, Iran; Motahari Street, No. 237, Past Darya-e Noor, Tehran, Iran; Additional Sanctions Information—Subject to Secondary Sanctions [IRAN] [NPWMD] [IFSR].

144. PROTON PETROCHEMICALS SHIPPING LIMITED (a.k.a. PROTON SHIPPING CO; a.k.a. ''PSC''), Diagoras House, 7th Floor, 16 Panteli Katelari Street, Nicosia 1097, Cyprus; Additional Sanctions Information—Subject to Secondary Sanctions; Telephone (357)(22660766); Fax (357)(22668608) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

145. REY INVESTMENT COMPANY, 2nd and 3rd Floors, No. 14, Saba Boulevard, After Esfandiar Crossroad, Africa Boulevard, Tehran 1918973657, Iran; Web site *http://www.rey-co.com;* Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

146. REY NIRU ENGINEERING COMPANY (a.k.a. REY NIROO ENGINEERING COMPANY); Web site *http://www.reyniroo.com;* Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

147. REYCO GMBH. (a.k.a. REYCO GMBH GERMANY), Karlstrasse 19, Dinslaken, Nordrhein-Westfalen 46535, Germany; Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

148. RISHMAK PRODUCTIVE & EXPORTS COMPANY (a.k.a. RISHMAK COMPANY; a.k.a. RISHMAK EXPORT AND MANUFACTURING P.J.S.; a.k.a. RISHMAK PRODUCTION AND EXPORT COMPANY; a.k.a. RISHMAK PRODUCTIVE AND EXPORTS COMPANY; a.k.a. SHERKAT–E TOLID VA SADERAT–E RISHMAK), Rishmak Cross Rd., 3rd Km. of Amir Kabir Road, Shiraz 71365, Iran; Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

149. ROYAL ARYA CO. (a.k.a. ARIA ROYAL CONSTRUCTION COMPANY), Iran; Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

150. SADAF PETROCHEMICAL ASSALUYEH COMPANY (a.k.a. SADAF ASALUYEH CO.; a.k.a. SADAF CHEMICAL ASALUYEH COMPANY; a.k.a. SADAF PETROCHEMICAL ASSALUYEH INVESTMENT SERVICE), Assaluyeh, Iran; South Pars Special Economy/Energy Zone, Iran; Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

151. SAMAN BANK (a.k.a. BANK–E SAMAN), Vali Asr. St. No. 3, Before Vey Park intersection, corner of Tarakesh Dooz St., Tehran, Iran; SWIFT/BIC SABC IR TH [IRAN].

152. SAMAN SHIPPING COMPANY LIMITED, Diagoras House, 7th Floor, 16 Panteli Katelari Street, Nicosia 1097, Cyprus; Additional Sanctions Information—Subject to Secondary Sanctions; Telephone (357)(22660766); Fax (357)(22668608) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

153. SAMBOUK SHIPPING FZC, FITCO Building No. 3, Office 101, 1st Floor, P.O. Box 50044, Fujairah, United Arab Emirates; Office 1202, Crystal Plaza, P.O. Box 50044, Buhaira Corniche, Sharjah, United Arab Emirates; Additional Sanctions Information—Subject to Secondary Sanctions [IRAN] (Linked To: CAMBIS, Dimitris).

154. SARMAYEH BANK (a.k.a. BANK–E SARMAYEH), Sepahod Gharani No. 24, Corner of Arak St., Tehran, Iran [IRAN].

155. SARV SHIPPING COMPANY LIMITED, 198 Old Bakery Street, Valletta VLT 1455, Malta; Additional Sanctions Information—Subject to Secondary Sanctions; Telephone (356)(21241232) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

156. SEPID SHIPPING COMPANY LIMITED, 198 Old Bakery Street, Valletta VLT 1455, Malta; Additional Sanctions Information—Subject to Secondary Sanctions; Telephone (356)(21241232) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

157. SHAHID TONDGOOYAN PETROCHEMICAL COMPANY (a.k.a. SHAHID TONDGUYAN PETROCHEMICAL COMPANY), Petrochemical Special

[15] On Implementation Day, the Secretary of State took administrative action under ISA, allowing for the removal of this entity from the SDN List. *See* Section I.B.

Economic Zone (PETZONE), Iran; Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

158. SHAZAND PETROCHEMICAL COMPANY (a.k.a. AR.P.C.; a.k.a. ARAK PETROCHEMICAL COMPANY; a.k.a. SHAZAND PETROCHEMICAL CORPORATION), No. 68, Taban St., Vali Asr Ave., Tehran, Iran; Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

159. SIMA GENERAL TRADING CO FZE (a.k.a. SIMA GENERAL TRADING & INDUSTRIALS FOR BUILDING MATERIAL CO FZE), Office No. 703 Office Tower, Twin Tower, Baniyas Rd., Deira, P.O. Box 49754, Dubai, United Arab Emirates; Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

160. SIMA SHIPPING COMPANY LIMITED, 198 Old Bakery Street, Valletta VLT 1455, Malta; Additional Sanctions Information—Subject to Secondary Sanctions; Telephone (356)(21241232) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

161. SINA BANK (f.k.a. BFCC; f.k.a. BONYAD FINANCE AND CREDIT COMPANY; f.k.a. SINA FINANCE AND CREDIT COMPANY), 187 Motahhari Avenue, P.O. Box 1587998411, Tehran, Iran; Kish Financial Center, Sahel, Kish Island, Iran; SWIFT/BIC SINAIRTH; alt. SWIFT/BIC SINAIRTH418; all offices worldwide [IRAN].

162. SINA SHIPPING COMPANY LIMITED, 198 Old Bakery Street, Valletta VLT 1455, Malta; Additional Sanctions Information—Subject to Secondary Sanctions; Telephone (356)(21241232) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

163. SWISS MANAGEMENT SERVICES SARL, 28C, Route de Denges, Lonay 1027, Switzerland; Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

164. SYNERGY GENERAL TRADING FZE, Sharjah—Saif Zone, Sharjah Airport International Free Zone, United Arab Emirates; Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

165. TABRIZ PETROCHEMICAL COMPANY, Off Km 8, Azarshahr Road, Kojuvar Road, Tabriz, Iran; Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

166. TADBIR BROKERAGE COMPANY (a.k.a. SHERKAT–E KARGOZARI–E TADBIRGARAN–E FARDA; a.k.a. TADBIRGARAN FARDA BROKERAGE COMPANY; a.k.a. TADBIRGARAN–E FARDA BROKERAGE COMPANY; a.k.a. TADBIRGARANE FARDA MERCANTILE EXCHANGE CO.), Unit C2, 2nd Floor, Building No. 29, Corner of 25th Street, After Jahan Koudak, Cross Road Africa Street, Tehran 15179, Iran; Web site *http://www.tadbirbroker.com;* Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

167. TADBIR CONSTRUCTION DEVELOPMENT COMPANY (a.k.a. GORUH–E TOSE–E SAKHTEMAN–E TADBIR; a.k.a. TADBIR BUILDING EXPANSION GROUP; a.k.a. TADBIR HOUSING DEVELOPMENT GROUP), Block 1, Mehr Passage, 4th Street, Iran Zamin Boulevard, Shahrak Qods, Tehran, Iran; Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

168. TADBIR ECONOMIC DEVELOPMENT GROUP (a.k.a. TADBIR GROUP), 16 Avenue Bucharest, Tehran, Iran; Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

169. TADBIR ENERGY DEVELOPMENT GROUP CO., 6th Floor, Mirdamad Avenue, No. 346, Tehran, Iran; Web site *http://www.tadbirenergy.com;* Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

170. TADBIR INVESTMENT COMPANY, Tehran, Iran; Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

171. TAT BANK (a.k.a. BANK–E TAT), Shahid Ahmad Ghasir (Bocharest), Shahid Ahmadian (15th) St., No. 1, Tehran, Iran; No. 1 Ahmadian Street, Bokharest Avenue, Tehran, Iran; SWIFT/BIC TATB IR TH [IRAN].

172. TC SHIPPING COMPANY LIMITED, Diagoras House, 7th Floor, 16 Panteli Katelari Street, Nicosia 1097, Cyprus; Additional Sanctions Information—Subject to Secondary Sanctions; Telephone (357)(22660766); Fax (357)(22668608) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

173. TOSEE EGHTESAD AYANDEHSAZAN COMPANY (a.k.a. TEACO; a.k.a. TOSEE EQTESAD AYANDEHSAZAN COMPANY), 39 Gandhi Avenue, Tehran 1517883115, Iran; Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

174. TOSEE TAAVON BANK (a.k.a. BANK–E TOSE'E TA'AVON; a.k.a. COOPERATIVE DEVELOPMENT BANK), Mirdamad Blvd., North East Corner of Mirdamad Bridge, No. 271, Tehran, Iran [IRAN].

175. TOURISM BANK (a.k.a. BANK–E GARDESHGARI), Vali Asr St., above Vey Park, Shahid Fiazi St., No. 51, first floor, Tehran, Iran [IRAN].

176. WEST SUN TRADE GMBH (a.k.a. WEST SUN TRADE), Winterhuder Weg 8, Hamburg 22085, Germany; Arak Machine Mfg. Bldg., 2nd Floor, opp. of College Economy, Northern Kargar Ave., Tehran 14136, Iran; Mundsburger Damm 16, Hamburg 22087, Germany; Additional Sanctions Information—Subject to Secondary Sanctions; Registration ID HRB 45757 (Germany); all offices worldwide [IRAN].

177. ZARIN RAFSANJAN CEMENT COMPANY (a.k.a. RAFSANJAN CEMENT COMPANY; a.k.a. ZARRIN RAFSANJAN CEMENT COMPANY), 2nd Floor, No. 67, North Sindokht Street, West Dr. Fatemi Avenue, Tehran 1411953943, Iran; Web site *http://www.zarrincement.com;* Additional Sanctions Information—Subject to Secondary Sanctions [IRAN].

Vessels

1. ABELIA (f.k.a. ASTARA; f.k.a. JUPITER) (9HDS9) Crude/Oil Products Tanker 99,087DWT 56,068GRT None Identified flag; Former Vessel Flag Tuvalu; alt. Former Vessel Flag Malta; Vessel Registration Identification IMO 9187631; MMSI 256845000 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

2. ALERT (f.k.a. ASTANEH; f.k.a. NEPTUNE; f.k.a. SEAPRIDE) (T2ES4) Crude/Oil Products Tanker 99,144DWT 56,068GRT None Identified flag; Former Vessel Flag Malta; alt. Former Vessel Flag Tuvalu; alt. Former Vessel Flag Tanzania; Vessel Registration Identification IMO 9187643; MMSI 572467210 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

3. AMBER (f.k.a. FREEDOM; f.k.a. HARAZ) (5IM 597) Crude Oil Tanker 317,356DWT 163,660GRT None Identified flag; Former Vessel Flag Cyprus; alt. Former Vessel Flag Tanzania; Vessel Registration Identification IMO 9357406; MMSI 677049700 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

4. ATLANTIC (f.k.a. SEAGULL) Crude Oil Tanker Liberia flag; Vessel Registration Identification IMO 9107655 (vessel) [IRAN].

5. ATLANTIS (5IM316) Crude Oil Tanker Tanzania flag (NITC); Vessel Registration Identification IMO 9569621 (vessel) [IRAN].

6. AURA (f.k.a. OCEAN PERFORMER) Crude Oil Tanker Mongolia flag; Former Vessel Flag Liberia; Vessel Registration Identification IMO 9013749 (vessel) [IRAN].

7. BADR (EQJU) Iran flag; Vessel Registration Identification IMO 8407345 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

8. BANEH (EQKF) Landing Craft 640DWT 478GRT Iran flag; Vessel Registration Identification IMO 8508462; MMSI 422141000 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

9. BICAS (f.k.a. GLAROS) Crude Oil Tanker Liberia flag; Vessel Registration Identification IMO 9077850 (vessel) [IRAN].

10. BRIGHT (f.k.a. ZAP) Crude Oil Tanker Mongolia flag; Former Vessel Flag Liberia; Vessel Registration Identification IMO 9005235 (vessel) [IRAN].

11. CARIBO (f.k.a. NEREYDA) Crude Oil Tanker Panama flag; Vessel Registration Identification IMO 9011246 (vessel) [IRAN].

12. COURAGE (f.k.a. HOMA) (5IM 596) Crude Oil Tanker 317,367DWT 163,660GRT None Identified flag; Former Vessel Flag Cyprus; alt. Former Vessel Flag Tanzania; Vessel Registration Identification IMO 9357389; MMSI 677049600 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

13. DAL LAKE (f.k.a. COMPANION; f.k.a. DAVAR) (5IM 593) Crude Oil Tanker 317,850DWT 164,241GRT None Identified flag; Former Vessel Flag Cyprus; alt. Former Vessel Flag Tanzania; Vessel Registration Identification IMO 9357717; MMSI 677049300 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

14. DAMAVAND (9HEG9) Crude Oil Tanker 297,013DWT 160,576GRT None Identified flag; Former Vessel Flag Malta; Vessel Registration Identification IMO 9218478; MMSI 256865000 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

15. DARAB (9HEE9) Crude Oil Tanker 296,803DWT 160,576GRT None Identified flag; Former Vessel Flag Malta; Vessel

Registration Identification IMO 9218492; MMSI 256862000 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

16. DAYLAM (9HEU9) Crude Oil Tanker 299,500DWT 160,576GRT None Identified flag; Former Vessel Flag Malta; Vessel Registration Identification IMO 9218466; MMSI 256872000 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

17. DECESIVE (f.k.a. DANESH; f.k.a. LEADERSHIP) (5IM 592) Crude Oil Tanker 319,988DWT 164,241GRT None Identified flag; Former Vessel Flag Cyprus; alt. Former Vessel Flag Tanzania; Vessel Registration Identification IMO 9356593; MMSI 677049200 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

18. DELVAR (9HEF9) Crude Oil Tanker 299,500DWT 160,576GRT None Identified flag; Former Vessel Flag Malta; Vessel Registration Identification IMO 9218454; MMSI 256864000 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

19. DEMOS (5IM656) Crude Oil Tanker Tanzania flag (NITC); Vessel Registration Identification IMO 9569683 (vessel) [IRAN].

20. DENA (9HED9) Crude Oil Tanker 296,894DWT 160,576GRT None Identified flag; Former Vessel Flag Malta; Vessel Registration Identification IMO 9218480; MMSI 256861000 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

21. DESTINY (f.k.a. ULYSSES 1) Crude Oil Tanker Mongolia flag; Former Vessel Flag Liberia; Vessel Registration Identification IMO 9177155 (vessel) [IRAN].

22. DOJRAN (f.k.a. RAINBOW; f.k.a. SOUVENIR; a.k.a. YARD NO. 1221 SHANGHAI WAIGAOQIAO) Crude Oil Tanker 318,000DWT 165,000GRT Tanzania flag; Former Vessel Flag Malta; alt. Former Vessel Flag Tuvalu; Vessel Registration Identification IMO 9569619 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

23. DOVE (f.k.a. HONAR; f.k.a. JANUS; f.k.a. VICTORY) (T2EA4) Crude Oil Tanker 317,367DWT 163,660GRT None Identified flag; Former Vessel Flag Cyprus; alt. Former Vessel Flag Tuvalu; alt. Former Vessel Flag Tanzania; Vessel Registration Identification IMO 9362061; MMSI 209511000 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

24. FIANGA (f.k.a. FAEZ; f.k.a. MAESTRO; f.k.a. SATEEN) (T2DM4) Chemical/Products Tanker 35,124DWT 25,214GRT None Identified flag; Former Vessel Flag Malta; alt. Former Vessel Flag Tuvalu; alt. Former Vessel Flag Tanzania; Vessel Registration Identification IMO 9283760; MMSI 572438210 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

25. FORTUN (f.k.a. SONATA; a.k.a. YARD NO. 1222 SHANGHAI WAIGAOQIAO) Crude Oil Tanker 318,000DWT 165,000GRT None Identified flag; Former Vessel Flag Malta; Vessel Registration Identification IMO 9569633 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

26. HALISTIC (f.k.a. HAMOON; f.k.a. LENA; f.k.a. TAMAR) (T2EQ4) Crude Oil Tanker 299,242DWT 160,930GRT None Identified flag; Former Vessel Flag Malta; alt. Former Vessel Flag Tuvalu; alt. Former Vessel Flag Tanzania; Vessel Registration Identification IMO 9212929; MMSI 572465210 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

27. HAPPINESS (f.k.a. HENGAM; f.k.a. LOYAL; f.k.a. TULAR) (T2ER4) Crude Oil Tanker 299,214DWT 160,930GRT None Identified flag; Former Vessel Flag Malta; alt. Former Vessel Flag Tuvalu; alt. Former Vessel Flag Tanzania; Vessel Registration Identification IMO 9212905; MMSI 256875000 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

28. HONESTY (f.k.a. HIRMAND; f.k.a. HONESTY; f.k.a. MILLIONAIRE) (T2DZ4) Crude Oil Tanker 317,356DWT 163,660GRT None Identified flag; Former Vessel Flag Cyprus; alt. Former Vessel Flag Tuvalu; alt. Former Vessel Flag Tanzania; Vessel Registration Identification IMO 9357391; MMSI 572450210 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

29. HORIZON (f.k.a. HORMOZ; f.k.a. SCORPIAN) (9HEK9) Crude Oil Tanker 299,261DWT 160,930GRT None Identified flag; Former Vessel Flag Tuvalu; alt. Former Vessel Flag Tanzania; Vessel Registration Identification IMO 9212890; MMSI 256870000 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

30. HUMANITY (f.k.a. OCEAN NYMPH) Crude Oil Tanker Mongolia flag; Former Vessel Flag Panama; Vessel Registration Identification IMO 9180281 (vessel) [IRAN].

31. HUWAYZEH (9HEJ9) Crude Oil Tanker 299,242DWT 160,930GRT None Identified flag; Former Vessel Flag Malta; Vessel Registration Identification IMO 9212888; MMSI 256869000 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

32. HYDRA (f.k.a. EXPLORER; f.k.a. HODA; f.k.a. PRECIOUS) (T2EH4) Crude Oil Tanker 317,356DWT 163,660GRT None Identified flag; Former Vessel Flag Cyprus; alt. Former Vessel Flag Tuvalu; alt. Former Vessel Flag Tanzania; Vessel Registration Identification IMO 9362059; MMSI 572458210 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

33. IMICO NEKA 455 (a.k.a. YARD NO. 455 IRAN MARINE) Shuttle Tanker 63,000DWT 40,800GRT Iran flag; Vessel Registration Identification IMO 9404546 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

34. IMICO NEKA 456 (a.k.a. YARD NO. 456 IRAN MARINE) Shuttle Tanker 63,000DWT 40,800GRT Iran flag; Vessel Registration Identification IMO 9404558 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

35. IMICO NEKA 457 (a.k.a. YARD NO. 457 IRAN MARINE) Shuttle Tanker 63,000DWT 40,800GRT Iran flag; Vessel Registration Identification IMO 9404560 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

36. INFINITY (5IM411) Crude Oil Tanker Tanzania flag (NITC); Vessel Registration Identification IMO 9569671 (vessel) [IRAN].

37. IRAN FAHIM Chemical/Products Tanker 34,900DWT 26,561GRT Iran flag; Vessel Registration Identification IMO 9286140 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

38. ''IRAN FALAGH Chemical/Products Tanker 34,900DWT 25,000GRT Iran flag; Vessel Registration Identification IMO 9286152 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

39. IRAN FAZEL (9BAC) Chemical/Products Tanker 35,155DWT 25,214GRT Iran flag; Vessel Registration Identification IMO 9283746; MMSI 422303000 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

40. JUSTICE Crude Oil Tanker None Identified flag; Vessel Registration Identification IMO 9357729 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

41. MAHARLIKA (f.k.a. NOOR) (9HES9) Crude Oil Tanker 298,732DWT 156,809GRT Tanzania flag; Former Vessel Flag Malta; alt. Former Vessel Flag Tuvalu; Vessel Registration Identification IMO 9079066; MMSI 256882000 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

42. MAJESTIC (f.k.a. GLORY; f.k.a. HATEF) (T2EG4) Crude Oil Tanker 317,367DWT 163,660GRT Tanzania flag; Former Vessel Flag Cyprus; alt. Former Vessel Flag Tuvalu; Vessel Registration Identification IMO 9357183; MMSI 212256000 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

43. MARINA (f.k.a. HARSIN; f.k.a. VALOR) (5IM600) Crude Oil Tanker 299,229DWT 160,930GRT None Identified flag; Former Vessel Flag Malta; alt. Former Vessel Flag Tanzania; Vessel Registration Identification IMO 9212917; MMSI 677050000 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

44. MARIVAN (EQKH) Tanker 640DWT 478GRT Iran flag; Vessel Registration Identification IMO 8517243; MMSI 422143000 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

45. NAINITAL (f.k.a. MIDSEA; f.k.a. MOTION; f.k.a. NAJM) (T2DR4) Crude Oil Tanker 298,731DWT 156,809GRT None Identified flag; Former Vessel Flag Malta; alt. Former Vessel Flag Tuvalu; alt. Former Vessel Flag Tanzania; Vessel Registration Identification IMO 9079092; MMSI 572442210 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

46. NAPOLI (f.k.a. ELITE; f.k.a. NOAH; f.k.a. VOYAGER) (T2DQ4) Crude Oil Tanker 298,731DWT 156,809GRT None Identified flag; Former Vessel Flag Malta; alt. Former Vessel Flag Tuvalu; alt. Former Vessel Flag Tanzania; Vessel Registration Identification IMO 9079078; MMSI 572441210 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

47. NATIVE LAND (f.k.a. NESA; f.k.a. OCEANIC; f.k.a. TRUTH) (T2DP4) Crude Oil Tanker 298,732DWT 156,809GRT Tanzania flag; Former Vessel Flag Malta; alt. Former Vessel Flag Tuvalu; Vessel Registration Identification IMO 9079107; MMSI 572440210 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

48. NYOS (f.k.a. BRAWNY; f.k.a. MARIGOLD; f.k.a. NABI) (T2DS4) Crude Oil Tanker 298,731DWT 156,809GRT None Identified flag; Former Vessel Flag Malta; alt. Former Vessel Flag Tuvalu; alt. Former Vessel Flag Tanzania; Vessel Registration Identification IMO 9079080; MMSI 572443210 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

49. ORIENTAL (f.k.a. LEYCOTHEA) Crude Oil Tanker Unknown flag; Former Vessel Flag Panama; Vessel Registration Identification IMO 9183934 (vessel) [IRAN].

50. SABRINA (f.k.a. MAGNOLIA; f.k.a. SARVESTAN) (5IM590) Crude Oil Tanker 159,711DWT 81,479GRT None Identified flag; Former Vessel Flag Malta; alt. Former Vessel Flag Tanzania; Vessel Registration Identification IMO 9172052; MMSI 677049000 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

51. SALALEH (f.k.a. SONGBIRD; a.k.a. YARD NO. 1224 SHANGHAI WAIGAOQIAO) Crude Oil Tanker 318,000DWT 165,000GRT None Identified flag; Former Vessel Flag Malta; Vessel Registration Identification IMO 9569645 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

52. SANCHI (f.k.a. GARDENIA; f.k.a. SEAHORSE; f.k.a. SEPID) (T2EF4) Crude Oil Tanker 164,154DWT 85,462GRT None Identified flag; Former Vessel Flag Malta; alt. Former Vessel Flag Tuvalu; alt. Former Vessel Flag Tanzania; Vessel Registration Identification IMO 9356608; MMSI 572455210 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

53. SARDASHT (EQKG) Landing Craft 640DWT 478GRT Iran flag; Vessel Registration Identification IMO 8517231; MMSI 422142000 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

54. SHONA (f.k.a. ABADAN; f.k.a. ALPHA) (T2EU4) Crude/Oil Products Tanker 99,144DWT 56,068GRT Tanzania flag; Former Vessel Flag Malta; alt. Former Vessel Flag Tuvalu; alt. Former Vessel Flag None Identified; Vessel Registration Identification IMO 9187629; MMSI 572469210 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

55. SILVER CLOUD (f.k.a. AMOL; f.k.a. CASTOR; f.k.a. CHRISTINA) (T2EM4) Crude/Oil Products Tanker 99,094DWT 56,068GRT None Identified flag; Former Vessel Flag Malta; alt. Former Vessel Flag Tuvalu; alt. Former Vessel Flag Tanzania; Vessel Registration Identification IMO 9187667; MMSI 256843000 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

56. SKYLINE (5IM632) Crude Oil Tanker Tanzania flag (NITC); Vessel Registration Identification IMO 9569669 (vessel) [IRAN].

57. SMOOTH (a.k.a. YARD NO. 1225 SHANGHAI WAIGAOQIAO) Crude Oil Tanker 318,000DWT 165,000GRT None Identified flag; Former Vessel Flag Malta; Vessel Registration Identification IMO 9569657 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

58. SPARROW (f.k.a. CLOVE; f.k.a. SEMNAN) (5IM 595) Crude Oil Tanker 159,681DWT 81,479GRT None Identified flag; Former Vessel Flag Malta; alt. Former Vessel Flag Tanzania; Vessel Registration Identification IMO 9171450; MMSI 677049500 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

59. SPLENDOUR (f.k.a. BLACKSTONE; f.k.a. SARV) (9HNZ9) Crude Oil Tanker 163,870DWT 85,462GRT None Identified flag; Former Vessel Flag Malta; alt. Former Vessel Flag Tuvalu; alt. Former Vessel Flag Seychelles; Vessel Registration Identification IMO 9357377; MMSI 249257000 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

60. SPOTLESS (f.k.a. LANTANA; f.k.a. SANANDAJ) (5IM591) Crude Oil Tanker 159,681DWT 81,479GRT None Identified flag; Former Vessel Flag Malta; alt. Former Vessel Flag Tanzania; Vessel Registration Identification IMO 9172040; MMSI 677049100 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

61. SUCCESS (f.k.a. BAIKAL; f.k.a. BLOSSOM; f.k.a. SIMA) (T2DY4) Crude Oil Tanker 164,154DWT 85,462GRT None Identified flag; Former Vessel Flag Malta; alt. Former Vessel Flag Tuvalu; alt. Former Vessel Flag Tanzania; Vessel Registration Identification IMO 9357353; MMSI 572449210 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

62. SUNDIAL (f.k.a. ABADEH; f.k.a. CRYSTAL) (9HDQ9) Crude/Oil Products Tanker 99,030DWT 56,068GRT None Identified flag; Former Vessel Flag Malta; alt. Former Vessel Flag Tanzania; Vessel Registration Identification IMO 9187655; MMSI 256842000 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

63. SUNEAST (f.k.a. AZALEA; f.k.a. SINA) (9HNY9) Crude Oil Tanker 164,154DWT 85,462GRT Seychelles flag; Former Vessel Flag Malta; alt. Former Vessel Flag Tuvalu; alt. Former Vessel Flag None Identified; Vessel Registration Identification IMO 9357365; MMSI 249256000 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

64. SUNRISE LPG Tanker None Identified flag (NITC); Vessel Registration Identification IMO 9615092 (vessel) [IRAN].

65. SUNSHINE (f.k.a. CARNATION; f.k.a. SAFE; a.k.a. YARD NO. 1220 SHANGHAI WAIGAOQIAO) Crude Oil Tanker 318,000DWT 165,000GRT None Identified flag; Former Vessel Flag Tuvalu; alt. Former Vessel Flag Malta; alt. Former Vessel Flag Tanzania; Vessel Registration Identification IMO 9569205 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

66. SUPERIOR (f.k.a. DAISY; f.k.a. SUSANGIRD) (5IM584) Crude Oil Tanker 159,681DWT 81,479GRT None Identified flag; Former Vessel Flag Malta; alt. Former Vessel Flag Tanzania; Vessel Registration Identification IMO 9172038; MMSI 677048400 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

67. SWALLOW (f.k.a. CAMELLIA; f.k.a. SAVEH) (5IM 594) Crude Oil Tanker 159,758DWT 81,479GRT None Identified flag; Former Vessel Flag Malta; alt. Former Vessel Flag Tanzania; Vessel Registration Identification IMO 9171462; MMSI 677049400 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

68. TOLOU (EQOD) Crew/Supply Vessel 250DWT 178GRT Iran flag; Vessel Registration Identification IMO 8318178 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

69. VALFAJR2 (EQOX) Tug 650DWT 419GRT Iran flag; Vessel Registration Identification IMO 8400103 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

70. YAGHOUB (EQOE) Platform Supply Ship 950DWT 1,019GRT Iran flag; Vessel Registration Identification IMO 8316168; MMSI 422150000 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

71. YANGZHOU DAYANG DY905 (a.k.a. YARD NO. DY905 YANGZHOU D.) LPG Tanker 11,750DWT 8,750GRT Iran flag; Vessel Registration Identification IMO 9575424 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

72. YOUNES (EQYY) Platform Supply Ship Iran flag; Vessel Registration Identification IMO 8212465 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

73. YOUSEF (EQOG) Offshore Tug/Supply Ship 1,050DWT 584GRT Iran flag; Vessel Registration Identification IMO 8316106; MMSI 422144000 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

74. ZEUS (f.k.a. HADI; f.k.a. PIONEER) (T2EJ4) Crude Oil Tanker 317,355DWT 163,650GRT None Identified flag; Former Vessel Flag Cyprus; alt. Former Vessel Flag Tuvalu; Vessel Registration Identification IMO 9362073; MMSI 572459210 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

D. Updates to SDN List Entries for Certain Persons Designated Pursuant to E.O. 13224, E.O. 13382, E.O. 13438, and/or the Foreign Narcotics Kingpin Designation Act

On January 16, 2016, OFAC published the following revised information for 13 individuals and 1 entity on OFAC's SDN List whose property and interests in property are blocked pursuant to one or more of the following authorities: E.O. 13224, E.O. 13382, E.O. 13438, and/or the Foreign Narcotics Kingpin Designation Act:

Individuals

1. AFKHAMI RASHIDI, Mahmud (a.k.a. AFKHAMI RASHIDI, Mahmood; a.k.a. AFKHAMI RASHIDI, Mahmoud); DOB 31 Aug 1962; POB Mashhad, Iran; nationality Iran; Additional Sanctions Information—Subject to Secondary Sanctions; Passport D9005625 issued 11 Jul 2009 expires 11 Jul 2014 (individual) [SDGT] [IRGC] [IFSR].

2. AL–MUHANDIS, Abu Mahdi (a.k.a. AL BASERI, Abu Mahdi; a.k.a. AL–BASARI, Abu Mahdi; a.k.a. AL–BASRI, Abu-Mahdi al-Mohandis; a.k.a. AL–IBRAHIMI, Jamal; a.k.a. AL–IBRAHIMI, Jamal Ja'afar Muhammad Ali; a.k.a. AL–IBRAHIMI, Jamal Ja'far; a.k.a. AL–MADAN, Abu Mahdi; a.k.a. AL–MOHANDAS, Abu-Mahdi; a.k.a. AL–MOHANDESS, Abu Mehdi; a.k.a. AL–MUHANDES, Abu Mahdi; a.k.a. AL–MUHANDIS, Abu Mahdi al-Basri; a.k.a. AL–MUHANDIS, Abu-Muhannad; a.k.a. BIHAJ, Jamal Ja'afar Ibrahim al-Mikna; a.k.a. EBRAHIMI, Jamal Jafaar Mohammed Ali; a.k.a. JAMAL, Ibrahimi; a.k.a. ''AL–IBRAHIMI, Jamal Fa'far 'Ali''; a.k.a. ''AL–TAMIMI, Jamal al-Madan''; a.k.a. ''JAAFAR, Jaafar Jamal''; a.k.a. ''MOHAMMED, Jamal Jaafar''), Al Fardoussi Street, Tehran, Iran; Al Maaqal, Al Basrah, Iraq; Velayat Faqih Base, Kenesht Mountain Pass, Northwest of Kermanshah, Iran; Mehran, Iran; DOB 1953; POB Ma'ghal, Basrah, Iraq; nationality Iraq;

citizen Iran; alt. citizen Iraq; Additional Sanctions Information—Subject to Secondary Sanctions (individual) [IRAQ3].

3. AL–SHEIBANI, Abu Mustafa (a.k.a. AL–ATTABI, Hameid Thajeil Wareij; a.k.a. AL–SHAYBANI, Abu Mustafa; a.k.a. AL–SHAYBANI, Hamid; a.k.a. AL–SHEBANI, Abu Mustafa; a.k.a. AL–SHEIBANI, Hamid Thajeel; a.k.a. AL–SHEIBANI, Mustafa; a.k.a. THAJIL, Hamid), Tehran, Iran; DOB circa 1959; alt. DOB circa 1960; POB Nasiriyah, Iraq; citizen Iran; alt. citizen Iraq; Additional Sanctions Information—Subject to Secondary Sanctions (individual) [IRAQ3].

4. BAGHBANI, Gholamreza (a.k.a. BAQBANI, Mohammad Akhusa; a.k.a. BAQBANI, Qolam Reza); DOB 05 Jan 1961; alt. DOB 1947; POB Zabol, Iran; citizen Iran; Additional Sanctions Information—Subject to Secondary Sanctions; Islamic Revolutionary Guard Corps—Qods Force General (individual) [SDNTK].

5. FORUZANDEH, Ahmed (a.k.a. FAYRUZI, Ahmad; a.k.a. FOROOZANDEH, Ahmad; a.k.a. FORUZANDEH, Ahmad; a.k.a. FRUZANDAH, Ahmad; a.k.a. ''ABU AHMAD ISHAB''; a.k.a. ''ABU SHAHAB''; a.k.a. ''JAFARI''), Qods Force Central Headquarters, Former U.S. Embassy Compound, Tehran, Iran; DOB circa 1960; alt. DOB 1957; alt. DOB circa 1955; alt. DOB circa 1958; alt. DOB circa 1959; alt. DOB circa 1961; alt. DOB circa 1962; alt. DOB circa 1963; POB Kermanshah, Iran; Additional Sanctions Information—Subject to Secondary Sanctions; Brigadier General, Commanding Officer of the Iranian Islamic Revolutionary Guard Corps-Qods Force Ramazan Corps; Deputy Commander of the Ramazan Headquarters; Chief of Staff of the Iraq Crisis Staff (individual) [IRAQ3] [IRGC].

6. HEMMATI, Alireza; DOB Dec 1955; Additional Sanctions Information—Subject to Secondary Sanctions (individual) [SDGT] [IRGC] [IFSR].

7. MAHMOUDI, Gholamreza (a.k.a. MAHMOUDI, Gholam Reza; a.k.a. MAHMOUDI, Ghulam Reza Khodrat; a.k.a. MAHMUDI, Qolam Reza); DOB 03 Feb 1958; nationality Iran; Additional Sanctions Information—Subject to Secondary Sanctions; Passport 5659068 (individual) [SDGT] [IFSR].

8. MALEKOUTI POUR, Hamidreza (a.k.a. MALAKOTIPOUR, Hamid Reza; a.k.a. MALAKOTIPOUR, Hamidreza; a.k.a. MALAKOUTIPOUR, Hamid Reza; a.k.a. MALAKUTIPUR, Hamid Reza; a.k.a. MALKOTIPOUR, Hamid Reza); DOB 18 Oct 1960; Additional Sanctions Information—Subject to Secondary Sanctions; Passport B5660433 (Iran) (individual) [SDGT] [IFSR].

9. MUHAMMADI, Umid (a.k.a. MUHAMMADI, Omid; a.k.a. MUHAMMADI, 'Umid 'Abd al-Majid Muhammad 'Aziz; a.k.a. ''AL–KURDI, Abu Sulayman''; a.k.a. ''AL–KURDI, 'Amid''; a.k.a. ''AL–KURDI, Hamza''; a.k.a. ''AL–KURDI, Umid''; a.k.a. ''DARWESH, Arkan Mohammed Hussein''; a.k.a. ''MARIVANI, Shahin''; a.k.a. ''RAWANSARI, Shahin''); DOB 1967; nationality Syria; alt. nationality Iran; Additional Sanctions Information—Subject to Secondary Sanctions; ethnicity Kurdish (individual) [SDGT].

10. MUSAVI, Sayyed Kamal (a.k.a. JAMALI, Sayyed Kamal); DOB 03 Jan 1958; Additional Sanctions Information—Subject to Secondary Sanctions (individual) [SDGT] [IRGC] [IFSR].

11. NAWAY, Haji Ali (a.k.a. NAVAI, Ali; a.k.a. NAWAE, Ali; a.k.a. NAWA'EE, Ali; a.k.a. NAWAI, Ali; a.k.a. NAWA'I, Ali), Iran; Karachi, Pakistan; United Arab Emirates; DOB circa 1945; alt. DOB circa 1950; POB Sistan Va Baluchistan, Iran; nationality Iran; Additional Sanctions Information—Subject to Secondary Sanctions (individual) [SDNTK].

12. SEYED ALHOSSEINI, Akbar (a.k.a. SAEED HUSAINI, Akbar; a.k.a. SAYED ALHOSSEINI, Akbar; a.k.a. SAYEDOLHUSSEINI, Akbar; a.k.a. SAYYED AL–HOSEINI, Akbar; a.k.a. SEYEDOLHOSEINI, Akbar); DOB 22 Nov 1961; POB Taybad, Iran; Additional Sanctions Information—Subject to Secondary Sanctions; Passport D9004309 issued 12 Nov 2008 expires 13 Nov 2013 (individual) [SDGT] [IRGC] [IFSR].

13. SHAHRIYARI, Behnam (a.k.a. SHAHRIARI, Behnam; a.k.a. SHAHRYARI, Behnam); DOB 1968; nationality Iran; Additional Sanctions Information—Subject to Secondary Sanctions (individual) [SDGT] [IFSR].

Entity

1. TIDEWATER MIDDLE EAST CO. (a.k.a. FARAZ ROYAL QESHM LLC; a.k.a. TIDE WATER COMPANY; a.k.a. TIDE WATER MIDDLE EAST MARINE SERVICE; a.k.a. TIDEWATER CO. (MIDDLE EAST MARINE SERVICES)), No. 80, Tidewater Building, Vozara Street, Next to Saie Park, Tehran, Iran; Web site *www.tidewaterco.com;* Email Address *info@tidewaterco.com;* Email Address *info@tidewaterco.ir;* IFCA Determination—Port Operator; Additional Sanctions Information—Subject to Secondary Sanctions; Business Registration Document # 18745 (Iran); Telephone: 982188553321; Alt. Telephone: 982188554432; Fax: 982188717367; Alt. Fax: 982188708761; Alt. Fax: 982188708911 [NPWMD] [IRGC] [IFSR].

II. Removals From the FSE List

On January 16, 2015, OFAC determined that the circumstances no longer warrant the inclusion on the FSE List of the 4 individuals and 9 entities identified below. Therefore, the persons listed below are no longer subject to the prohibitions on transactions and dealings of Section 1(b) of Executive Order 13608 of May 1, 2012 ''Prohibiting Certain Transactions with and Suspending Entry into the United States of Foreign Sanctions Evaders with Respect to Iran and Syria.''[16]

Individuals

1. FARSOUDEH, Houshang (a.k.a. FARSOUDEH, Houshang Hossein; a.k.a. FARSOUDEH, Hushang); DOB 10 Oct 1968; POB Tehran, Iran; Passport H2726141 (Iran) (individual) [FSE–IR].

2. HOSSEINPOUR, Houshang (a.k.a. HOSEIN–PUR, Houshang; a.k.a. HOSSEINPOUR, Houshang Shahali); DOB 21 Mar 1967; POB Tehran, Iran; Passport R17550559 (Iran) expires 11 Jul 2015 (individual) [FSE–IR].

3. NAYEBI, Pourya (a.k.a. NAYEBI, Pourya Ali Asghar); DOB 25 Jul 1974; POB Tehran, Iran; Passport V11664675 (Iran) expires 07 Aug 2012 (individual) [FSE–IR].

4. SOKOLENKO, Vitaly (a.k.a. SOKOLENKO, Vitalii; a.k.a. SOKOLENKO, Vitaliy); DOB 16 Jun 1968; Executive Order 13645 Determination—Material Support; Passport EH354160; alt. Passport P0329907; General Manager of Ferland Company Limited (individual) [FSE–IR] [EO13645] (Linked To: FERLAND COMPANY LIMITED).[17]

Entities

1. CAUCASUS ENERGY (a.k.a. CAUCASUS ENERGY OF GEORGIA; a.k.a. LLC CAUCASUS ENERGY), Georgia; Registration ID 406075081 [FSE–IR].

2. EUROPEAN OIL TRADERS (a.k.a. EUROPEAN OIL TRADERS SA), Kaiserstuhlerstrasse 81, 8175, Windlach, Switzerland; 8174 Stadel b., Niederglatt, Switzerland [FSE–IR].

3. FERLAND COMPANY LIMITED (a.k.a. FERLAND CO. LTD), 29 A Anna Komnini St., P.O. Box 2303, Nicosia, Cyprus; 5/7 Sabaneyev Most., Odessa, Ukraine; Executive Order 13645 Determination—Material Support [ISA] [FSE–IR] [EO13645] (Linked To: NATIONAL IRANIAN TANKER COMPANY).[18]

4. GEORGIAN BUSINESS DEVELOPMENT (a.k.a. GBD FIZ; a.k.a. GBD FIZ LIMITED; a.k.a. GBD FIZ, LLC), Tbilisi, Georgia; Plot 545, Unit 1B–8D, Free Industrial Zone, Poti, Georgia; Deira, Dubai, United Arab Emirates [FSE–IR].

5. GREAT BUSINESS DEALS, Tbilisi, Georgia; Plot 545, Unit 1B–8D, Free Industrial Zone, Poti, Georgia; Deira, Dubai, United Arab Emirates [FSE–IR].

6. KSN FOUNDATION, Muehleholz 3, Vaduz 94490, Liechtenstein [FSE–IR].

7. NEW YORK GENERAL TRADING (a.k.a. ''NYGT''), No. 815, Al Maktoum Building, Al Maktoum St, P.O. Box 42108, Deira, Dubai, United Arab Emirates; Registration ID 547066 [FSE–IR].

8. NEW YORK MONEY EXCHANGE (a.k.a. ''NYME''), P.O. Box 85334, Dubai, United Arab Emirates; Shop 14, Al MM Tower, Al

[16] The determination to remove these individuals and entities from the FSE List does not represent a determination that they do not meet the definition of the term ''Government of Iran'' or the term ''Iranian financial institution'' as set forth in, respectively, Sections 560.304 and 560.324 of the ITSR. Any person meeting the definitions of the term ''Government of Iran'' or the term ''Iranian financial institution'' is a person whose property and interests in property are blocked if they are or come within the United States or if they are or come within the possession or control of a U.S. person, wherever located.

[17] On Implementation Day, OFAC took administrative actions under E.O. 13608 and 13645, allowing for the removal of this individual from the SDN List and FSE List. *See also* Section I.A.

[18] On Implementation Day, the Secretary of State and OFAC took administrative actions under, respectively, ISA and E.O.s 13608 and 13645, allowing for the removal of this entity from the SDN List and FSE List. *See also* Sections I.A and I.B.

Maktoum St, Dubai, United Arab Emirates; P.O. Box 31138, Abu Dhabi, United Arab Emirates; P.O. Box 42108, Dubai, United Arab Emirates; 20 Rustaveli Avenue, Tbilisi, Georgia; Tbilisi International Airport, Tbilisi, Georgia; Batumi Airport, Batumi, Georgia; Commercial Registry Number 549905 (United Arab Emirates) [FSE–IR].

9. ORCHIDEA GULF TRADING (a.k.a. ORCHIDEA GULF EXCHANGE TRADING CO L; a.k.a. ORCHIDEA GULF TRADING ALTIN VE KIYMELTI MADENLER DIS TIC LTD STI; a.k.a. ''ORCHIDEA GENERAL TRADING LLC''; a.k.a. ''ORCHIDEA GULF COAST TRADING CO L''), P.O. Box 11254, Dubai, United Arab Emirates; P.O. Box 11254, 6305 Zinath Omar Kin Khatab, Dubai, United Arab Emirates; P.O. Box 11256 Zinath Omar Kin Khatab, Dubai, United Arab Emirates; P.O. Box 6305 Zinath Omar Kin Khatab, Dubai, United Arab Emirates; P.O. Box 85334, Dubai, United Arab Emirates; P.O. Box 85334, Office Number 605, Concord Hotel, Al Matoum Street, Dubai, United Arab Emirates; Molla Gurani Mahallesi Sehit Pilot Nedim Sok. Evirgenler Ish, 5/5, Istanbul, Turkey [FSE–IR].

III. Additions to the EO 13599 List

On Implementation Day, to assist U.S. persons in meeting their obligations under the ITSR, OFAC made available on its Web site a List of Persons Identified as Blocked Solely Pursuant to Executive Order 13599 (E.O. 13599 List) and added the following 13 individuals and 177 entities, as well as 74 vessels identified as blocked property of the foregoing, to that list. The purpose of the E.O. 13599 list is to clarify that, regardless of their removal from the SDN List, persons that OFAC previously identified as meeting the definition of the terms ''Government of Iran'' or ''Iranian financial institution'' continue to meet those definitions and continue to be persons whose property and interests in property are blocked pursuant to Executive Order 13599 and section 560.211 of the ITSR. Unless an exemption or express OFAC authorization applies, U.S. persons, wherever located, are prohibited from engaging in any transaction with, and must continue to block the property and interests in property of, persons on the E.O. 13599 List, as well as any other person meeting the definition of the Government of Iran or an Iranian financial institution.

Individuals

1. BAHADORI, Masoud; nationality Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Passport T12828814 (Iran); Managing Director, Petro Suisse Intertrade Company (individual) [IRAN].

2. GHALEBANI, Ahmad (a.k.a. GHALEHBANI, Ahmad; a.k.a. QALEHBANI, Ahmad); DOB 01 Jan 1953 to 31 Dec 1954; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Passport H20676140 (Iran); Managing Director, National Iranian Oil Company; Director, Hong Kong Intertrade Company; Director, Petro Suisse Intertrade Company (individual) [IRAN].

3. JASHNSAZ, Seifollah (a.k.a. JASHN SAZ, Seifollah; a.k.a. JASHNSAZ, Seyfollah); DOB 22 Mar 1958; POB Behbahan, Iran; nationality Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Passport R17589399 (Iran); alt. Passport T23700825 (Iran); Chairman & Director, Naftiran Intertrade Co. (NICO) Sarl; Chairman & Director, Naft Iran Intertrade Company Ltd.; Director, Hong Kong Intertrade Company; Chairman of the Board of Directors, Iranian Oil Company (U.K.) Limited; Chairman & Director, Petro Suisse Intertrade Company (individual) [IRAN].

4. POURANSARI, Hashem; nationality Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Passport B19488852 (Iran); Managing Director, Asia Energy General Trading (individual) [IRAN].

5. CAMBIS, Dimitris (a.k.a. KAMPIS, Dimitrios Alexandros; a.k.a. ''KLIMT, Gustav''); DOB 14 Oct 1963; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* (individual) [IRAN].

6. TABATABAEI, Seyyed Mohammad Ali Khatibi; DOB 27 Sep 1955; citizen Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Director, NIOC International Affairs (London) Ltd.; Director of International Affairs, NIOC (individual) [IRAN].

7. MOINIE, Mohammad; DOB 04 Jan 1956; POB Brojerd, Iran; citizen United Kingdom; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Passport 301762718 (United Kingdom); Commercial Director, Naftiran Intertrade Company Sarl (individual) [IRAN].

8. BAZARGAN, Farzad; DOB 03 Jun 1956; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Passport D14855558 (Iran); alt. Passport Y21130717 (Iran); Managing Director, Hong Kong Intertrade Company (individual) [IRAN].

9. MOHADDES, Seyed Mahmoud; DOB 07 Jun 1957; citizen Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Managing Director, Iranian Oil Company (U.K.) Ltd. (individual) [IRAN].

10. ZIRACCHIAN ZADEH, Mahmoud; DOB 24 Jul 1959; citizen Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Director, Iranian Oil Company (U.K.) Ltd. (individual) [IRAN].

11. NIKOUSOKHAN, Mahmoud; DOB 01 Jan 1961 to 31 Dec 1962; nationality Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Passport U14624657 (Iran); Finance Director, National Iranian Oil Company; Director, Hong Kong Intertrade Company; Director, Petro Suisse Intertrade Company (individual) [IRAN].

12. SEYYEDI, Seyed Nasser Mohammad; DOB 21 Apr 1963; citizen Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Passport B14354139 (Iran); alt. Passport

L18507193 (Iran); alt. Passport X95321252 (Iran); Managing Director, Sima General Trading (individual) [IRAN].

13. PARSAEI, Reza; DOB 09 Aug 1963; citizen Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Director, NIOC International Affairs (London) Ltd. (individual) [IRAN].

Entities

1. AA ENERGY FZCO, United Arab Emirates; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

2. AMIN INVESTMENT BANK (a.k.a. AMINIB), No. 51 Ghobadiyan Street, Valiasr Street, Tehran 1968917173, Iran; Web site *http://www.aminib.com;* Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

3. ARASH SHIPPING ENTERPRISES LIMITED, Diagoras House, 7th Floor, 16 Panteli Katelari Street, Nicosia 1097, Cyprus; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Telephone (357)(22660766); Fax (357)(22678777) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

4. ARTA SHIPPING ENTERPRISES LIMITED, Diagoras House, 7th Floor, 16 Panteli Katelari Street, Nicosia 1097, Cyprus; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Telephone (357)(22660766); Fax (357)(22678777) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

5. ASAN SHIPPING ENTERPRISE LIMITED, 85 St. John Street, Valletta VLT 1165, Malta; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Telephone (356)(21241817); Fax (356)(25990640) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

6. ASCOTEC HOLDING GMBH (f.k.a. AHWAZ STEEL COMMERCIAL & TECHNICAL SERVICE GMBH ASCOTEC; f.k.a. AHWAZ STEEL COMMERCIAL AND TECHNICAL SERVICE GMBH ASCOTEC; a.k.a. ASCOTEC GMBH), Tersteegen Strasse 10, Dusseldorf 40474, Germany; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Registration ID HRB 26136 (Germany); all offices worldwide [IRAN].

7. ASCOTEC JAPAN K.K., 8th Floor, Shiba East Building, 2–3–9 Shiba, Minato-ku, Tokyo 105–0014, Japan; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see:*https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* all offices worldwide [IRAN].

8. ASCOTEC MINERAL & MACHINERY GMBH (a.k.a. ASCOTEC MINERAL AND MACHINERY GMBH; f.k.a. BREYELLER KALTBAND GMBH), Tersteegenstr. 10, Dusseldorf 40474, Germany; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Registration ID HRB 55668 (Germany); all offices worldwide [IRAN].

9. ASCOTEC SCIENCE & TECHNOLOGY GMBH (a.k.a. ASCOTEC SCIENCE AND TECHNOLOGY GMBH), Tersteegenstrasse 10, Dusseldorf D 40474, Germany; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Registration ID HRB 58745 (Germany); all offices worldwide [IRAN].

10. ASCOTEC STEEL TRADING GMBH (a.k.a. ASCOTEC STEEL), Tersteegenstr. 10, Dusseldorf 40474, Germany; Georg-Glock-Str. 3, Dusseldorf 40474, Germany; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Registration ID HRB 48319 (Germany); all offices worldwide [IRAN].

11. ASIA ENERGY GENERAL TRADING (LLC), Suite 703, Twin Tower, Baniyas Street, Deira, Dubai, United Arab Emirates; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

12. BANDAR IMAM PETROCHEMICAL COMPANY, North Kargar Street, Tehran, Iran; Mahshahr, Bandar Imam, Khuzestan Province, Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

13. BANK KESHAVARZI IRAN (a.k.a. AGRICULTURAL BANK OF IRAN; a.k.a. BANK KESHAVARZI), P.O. Box 14155–6395, 129 Patrice Lumumba St, Jalal-al-Ahmad Expressway, Tehran 14454, Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* all offices worldwide [IRAN].

14. BANK MARKAZI JOMHOURI ISLAMI IRAN (a.k.a. BANK MARKAZI IRAN; a.k.a. CENTRAL BANK OF IRAN; a.k.a. CENTRAL BANK OF THE ISLAMIC REPUBLIC OF IRAN), P.O. Box 15875/7177, 144 Mirdamad Blvd., Tehran, Iran; 213 Ferdowsi Avenue, Tehran 11365, Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

15. BANK MASKAN (a.k.a. HOUSING BANK (OF IRAN)), P.O. Box 11365/5699, No 247 3rd Floor Fedowsi Ave, Cross Sarhang Sakhaei St, Tehran, Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* all offices worldwide [IRAN].

16. BANK MELLAT, Head Office Bldg, 327 Taleghani Ave, Tehran 15817, Iran; 327 Forsat and Taleghani Avenue, Tehran 15817, Iran; P.O. Box 375010, Amiryan Str #6, P/N–24, Yerevan, Armenia; Keumkang Tower—13th & 14th Floor, 889–13 Daechi-Dong, Gangnam-Ku, Seoul 135–280, Korea, South; P.O. Box 79106425, Ziya Gokalp Bulvari No 12, Kizilay, Ankara, Ankara, Turkey; Cumhuriyet Bulvari No 88/A, PK 7103521,

Konak, Izmir, Turkey; Buyukdere Cad, Cicek Sokak No 1—1 Levent, Levent, Istanbul, Turkey; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* all offices worldwide [IRAN].

17. BANK MELLI IRAN (a.k.a. BANK MELLI; a.k.a. NATIONAL BANK OF IRAN), P.O. Box 11365–171, Ferdowsi Avenue, Tehran, Iran; 43 Avenue Montaigne, Paris 75008, France; Room 704–6, Wheelock Hse, 20 Pedder St, Central, Hong Kong; Bank Melli Iran Bldg, 111 St 24, 929 Arasat, Baghdad, Iraq; P.O. Box 2643, Ruwi, Muscat 112, Oman; P.O. Box 2656, Liva Street, Abu Dhabi, United Arab Emirates; P.O. Box 248, Hamad Bin Abdulla St, Fujairah, United Arab Emirates; P.O. Box 1888, Clock Tower, Industrial Rd, Al Ain Club Bldg, Al Ain, Abu Dhabi, United Arab Emirates; P.O. Box 1894, Baniyas St, Deira, Dubai City, United Arab Emirates; P.O. Box 5270, Oman Street Al Nakheel, Ras Al-Khaimah, United Arab Emirates; P.O. Box 459, Al Borj St, Sharjah, United Arab Emirates; P.O. Box 3093, Ahmed Seddiqui Bldg, Khalid Bin El-Walid St, Bur-Dubai, Dubai City 3093, United Arab Emirates; P.O. Box 1894, Al Wasl Rd, Jumeirah, Dubai, United Arab Emirates; Postfach 112 129, Holzbruecke 2, D–20459, Hamburg, Germany; Nobel Ave. 14, Baku, Azerbaijan; Unit 1703–4, 17th Floor, Hong Kong Club Building, 3 A Chater Road Central, Hong Kong; Esteghlal St., Opposite to Otbeh Ibn Ghazvan Hall, Basrah, Iraq; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* all offices worldwide [IRAN].

18. BANK OF INDUSTRY AND MINE (OF IRAN) (a.k.a. BANK SANAD VA MADAN; a.k.a. ''BIM''), P.O. Box 15875–4456, Firouzeh Tower, No 1655 Vali-Asr Ave after Chamran Crossroads, Tehran 1965643511, Iran; No 1655, Firouzeh Building, Mahmoudiye Street, Valiasr Ave, Tehran, Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* all offices worldwide [IRAN].

19. BANK REFAH KARGARAN (a.k.a. BANK REFAH; a.k.a. WORKERS' WELFARE BANK (OF IRAN)), No. 40 North Shiraz Street, Mollasadra Ave, Vanak Sq, Tehran 19917, Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* all offices worldwide [IRAN].

20. BANK SEPAH, Imam Khomeini Square, Tehran 1136953412, Iran; 64 Rue de Miromesnil, Paris 75008, France; Hafenstrasse 54, D–60327, Frankfurt am Main, Germany; Via Barberini 50, Rome, RM 00187, Italy; 17 Place Vendome, Paris 75008, France; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* all offices worldwide [IRAN].

21. BANK TEJARAT, P.O. Box 11365–5416, 152 Taleghani Avenue, Tehran 15994, Iran; 130, Zandi Alley, Taleghani Avenue, No 152, Ostad Nejat Ollahi Cross, Tehran 14567, Iran; 124–126 Rue de Provence, Angle 76 bd Haussman, Paris 75008, France; P.O. Box 734001, Rudaki Ave 88, Dushanbe 734001, Tajikistan; Office C208, Beijing Lufthansa Center No 50, Liangmaqiao Rd, Chaoyang District, Beijing 100016, China; c/o Europaisch-Iranische Handelsbank AG, Depenau 2, D–20095, Hamburg, Germany; SWIFT/BIC BTEJ IR TH; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* all offices worldwide [IRAN].

22. BANK TORGOVOY KAPITAL ZAO (a.k.a. TC BANK; a.k.a. TK BANK; a.k.a. TK BANK ZAO; a.k.a. TORGOVY KAPITAL (TK BANK); a.k.a. TRADE CAPITAL BANK; a.k.a. TRADE CAPITAL BANK (TC BANK); a.k.a. ZAO BANK TORGOVY KAPITAL), 3 Kozlova Street, Minsk 220005, Belarus; SWIFT/BIC BBTK BY 2X; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Registration ID 30 (Belarus); all offices worldwide [IRAN].

23. BANK–E SHAHR, Sepahod Gharani, Corner of Khosro St., No. 147, Tehran, Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

24. BEHSAZ KASHANE TEHRAN CONSTRUCTION CO. (a.k.a. BEHSAZ KASHANEH CO.), No. 40, East Street Journal, North Shiraz Street, Sadra Avenue, Tehran, Iran; Web site *http://www.behsazco.ir;* Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

25. BIMEH IRAN INSURANCE COMPANY (U.K.) LIMITED (a.k.a. BIUK), 4/5 Fenchurch Buildings, London EC3M 5HN, United Kingdom; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* UK Company Number 01223433 (United Kingdom); all offices worldwide [IRAN].

26. BLUE TANKER SHIPPING SA, Care of Sambouk Shipping FCZ, Office 101, 1st Floor, FITCO Building No 3, Inside Fujairah Port, P.O. Box 50044, Fujairah, United Arab Emirates; Majuro MH, Marshall Islands; Liberia; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

27. BOU ALI SINA PETROCHEMICAL COMPANY (a.k.a. BUALI SINA PETROCHEMICAL COMPANY), No. 17, 1st Floor, Daman Afshar St., Vanak Sq., Vali-e-Asr Ave, Tehran 19697, Iran; Petrochemical Special Economic Zone (PETZONE), Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

28. BREYELLER STAHL TECHNOLOGY GMBH & CO. KG (a.k.a. BREYELLER STAHL TECHNOLOGY GMBH AND CO. KG; f.k.a. ROETZEL–STAHL GMBH & CO. KG; f.k.a. ROETZEL–STAHL GMBH AND CO. KG), Josefstrasse 82, Nettetal 41334, Germany; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Registration ID HRA 4528 (Germany); all offices worldwide [IRAN].

29. CASPIAN MARITIME LIMITED, Fortuna Court, Block B, 284 Archbishop Makarios II Avenue, Limassol 3105, Cyprus; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property

of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Telephone (357)(25800000); Fax (357)(25588055) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

30. COMMERCIAL PARS OIL CO., 9th Floor, No. 346, Mirdamad Avenue, Tehran, Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

31. CREDIT INSTITUTION FOR DEVELOPMENT, 53 Saanee, Jahan-e Koodak, Crossroads Africa St., Tehran, Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

32. CYLINDER SYSTEM L.T.D. (a.k.a. CILINDER SISTEM D.O.O.; a.k.a. CILINDER SISTEM D.O.O. ZA PROIZVODNJU I USLUGE), Dr. Mile Budaka 1, Slavonski Brod 35000, Croatia; 1 Mile Budaka, Slavonski Brod 35000, Croatia; Web site *http://www.csc-sb.hr;* Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Registration ID 050038884 (Croatia); Tax ID No. 27694384517 (Croatia) [IRAN].

33. DANESH SHIPPING COMPANY LIMITED, Diagoras House, 7th Floor, 16 Panteli Katelari Street, Nicosia 1097, Cyprus; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Telephone (357)(22660766); Fax (357)(22668608) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

34. DAVAR SHIPPING CO LTD, Diagoras House, 7th Floor, 16 Panteli Katelari Street, Nicosia 1097, Cyprus; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Telephone (357)(22660766); Fax (357)(22678777) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

35. DENA TANKERS FZE, Free Zone, P.O. Box 5232, Fujairah, United Arab Emirates; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

36. DEY BANK (a.k.a. BANK–E DEY), Bokharest St., 1st St., No. 13, Tehran, Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

37. EGHTESAD NOVIN BANK (a.k.a. BANK–E EGHTESAD NOVIN; a.k.a. EN BANK PJSC), Vali Asr Street, Above Vanak Circle, across Niayesh, Esfandiari Blvd., No. 24, Tehran, Iran; SWIFT/BIC BEGN IR TH; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

38. EUROPAISCH–IRANISCHE HANDELSBANK AG (f.k.a. DEUTSCH–IRANISCHE HANDELSBANK AG; a.k.a. EUROPAEISCH–IRANISCHE HANDELSBANK; a.k.a. EUROPAESCH–IRANISCHE HANDELSBANK AKTIENGESELLSCHAFT; a.k.a. GERMAN–IRANIAN TRADE BANK), Hamburg Head Office, Depenau 2, D–20095 Hamburg, P.O. Box 101304, D–20008 Hamburg, Hamburg, Germany; Kish Branch, Sanaee Avenue, P.O. Box 79415/148, Kish Island 79415, Iran; Tehran Branch, No. 1655/1, Valiasr Avenue, P.O. Box 19656 43 511, Tehran, Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* all offices worldwide [IRAN].

39. EXECUTION OF IMAM KHOMEINI'S ORDER (a.k.a. EIKO; a.k.a. SETAD; a.k.a. SETAD EJRAEI EMAM; a.k.a. SETAD–E EJRAEI–E FARMAN–E HAZRAT–E EMAM; a.k.a. SETAD–E FARMAN–EJRAEI–YE EMAM), Khaled Stamboli St., Tehran, Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

40. EXPORT DEVELOPMENT BANK OF IRAN (a.k.a. BANK TOSEH SADERAT IRAN; a.k.a. BANK TOWSEEH SADERAT IRAN; a.k.a. BANK TOWSEH SADERAT IRAN; a.k.a. EDBI), Tose'e Tower, Corner of 15th St., Ahmed Qasir Ave., Argentine Square, Tehran, Iran; No. 129, 21's Khaled Eslamboli, No. 1 Building, Tehran, Iran; Export Development Building, Next to the 15th Alley, Bokharest Street, Argentina Square, Tehran, Iran; No. 26, Tosee Tower, Arzhantine Square, P.O. Box 15875–5964, Tehran 15139, Iran; No. 4, Gandi Ave., Tehran 1516747913, Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Registration ID 86936 (Iran) issued 10 Jul 1991; all offices worldwide [IRAN].

41. FUTURE BANK B.S.C. (a.k.a. BANK–E AL–MOSTAGHBAL; a.k.a. FUTURE BANK), P.O. Box 785, City Centre Building, Government Avenue, Manama, Bahrain; Block 304, City Centre Building, Building 199, Government Avenue, Road 383, Manama, Bahrain; Free Trade Zone, Sanaati-e Kish, Vilay-e Ferdos 2, Corner of Klinik-e Khanevadeh, No 1/5 and 3/5, Kish, Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Business Registration Document # 54514–1 (Bahrain) expires 09 Jun 2009; Trade License No. 13388 (Bahrain); All branches worldwide [IRAN].

42. GARBIN NAVIGATION LTD, Care of Sambouk Shipping FCZ, Office 101, 1st Floor, FITCO Building No 3, Inside Fujairah Port, P.O. Box 50044, Fujairah, United Arab Emirates; 80 Broad Street, Monrovia, Liberia; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

43. GHADIR INVESTMENT COMPANY, 341 West Mirdamad Boulevard, Tehran, Iran; P.O. Box 19696, Tehran, Iran; Web site *http://www.ghadir-invest.com;* Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

44. GHAED BASSIR PETROCHEMICAL PRODUCTS COMPANY (a.k.a. GHAED BASSIR), No. 15, Palizvani (7th) Street, Gandhi (South) Avenue, Tehran 1517655711, Iran; Km 10 of Khomayen Road, Golpayegan, Iran; Web site *http://www.gbpc.net;* Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary

Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

45. GHARZOLHASANEH RESALAT BANK, Biside the No. 1 Baghestan Alley, Saadat Abad Ave., Kaj Sq., Tehran, Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* All offices worldwide [IRAN].

46. GHAVAMIN BANK (a.k.a. ''GHAVAMIN FINANCIAL & CREDIT INS.''), No. 252 Milad Tower, Beginning of Africa Blvd., Argentina Sq, Tehran, Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* All offices worldwide [IRAN].

47. GOLDEN RESOURCES TRADING COMPANY L.L.C. (a.k.a. ''GRTC''), 9th Floor, Office No. 905, Khalid Al Attar Tower 1, Sheikh Zayed Road, After Crown Plaza Hotel, Al Wasl Area, Dubai, United Arab Emirates; Postal Box 34489, Dubai, United Arab Emirates; Postal Box 14358, Dubai, United Arab Emirates; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

48. GRACE BAY SHIPPING INC, Care of Sambouk Shipping FCZ, 1st Floor, FITCO Building No 3, Inside Fujairah Port, P.O. Box 50044, Fujairah, United Arab Emirates; Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro MH96960, Marshall Islands; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

49. HADI SHIPPING COMPANY LIMITED, Diagoras House, 7th Floor, 16 Panteli Katelari Street, Nicosia 1097, Cyprus; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Telephone (357)(22660766); Fax (357)(22668608) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

50. HARAZ SHIPPING COMPANY LIMITED, Diagoras House, 7th Floor, 16 Panteli Katelari Street, Nicosia 1097, Cyprus; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Telephone (357)(22660766); Fax (357)(22668608) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

51. HATEF SHIPPING COMPANY LIMITED, Diagoras House, 7th Floor, 16 Panteli Katelari Street, Nicosia 1097, Cyprus; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Telephone (357)(22660766); Fax (357)(22668608) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

52. HEKMAT IRANIAN BANK (a.k.a. BANK–E HEKMAT IRANIAN), Argentine Circle, beginning of Africa St., Corner of 37th St., (Dara Cul-de-sac), No.26, Tehran, Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

53. HERCULES INTERNATIONAL SHIP, Care of Sambouk Shipping FCZ, Office 101, 1st Floor, FITCO Building No 3, Inside Fujairah Port, P.O. Box 50044, Fujairah, United Arab Emirates; 80 Broad Street, Monrovia, Liberia; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

54. HERMIS SHIPPING SA, Care of Sambouk Shipping FCZ, Office 101, 1st Floor, FITCO Building No 3, Inside Fujairah Port, P.O. Box 50044, Fujairah, United Arab Emirates; Panama City, Panama; Monrovia, Liberia; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

55. HIRMAND SHIPPING COMPANY LIMITED, Diagoras House, 7th Floor, 16 Panteli Katelari Street, Nicosia 1097, Cyprus; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Telephone (357)(22660766); Fax (357)(22668608) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

56. HODA SHIPPING COMPANY LIMITED, Diagoras House, 7th Floor, 16 Panteli Katelari Street, Nicosia 1097, Cyprus; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Telephone (357)(22660766); Fax (357)(22668608) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

57. HOMA SHIPPING COMPANY LIMITED, Diagoras House, 7th Floor, 16 Panteli Katelari Street, Nicosia 1097, Cyprus; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Telephone (357)(22660766); Fax (357)(22668608) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

58. HONAR SHIPPING COMPANY LIMITED, Diagoras House, 7th Floor, 16 Panteli Katelari Street, Nicosia 1097, Cyprus; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Telephone (357)(22660766); Fax (357)(22668608) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

59. HONG KONG INTERTRADE COMPANY, Hong Kong; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

60. HORMOZ OIL REFINING COMPANY, Next to the Current Bandar Abbas Refinery, Bandar Abbas City, Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

61. IFIC HOLDING AG (a.k.a. IHAG), Koenigsallee 60 D, Dusseldorf 40212, Germany; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and

Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Registration ID HRB 48032 (Germany); all offices worldwide [IRAN].

62. IHAG TRADING GMBH, Koenigsallee 60 D, Dusseldorf 40212, Germany; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Registration ID HRB 37918 (Germany); all offices worldwide [IRAN].

63. IMPIRE SHIPPING COMPANY (a.k.a. IMPIRE SHIPPING; a.k.a. IMPIRE SHIPPING LIMITED), Greece; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

64. INDUSTRIAL DEVELOPMENT AND RENOVATION ORGANIZATION OF IRAN (a.k.a. IDRO; a.k.a. IRAN DEVELOPMENT & RENOVATION ORGANIZATION COMPANY; a.k.a. IRAN DEVELOPMENT AND RENOVATION ORGANIZATION COMPANY; a.k.a. SAWZEMANE GOSTARESH VA NOWSAZI SANAYE IRAN), Vali Asr Building, Jam e Jam Street, Vali Asr Avenue, Tehran 15815–3377, Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* all offices worldwide [IRAN].

65. INTRA CHEM TRADING GMBH (a.k.a. INTRA–CHEM TRADING CO. (GMBH)), Schottweg 3, Hamburg 22087, Germany; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Registration ID HRB48416 (Germany); all offices worldwide [IRAN].

66. IRAN & SHARGH COMPANY (a.k.a. IRAN AND EAST COMPANY; a.k.a. IRAN AND SHARGH COMPANY; a.k.a. IRANOSHARGH COMPANY; a.k.a. SHERKAT–E IRAN VA SHARGH), 827, North of Seyedkhandan Bridge, Shariati Street, P.O. Box 13185–1445, Tehran 16616, Iran; No. 41, Next to 23rd Alley, South Gandi St., Vanak Square, Tehran 15179, Iran; Web site *http://www.iranoshargh.com;* Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

67. IRAN & SHARGH LEASING COMPANY (a.k.a. IRAN AND EAST LEASING COMPANY; a.k.a. IRAN AND SHARGH LEASING COMPANY; a.k.a. SHERKAT–E LIZING–E IRAN VA SHARGH), 1st Floor, No. 33, Shahid Atefi Alley, Opposite Mellat Park, Vali-e-Asr Street, Tehran 1967933759, Iran; Web site *http://www.isleasingco.com;* Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

68. IRAN FOREIGN INVESTMENT COMPANY (a.k.a. IFIC), No. 4, Saba Blvd., Africa Blvd., Tehran 19177, Iran; P.O. Box 19395–6947, Tehran, Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* all offices worldwide [IRAN].

69. IRAN INSURANCE COMPANY (a.k.a. BIMEH IRAN), 107 Dr Fatemi Avenue, Tehran 14155/6363, Iran; Abdolaziz-Al-Masaeed Building, Sheikh Maktoom St., Deira, P.O. Box 2004, Dubai, United Arab Emirates; P.O. Box 1867, Al Ain, Abu Dhabi, United Arab Emirates; P.O. Box 3281, Abu Dhabi, United Arab Emirates; P.O. Box 1666, Sharjah, United Arab Emirates; P.O. Box 849, Ras-Al-Khaimah, United Arab Emirates; P.O. Box 417, Muscat 113, Oman; P.O. Box 676, Salalah 211, Oman; P.O. Box 995, Manama, Bahrain; Al-Lami Center, Ali-Bin-Abi Taleb St. Sharafia, P.O. Box 11210, Jeddah 21453, Saudi Arabia; Al Alia Center, Salaheddine Rd., Al Malaz, P.O. Box 21944, Riyadh 11485, Saudi Arabia; Al Rajhi Bldg., 3rd Floor, Suite 23, Dhahran St., P.O. Box 1305, Dammam 31431, Saudi Arabia; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* all offices worldwide [IRAN].

70. IRAN PETROCHEMICAL COMMERCIAL COMPANY (a.k.a. PETROCHEMICAL COMMERCIAL COMPANY; a.k.a. SHERKATE BASARGANI PETROCHEMIE (SAHAMI KHASS); a.k.a. SHERKATE BAZARGANI PETRCHEMIE; a.k.a. ''IPCC''; a.k.a. ''PCC''), No. 1339, Vali Nejad Alley, Vali-e-Asr St., Vanak Sq., Tehran, Iran; INONU CAD. SUMER Sok., Zitas Bloklari C.2 Bloc D.H, Kozyatagi, Kadikoy, Istanbul, Turkey; Topcu Ibrahim Sokak No: 13 D: 7 Icerenkoy-Kadikoy, Istanbul, Turkey; 99–A, Maker Tower F, 9th Floor, Cuffe Parade, Colabe, Mumbai 400 005, India; No. 1014, Doosan We've Pavilion, 58, Soosong-Dong, Jongno-Gu, Seoul, Korea, South; Office No. 707, No. 10, Chao Waidajie, Chao Tang District, Beijing 100020, China; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* all offices worldwide [IRAN].

71. IRAN ZAMIN BANK (a.k.a. BANK–E IRAN ZAMIN), Seyyed Jamal-oldin Asadabadi St., Corner of 68th St., No. 472, Tehran, Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

72. IRANIAN MINES AND MINING INDUSTRIES DEVELOPMENT AND RENOVATION ORGANIZATION (a.k.a. IMIDRO; a.k.a. IRAN MINING INDUSTRIES DEVELOPMENT AND RENOVATION ORGANIZATION; a.k.a. IRANIAN MINES AND MINERAL INDUSTRIES DEVELOPMENT AND RENOVATION), No. 39, Sepahbod Gharani Avenue, Ferdousi Square, Tehran, Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* all offices worldwide [IRAN].

73. IRANIAN OIL COMPANY (U.K.) LIMITED (a.k.a. IOC UK LTD), Riverside House, Riverside Drive, Aberdeen AB11 7LH, United Kingdom; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* UK Company Number 01019769 (United Kingdom); all offices worldwide [IRAN].

74. IRASCO S.R.L. (a.k.a. IRASCO ITALY), Via Di Francia 3, Genoa 16149, Italy; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Registration ID GE 348075 (Italy); all offices worldwide [IRAN].

75. ISLAMIC REGIONAL COOPERATION BANK (a.k.a. BANK–E TAAWON MANTAGHEEY–E ESLAMI; a.k.a. REGIONAL COOPERATION OF THE ISLAMIC BANK FOR DEVELOPMENT & INVESTMENT), Building No. 59, District

929, Street No. 17, Arsat Al-Hindia, Al Masbah, Baghdad, Iraq; Tohid Street, Before Tohid Circle, No. 33, Upper Level of Eghtesad-e Novin Bank, Tehran 1419913464, Iran; SWIFT/BIC RCDF IQ BA; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

76. JOINT IRAN–VENEZUELA BANK (a.k.a. BANK MOSHTAREK–E IRAN VENEZUELA; a.k.a. IRANIAN–VENEZUELAN BI–NATIONAL BANK), Ahmad Ghasir St. (Bokharest), Corner of 15th St., Tose Tower, No.44–46, Tehran 1013830711, Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

77. JUPITER SEAWAYS SHIPPING, Care of Sambouk Shipping FCZ, Office 101, 1st Floor, FITCO Building No 3, Inside Fujairah Port, P.O. Box 50044, Fujairah, United Arab Emirates; 80 Broad Street, Monrovia, Liberia; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

78. KAFOLATBANK (a.k.a. CJSC KAFOLATBANK), Apartment 4/1, Academics Rajabovs Street, Dushanbe, Tajikistan; SWIFT/BIC KACJ TJ 22; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* All offices worldwide [IRAN].

79. KALA LIMITED (a.k.a. KALA NAFT LONDON LTD), NIOC House, 4 Victoria Street, Westminster, London SW1H 0NE, United Kingdom; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* UK Company Number 01517853 (United Kingdom); all offices worldwide [IRAN].

80. KALA PENSION TRUST LIMITED, C/O Kala Limited, N.I.O.C. House, 4 Victoria Street, London SW1H 0NE, United Kingdom; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* UK Company Number 01573317 (United Kingdom); all offices worldwide [IRAN].

81. KARAFARIN BANK (a.k.a. BANK–E KARAFARIN), Zafar St. No. 315, Between Vali Asr and Jordan, Tehran, Iran; SWIFT/BIC KBID IR TH; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

82. KASB INTERNATIONAL LLC (a.k.a. FIRST FURAT TRADING LLC), 10th Floor, Citi Bank Building, Oud Metha Road, Oud Metha, Dubai, United Arab Emirates; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Telephone Number: (971) (4) (3248000) [IRAN].

83. KHAVARMIANEH BANK (a.k.a. MIDDLE EAST BANK), No. 22, Second Floor Sabounchi St., Shahid Beheshti Ave., Tehran, Iran; SWIFT/BIC KHMI IR TH; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* All offices worldwide [IRAN].

84. KISH INTERNATIONAL BANK (a.k.a. KISH INTERNATIONAL BANK OFFSHORE COMPANY PJS), NBO–9, Andisheh Blvd., Sanayi Street, Kish Island, Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* All offices worldwide [IRAN].

85. KONING MARINE CORP, Care of Sambouk Shipping FCZ, Office 101, 1st Floor, FITCO Building No 3, Inside Fujairah Port, P.O. Box 50044, Fujairah, United Arab Emirates; 80 Broad Street, Monrovia, Liberia; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

86. MACHINE SAZI ARAK CO. LTD. (a.k.a. MACHINE SAZI ARAK COMPANY P J S C; a.k.a. MACHINE SAZI ARAK SSA; a.k.a. MASHIN SAZI ARAK; a.k.a. ''MSA''), P.O. Box 148, Arak 351138, Iran; Arak, Km 4 Tehran Road, Arak, Markazi Province, Iran; No. 1, Northern Kargar Street, Tehran 14136, Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* all offices worldwide [IRAN].

87. MAHAB GHODSS CONSULTING ENGINEERING COMPANY (a.k.a. MAHAB GHODSS CONSULTING ENGINEERING CO.; a.k.a. MAHAB GHODSS CONSULTING ENGINEERS SSK; a.k.a. MAHAB QODS ENGINEERING CONSULTING CO.), No. 17, Dastgerdy Avenue, Takharestan Alley, 19395–6875, Tehran 1918781185, Iran; 16 Takharestan Alley, Dastgerdy Avenue, P.O. Box 19395–6875, Tehran 19187 81185, Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Registration ID 48962 (Iran) issued 1983; all offices worldwide [IRAN].

88. MARJAN PETROCHEMICAL COMPANY (a.k.a. MARJAN METHANOL COMPANY), Ground Floor, No. 39, Meftah/Garmsar West Alley, Shiraz (South) Street, Molla Sadra Avenue, Tehran, Iran; Post Office Box 19935–561, Tehran, Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

89. MCS ENGINEERING (a.k.a. EFFICIENT PROVIDER SERVICES GMBH), Karlstrasse 21, Dinslaken, Nordrhein-Westfalen 46535, Germany; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

90. MCS INTERNATIONAL GMBH (a.k.a. MANNESMAN CYLINDER SYSTEMS; a.k.a. MCS TECHNOLOGIES GMBH), Karlstrasse 23–25, Dinslaken, Nordrhein-Westfalen 46535, Germany; Web site *http://www.mcs-tch.com;* Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

91. MEHR IRAN CREDIT UNION BANK (a.k.a. BANK–E GHARZOLHASANEH MEHR

IRAN; a.k.a. GHARZOLHASANEH MEHR IRAN BANK), Taleghani St., No.204, Before the intersection of Mofateh, across from the former U.S. embassy, Tehran, Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

92. MEHRAN SHIPPING COMPANY LIMITED, Diagoras House, 7th Floor, 16 Panteli Katelari Street, Nicosia 1097, Cyprus; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Telephone (357)(22660766); Fax (357)(22668608) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

93. MELLAT INSURANCE COMPANY, No. 48, Haghani Street, Vanak Square, Before Jahan-Kodak Cross, Tehran 1517973913, Iran; No. 40, Shahid Haghani Express Way, Vanak Square, Tehran, Iran; No. 9, Niloofar Street, Sharabyani Avenue, Taavon Boulevard, Shahr-e-Ziba, Tehran, Iran; 72 Hillview Court, Woking, Surrey GU22 7QW, United Kingdom; No. 697 Saeeidi Alley, Crossroads College, Enghelab St., Tehran, Iran; Web site *http://www.mellatinsurance.com;* Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

94. MERSAD SHIPPING COMPANY LIMITED, Diagoras House, 7th Floor, 16 Panteli Katelari Street, Nicosia 1097, Cyprus; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Telephone (357)(22660766); Fax (357)(22668608) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

95. METAL & MINERAL TRADE S.A.R.L. (a.k.a. METAL & MINERAL TRADE (MMT); a.k.a. METAL AND MINERAL TRADE (MMT); a.k.a. METAL AND MINERAL TRADE S.A.R.L.; a.k.a. MMT LUXEMBURG; a.k.a. MMT SARL), 11b, Boulevard Joseph II L–1840, Luxembourg; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Registration ID B 59411 (Luxembourg); all offices worldwide [IRAN].

96. MINAB SHIPPING COMPANY LIMITED (f.k.a. MIGHAT SHIPPING COMPANY LIMITED), Diagoras House, 7th Floor, 16 Panteli Katelari Street, Nicosia 1097, Cyprus; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Telephone (357)(22660766); Fax (357)(22668608) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

97. MINES AND METALS ENGINEERING GMBH (a.k.a. ''M.M.E.''), Georg-Glock-Str. 3, Dusseldorf 40474, Germany; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Registration ID HRB 34095 (Germany); all offices worldwide [IRAN].

98. MOBIN PETROCHEMICAL COMPANY, South Pars Special Economic Energy Zone, Postal Box: 75391–418, Assaluyeh, Bushehr, Iran; P.O. Box, Mashhad, Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

99. MODABER (a.k.a. MODABER INVESTMENT COMPANY; a.k.a. TADBIR INDUSTRIAL HOLDING COMPANY); Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

100. MONSOON SHIPPING LTD, Care of Sambouk Shipping FCZ, Office 101, 1st Floor, FITCO Building No 3, Inside Fujairah Port, P.O. Box 50044, Fujairah, United Arab Emirates; Valletta, Malta; Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro MH96960, Marshall Islands; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

101. MSP KALA NAFT CO. TEHRAN (a.k.a. KALA NAFT CO SSK; a.k.a. KALA NAFT COMPANY LTD; a.k.a. KALA NAFT TEHRAN; a.k.a. KALA NAFT TEHRAN COMPANY; a.k.a. KALAYEH NAFT CO; a.k.a. M.S.P.-KALA; a.k.a. MANUFACTURING SUPPORT & PROCUREMENT CO.-KALA NAFT; a.k.a. MANUFACTURING SUPPORT AND PROCUREMENT (M.S.P.) KALA NAFT CO. TEHRAN; a.k.a. MANUFACTURING, SUPPORT AND PROCUREMENT KALA NAFT COMPANY; a.k.a. MSP KALA NAFT TEHRAN COMPANY; a.k.a. MSP KALANAFT; a.k.a. MSP–KALANAFT COMPANY; a.k.a. SHERKAT SAHAMI KHASS KALA NAFT; a.k.a. SHERKAT SAHAMI KHASS POSHTIBANI VA TEHIYEH KALAYE NAFT TEHRAN; a.k.a. SHERKATE POSHTIBANI SAKHT VA TAHEIH KALAIE NAFTE TEHRAN), 242 Sepahbod Gharani Street, Karim Khan Zand Bridge, Corner Kalantari Street, 8th Floor, P.O. Box 15815–1775/15815–3446, Tehran 15988, Iran; Building No. 226, Corner of Shahid Kalantari Street, Sepahbod Gharani Avenue, Karimkhan Avenue, Tehran 1598844815, Iran; No. 242, Shahid Kalantari St., Near Karimkhan Bridge, Sepahbod Gharani Avenue, Tehran, Iran; Head Office Tehran, Sepahbod Gharani Ave., P.O. Box 15815/1775 15815/3446, Tehran, Iran; P.O. Box 2965, Sharjah, United Arab Emirates; 333 7th Ave SW #1102, Calgary, AB T2P 2Z1, Canada; Chekhov St., 24.2, AP 57, Moscow, Russia; Room No. 704—No. 10 Chao Waidajie Chao Yang District, Beijing 10020, China; Sanaee Ave., P.O. Box 79417–76349, N.I.O.C., Kish, Iran; 10th Floor, Sadaf Tower, Kish Island, Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* all offices worldwide [IRAN].

102. N.I.T.C. REPRESENTATIVE OFFICE (a.k.a. NATIONAL IRANIAN TANKER COMPANY), Droogdokweg 71, Rotterdam 3089 JN, Netherlands; Email Address *nitcrdam@tiscali.net;* Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Telephone +31 010–4951863; Telephone +31 10–4360037; Fax +31 10–4364096 [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

103. NAFTIRAN INTERTRADE CO. (NICO) LIMITED (a.k.a. NAFT IRAN INTERTRADE COMPANY LTD; a.k.a. NAFTIRAN INTERTRADE COMPANY (NICO); a.k.a. NAFTIRAN INTERTRADE COMPANY LTD; a.k.a. NICO), 41, 1st Floor, International House, The Parade, St Helier JE2 3QQ, Jersey; Petro Pars Building, Saadat Abad Ave, No 35, Farhang Blvd., Tehran, Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* all

offices worldwide [IRAN] (Linked To: NIOC INTERNATIONAL AFFAIRS (LONDON) LIMITED).

104. NAFTIRAN INTERTRADE CO. (NICO) SARL (a.k.a. NICO), 6, Avenue de la Tour-Haldimand, Pully, VD 1009, Switzerland; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* all offices worldwide [IRAN].

105. NAFTIRAN TRADING SERVICES CO. (NTS) LIMITED, 47 Queen Anne Street, London W1G 9JG, United Kingdom; 6th Floor NIOC Ho, 4 Victoria St, London SW1H 0NE, United Kingdom; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* UK Company Number 02600121 (United Kingdom); all offices worldwide [IRAN].

106. NATIONAL IRANIAN OIL COMPANY (a.k.a. NIOC), Hafez Crossing, Taleghani Avenue, P.O. Box 1863 and 2501, Tehran, Iran; National Iranian Oil Company Building, Taleghani Avenue, Hafez Street, Tehran, Iran; Web site *www.nioc.ir;* Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* all offices worldwide [IRAN].

107. NATIONAL IRANIAN OIL COMPANY PTE LTD, 7 Temasek Boulevard #07–02, Suntec Tower One 038987, Singapore; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Registration ID 199004388C (Singapore); all offices worldwide [IRAN].

108. NATIONAL IRANIAN TANKER COMPANY (a.k.a. NITC), NITC Building, 67–88, Shahid Atefi Street, Africa Avenue, Tehran, Iran; Web site *www.nitc.co.ir;* Email Address *info@nitc.co.ir;* alt. Email Address *administrator@nitc.co.ir;* Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Telephone (98)(21)(66153220); Telephone (98)(21)(23803202); Telephone (98)(21)(23803303); Telephone (98)(21)(66153224); Telephone (98)(21)(23802230); Telephone (98)(9121115315); Telephone (98)(9128091642); Telephone (98)(9127389031); Fax (98)(21)(22224537); Fax (98)(21)(23803318); Fax (98)(21)(22013392); Fax (98)(21)(22058763) [IRAN].

109. NATIONAL IRANIAN TANKER COMPANY LLC (a.k.a. NATIONAL IRANIAN TANKER COMPANY LLC SHARJAH BRANCH; a.k.a. NITC SHARJAH), Al Wahda Street, Street No. 4, Sharjah, United Arab Emirates; P.O. Box 3267, Sharjah, United Arab Emirates; Web site *http://nitcsharjah.com/index.html;* Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Telephone +97165030600; Telephone +97165749996; Telephone +971506262258; Fax +97165394666; Fax +97165746661 [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

110. NATIONAL PETROCHEMICAL COMPANY (a.k.a. ''NPC''), No. 104, North Sheikh Bahaei Blvd., Molla Sadra Ave., Tehran, Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* all offices worldwide [IRAN].

111. NICO ENGINEERING LIMITED, 41, 1st Floor, International House, The Parade, St. Helier JE2 3QQ, Jersey; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Registration ID 75797 (Jersey); all offices worldwide [IRAN].

112. NIOC INTERNATIONAL AFFAIRS (LONDON) LIMITED, NIOC House, 4 Victoria Street, London SW1H 0NE, United Kingdom; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* UK Company Number 02772297 (United Kingdom); all offices worldwide [IRAN].

113. NOOR ENERGY (MALAYSIA) LTD., Labuan, Malaysia; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Company Number LL08318 [IRAN].

114. NOURI PETROCHEMICAL COMPANY (a.k.a. BORZUYEH PETROCHEMICAL COMPANY; a.k.a. NOURI PETROCHEMICAL COMPLEX), Pars Special Economic Energy Zone, Assaluyeh Port, Bushehr, Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

115. NPC INTERNATIONAL LIMITED (a.k.a. N P C INTERNATIONAL LTD; a.k.a. NPC INTERNATIONAL COMPANY), 5th Floor NIOC House, 4 Victoria Street, London SW1H 0NE, United Kingdom; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* UK Company Number 02696754 (United Kingdom); all offices worldwide [IRAN].

116. OIL INDUSTRY INVESTMENT COMPANY (a.k.a. ''O.I.I.C.''), No. 83, Sepahbod Gharani Street, Tehran, Iran; Web site *http://www.oiic-ir.com;* Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

117. OMID REY CIVIL & CONSTRUCTION COMPANY (a.k.a. OMID DEVELOPMENT AND CONSTRUCTION; a.k.a. OMID REY CIVIL AND CONSTRUCTION COMPANY; a.k.a. OMID REY RENOVATION AND DEVELOPMENT CO.); Web site *http://www.omidrey.com;* Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

118. ONE CLASS PROPERTIES (PTY) LTD. (a.k.a. ONE CLASS INCORPORATED), Cape Town, South Africa; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

119. ONE VISION INVESTMENTS 5 (PTY) LTD. (a.k.a. ONE VISION 5), 3rd Floor, Tygervalley Chambers, Bellville, Cape Town 7530, South Africa; Canal Walk, P.O. Box 17, Century City, Milnerton 7446, South Africa; Additional Sanctions Information—Not on

the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Registration ID 2002/022757/07 (South Africa) [IRAN].

120. ONERBANK ZAO (a.k.a. EFTEKHAR BANK; a.k.a. HONOR BANK; a.k.a. HONORBANK; a.k.a. HONORBANK ZAO; a.k.a. ONER BANK; a.k.a. ONERBANK; a.k.a. ONER–BANK), Ulitsa Klary Tsetkin 51, Minsk 220004, Belarus; SWIFT/BIC HNRBBY2X; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Registration ID 807000227 (Belarus) issued 16 Oct 2009; all offices worldwide [IRAN].

121. P.C.C. (SINGAPORE) PRIVATE LIMITED (a.k.a. P.C.C. SINGAPORE BRANCH; a.k.a. PCC SINGAPORE PTE LTD), 78 Shenton Way, #08–02 079120, Singapore; 78 Shenton Way, 26–02A Lippo Centre 079120, Singapore; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Registration ID 199708410K (Singapore); all offices worldwide [IRAN].

122. PARDIS INVESTMENT COMPANY (a.k.a. SHERKAT–E SARMAYEGOZARI–E PARDIS), Iran; Unit D4 and C4, 4th Floor, Building 29 Africa, Corner of 25th Street, Africa Boulevard, Tehran, Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

123. PARS MCS (a.k.a. PARS MCS CO.; a.k.a. PARS MCS COMPANY), 2nd Floor, No. 4, Sasan Dead End, Afriqa Avenue, After Esfandiar, Crossroads, Tehran, Iran; No. 5 Sasan Alley, Atefi Sharghi St., Afrigha Boulevard, Tehran, Iran; Oshtorjan Industrial Zone, Zob-e Ahan Highway, Isafahan, Iran; Web site *http://www.parsmcs.com;* Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

124. PARS OIL AND GAS COMPANY (a.k.a. POGC), No. 133, Side of Parvin Etesami Alley, opposite Sazman Ab—Dr. Fatemi Avenue, Tehran, Iran; No. 1 Parvin Etesami Street, Fatemi Avenue, Tehran, Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

125. PARS OIL CO. (a.k.a. PARS OIL; a.k.a. SHERKAT NAFT PARS SAHAMI AAM), Iran; No. 346, Pars Oil Company Building, Modarres Highway, East Mirdamad Boulevard, Tehran 1549944511, Iran; Postal Box 14155–1473, Tehran 159944511, Iran; Web site *http://www.parsoilco.com;* Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

126. PARS PETROCHEMICAL COMPANY, Pars Special Economic Energy Zone, P.O. Box 163–75391, Assaluyeh, Bushehr, Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

127. PARS PETROCHEMICAL SHIPPING COMPANY, 1st Floor, No. 19, Shenasa Street, Vali E Asr Avenue, Tehran, Iran; Web site *www.parsshipping.com;* Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

128. PARSIAN BANK (a.k.a. BANK–E PARSIAN), Keshavarz Blvd., No. 65, Corner of Shahid Daemi St., P.O. Box 141553163, Tehran 1415983111, Iran; No. 4 Zarafshan St, Farahzadi Blvd., Shahrak-e Ghods, 1467793811, Tehran, Iran; SWIFT/BIC BKPA IR TH; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

129. PASARGAD BANK (a.k.a. BANK–E PASARGAD), Valiasr St., Mirdamad St., No. 430, Tehran, Iran; SWIFT/BIC BKBP IR TH; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

130. PERSIA OIL & GAS INDUSTRY DEVELOPMENT CO. (a.k.a. PERSIA OIL AND GAS INDUSTRY DEVELOPMENT CO.; a.k.a. TOSE SANAT–E NAFT VA GAS PERSIA), 7th Floor, No. 346, Mirdamad Avenue, Tehran, Iran; Ground Floor, No. 14, Saba Street, Africa Boulevard, Tehran, Iran; Web site *http://www.pogidc.com;* Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

131. PETRO ENERGY INTERTRADE COMPANY, Dubai, United Arab Emirates; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

132. PETRO ROYAL FZE, United Arab Emirates; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

133. PETRO SUISSE INTERTRADE COMPANY SA, 6 Avenue de la Tour-Haldimand, Pully 1009, Switzerland; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

134. PETROCHEMICAL COMMERCIAL COMPANY (U.K.) LIMITED (a.k.a. PCC (UK); a.k.a. PCC UK; a.k.a. PCC UK LTD), 4 Victoria Street, London SW1H 0NE, United Kingdom; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* UK Company Number 02647333 (United Kingdom); all offices worldwide [IRAN].

135. PETROCHEMICAL COMMERCIAL COMPANY FZE (a.k.a. PCC FZE), 1703, 17th Floor, Dubai World Trade Center Tower, Sheikh Zayed Road, Dubai, United Arab Emirates; Office No. 99–A, Maker Tower ''F'' 9th Floor Cutte Pavade, Colabe, Mumbai 700005, India; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons

Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* all offices worldwide [IRAN].

136. PETROCHEMICAL COMMERCIAL COMPANY INTERNATIONAL (a.k.a. PETROCHEMICAL COMMERCIAL COMPANY INTERNATIONAL LIMITED; a.k.a. PETROCHEMICAL COMMERCIAL COMPANY INTERNATIONAL LTD; a.k.a. PETROCHEMICAL TRADING COMPANY LIMITED; a.k.a. ''PCCI''), 41, 1st Floor, International House, The Parade, St. Helier JE2 3QQ, Jersey; Ave. 54, Yimpash Business Center, No. 506, 507, Ashkhabad 744036, Turkmenistan; P.O. Box 261539, Jebel Ali, Dubai, United Arab Emirates; No. 21 End of 9th St, Gandi Ave, Tehran, Iran; 21, Africa Boulevard, Tehran, Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Registration ID 77283 (Jersey); all offices worldwide [IRAN].

137. PETROIRAN DEVELOPMENT COMPANY (PEDCO) LIMITED (a.k.a. PETRO IRAN DEVELOPMENT COMPANY; a.k.a. ''PEDCO''), 41, 1st Floor, International House, The Parade, St. Helier JE2 3QQ, Jersey; National Iranian Oil Company—PEDCO, P.O. Box 2965, Al Bathaa Tower, 9th Floor, Apt. 905, Al Buhaira Corniche, Sharjah, United Arab Emirates; P.O. Box 15875–6731, Tehran, Iran; No. 22, 7th Lane, Khalid Eslamboli Street, Shahid Beheshti Avenue, Tehran, Iran; No. 102, Next to Shahid Amir Soheil Tabrizian Alley, Shahid Dastgerdi (Ex Zafar) Street, Shariati Street, Tehran 19199/45111, Iran; Kish Harbour, Bazargan Ferdos Warehouses, Kish Island, Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Registration ID 67493 (Jersey); all offices worldwide [IRAN].

138. PETROPARS INTERNATIONAL FZE (a.k.a. PPI FZE), P.O. Box 72146, Dubai, United Arab Emirates; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* all offices worldwide [IRAN].

139. PETROPARS LTD. (a.k.a. PETROPARS LIMITED; a.k.a. ''PPL''), No. 35, Farhang Blvd., Saadat Abad, Tehran, Iran; Calle La Guairita, Centro Profesional Eurobuilding, Piso 8, Oficina 8E, Chuao, Caracas 1060, Venezuela; P.O. Box 3136, Road Town, Tortola, Virgin Islands, British; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* all offices worldwide [IRAN].

140. PETROPARS UK LIMITED, 47 Queen Anne Street, London W1G 9JG, United Kingdom; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* UK Company Number 03503060 (United Kingdom); all offices worldwide [IRAN].

141. POLINEX GENERAL TRADING LLC, Health Care City, Umm Hurair Rd., Oud Mehta Offices, Block A, 4th Floor 420, Dubai, United Arab Emirates; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

142. POLYNAR COMPANY, No. 58, St. 14, Qanbarzadeh Avenue, Resalat Highway, Tehran, Iran; Web site *http://www.polynar.com;* Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

143. POST BANK OF IRAN (a.k.a. SHERKAT–E DOLATI–E POST BANK; a.k.a. ''PBI''), 237 Motahari Avenue, Tehran 1587618118, Iran; Motahari Street, No. 237, Past Darya-e Noor, Tehran, Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

144. PROTON PETROCHEMICALS SHIPPING LIMITED (a.k.a. PROTON SHIPPING CO; a.k.a. ''PSC''), Diagoras House, 7th Floor, 16 Panteli Katelari Street, Nicosia 1097, Cyprus; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Telephone (357)(22660766); Fax (357)(22668608) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

145. REY INVESTMENT COMPANY, 2nd and 3rd Floors, No. 14, Saba Boulevard, After Esfandiar Crossroad, Africa Boulevard, Tehran 1918973657, Iran; Web site *http://www.rey-co.com;* Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

146. REY NIRU ENGINEERING COMPANY (a.k.a. REY NIROO ENGINEERING COMPANY); Web site *http://www.reyniroo.com;* Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

147. REYCO GMBH. (a.k.a. REYCO GMBH GERMANY), Karlstrasse 19, Dinslaken, Nordrhein-Westfalen 46535, Germany; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

148. RISHMAK PRODUCTIVE & EXPORTS COMPANY (a.k.a. RISHMAK COMPANY; a.k.a. RISHMAK EXPORT AND MANUFACTURING P.J.S.; a.k.a. RISHMAK PRODUCTION AND EXPORT COMPANY; a.k.a. RISHMAK PRODUCTIVE AND EXPORTS COMPANY; a.k.a. SHERKAT–E TOLID VA SADERAT–E RISHMAK), Rishmak Cross Rd., 3rd Km. of Amir Kabir Road, Shiraz 71365, Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

149. ROYAL ARYA CO. (a.k.a. ARIA ROYAL CONSTRUCTION COMPANY), Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

150. SADAF PETROCHEMICAL ASSALUYEH COMPANY (a.k.a. SADAF ASALUYEH CO.; a.k.a. SADAF CHEMICAL ASALUYEH COMPANY; a.k.a. SADAF PETROCHEMICAL ASSALUYEH INVESTMENT SERVICE), Assaluyeh, Iran; South Pars Special Economy/Energy Zone, Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must

Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

151. SAMAN BANK (a.k.a. BANK–E SAMAN), Vali Asr. St. No. 3, Before Vey Park intersection, corner of Tarakesh Dooz St., Tehran, Iran; SWIFT/BIC SABC IR TH; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

152. SAMAN SHIPPING COMPANY LIMITED, Diagoras House, 7th Floor, 16 Panteli Katelari Street, Nicosia 1097, Cyprus; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Telephone (357)(22660766); Fax (357)(22668608) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

153. SAMBOUK SHIPPING FZC, FITCO Building No. 3, Office 101, 1st Floor, P.O. Box 50044, Fujairah, United Arab Emirates; Office 1202, Crystal Plaza, P.O. Box 50044, Buhaira Corniche, Sharjah, United Arab Emirates; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

154. SARMAYEH BANK (a.k.a. BANK–E SARMAYEH), Sepahod Gharani No. 24, Corner of Arak St., Tehran, Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

155. SARV SHIPPING COMPANY LIMITED, 198 Old Bakery Street, Valletta VLT 1455, Malta; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Telephone (356)(21241232) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

156. SEPID SHIPPING COMPANY LIMITED, 198 Old Bakery Street, Valletta VLT 1455, Malta; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Telephone (356)(21241232) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

157. SHAHID TONDGOOYAN PETROCHEMICAL COMPANY (a.k.a. SHAHID TONDGUYAN PETROCHEMICAL COMPANY), Petrochemical Special Economic Zone (PETZONE), Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

158. SHAZAND PETROCHEMICAL COMPANY (a.k.a. AR.P.C.; a.k.a. ARAK PETROCHEMICAL COMPANY; a.k.a. SHAZAND PETROCHEMICAL CORPORATION), No. 68, Taban St., Vali Asr Ave., Tehran, Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

159. SIMA GENERAL TRADING CO FZE (a.k.a. SIMA GENERAL TRADING & INDUSTRIALS FOR BUILDING MATERIAL CO FZE), Office No. 703 Office Tower, Twin Tower, Baniyas Rd., Deira, P.O. Box 49754, Dubai, United Arab Emirates; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

160. SIMA SHIPPING COMPANY LIMITED, 198 Old Bakery Street, Valletta VLT 1455, Malta; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Telephone (356)(21241232) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

161. SINA BANK (f.k.a. BFCC; f.k.a. BONYAD FINANCE AND CREDIT COMPANY; f.k.a. SINA FINANCE AND CREDIT COMPANY), 187 Motahhari Avenue, P.O. Box 1587998411, Tehran, Iran; Kish Financial Center, Sahel, Kish Island, Iran; SWIFT/BIC SINAIRTH; SWIFT/BIC SINAIRTH418; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* all offices worldwide [IRAN].

162. SINA SHIPPING COMPANY LIMITED, 198 Old Bakery Street, Valletta VLT 1455, Malta; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Telephone (356)(21241232) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

163. SWISS MANAGEMENT SERVICES SARL, 28C, Route de Denges, Lonay 1027, Switzerland; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

164. SYNERGY GENERAL TRADING FZE, Sharjah—Saif Zone, Sharjah Airport International Free Zone, United Arab Emirates; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

165. TABRIZ PETROCHEMICAL COMPANY, Off Km 8, Azarshahr Road, Kojuvar Road, Tabriz, Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

166. TADBIR BROKERAGE COMPANY (a.k.a. SHERKAT–E KARGOZARI–E TADBIRGARAN–E FARDA; a.k.a. TADBIRGARAN FARDA BROKERAGE COMPANY; a.k.a. TADBIRGARAN–E FARDA BROKERAGE COMPANY; a.k.a. TADBIRGARANE FARDA MERCANTILE EXCHANGE CO.), Unit C2, 2nd Floor, Building No. 29, Corner of 25th Street, After Jahan Koudak, Cross Road Africa Street, Tehran 15179, Iran; Web site *http://www.tadbirbroker.com;* Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

167. TADBIR CONSTRUCTION DEVELOPMENT COMPANY (a.k.a. GORUH–

E TOSE–E SAKHTEMAN–E TADBIR; a.k.a. TADBIR BUILDING EXPANSION GROUP; a.k.a. TADBIR HOUSING DEVELOPMENT GROUP), Block 1, Mehr Passage, 4th Street, Iran Zamin Boulevard, Shahrak Qods, Tehran, Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

168. TADBIR ECONOMIC DEVELOPMENT GROUP (a.k.a. TADBIR GROUP), 16 Avenue Bucharest, Tehran, Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

169. TADBIR ENERGY DEVELOPMENT GROUP CO., 6th Floor, Mirdamad Avenue, No. 346, Tehran, Iran; Web site *http://www.tadbirenergy.com;* Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

170. TADBIR INVESTMENT COMPANY, Tehran, Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

171. TAT BANK (a.k.a. BANK–E TAT), Shahid Ahmad Ghasir (Bocharest), Shahid Ahmadian (15th) St., No. 1, Tehran, Iran; No. 1 Ahmadian Street, Bokharest Avenue, Tehran, Iran; SWIFT/BIC TATB IR TH; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

172. TC SHIPPING COMPANY LIMITED, Diagoras House, 7th Floor, 16 Panteli Katelari Street, Nicosia 1097, Cyprus; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Telephone (357)(22660766); Fax (357)(22668608) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

173. TOSEE EQTESAD AYANDEHSAZAN COMPANY (a.k.a. TEACO; a.k.a. TOSEE EGHTESAD AYANDEHSAZAN COMPANY), 39 Gandhi Avenue, Tehran 1517883115, Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

174. TOSEE TAAVON BANK (a.k.a. BANK–E TOSE'E TA'AVON; a.k.a. COOPERATIVE DEVELOPMENT BANK), Mirdamad Blvd., North East Corner of Mirdamad Bridge, No. 271, Tehran, Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

175. TOURISM BANK (a.k.a. BANK–E GARDESHGARI), Vali Asr St., above Vey Park, Shahid Fiazi St., No. 51, first floor, Tehran, Iran; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

176. WEST SUN TRADE GMBH (a.k.a. WEST SUN TRADE), Winterhuder Weg 8, Hamburg 22085, Germany; Arak Machine Mfg. Bldg., 2nd Floor, opp. of College Economy, Northern Kargar Ave., Tehran 14136, Iran; Mundsburger Damm 16, Hamburg 22087, Germany; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Registration ID HRB 45757 (Germany); all offices worldwide [IRAN].

177. ZARIN RAFSANJAN CEMENT COMPANY (a.k.a. RAFSANJAN CEMENT COMPANY; a.k.a. ZARRIN RAFSANJAN CEMENT COMPANY), 2nd Floor, No. 67, North Sindokht Street, West Dr. Fatemi Avenue, Tehran 1411953943, Iran; Web site *http://www.zarrincement.com;* Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block the Property and Interests in Property of this Person Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf* [IRAN].

Vessels

1. ABELIA (f.k.a. ASTARA; f.k.a. JUPITER) (9HDS9) Crude/Oil Products Tanker 99,087DWT 56,068GRT None Identified flag; Former Vessel Flag Tuvalu; alt. Former Vessel Flag Malta; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9187631; MMSI 256845000 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

2. ALERT (f.k.a. ASTANEH; f.k.a. NEPTUNE; f.k.a. SEAPRIDE) (T2ES4) Crude/Oil Products Tanker 99,144DWT 56,068GRT None Identified flag; Former Vessel Flag Malta; alt. Former Vessel Flag Tuvalu; alt. Former Vessel Flag Tanzania; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9187643; MMSI 572467210 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

3. AMBER (f.k.a. FREEDOM; f.k.a. HARAZ) (5IM 597) Crude Oil Tanker 317,356DWT 163,660GRT None Identified flag; Former Vessel Flag Cyprus; alt. Former Vessel Flag Tanzania; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9357406; MMSI 677049700 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

4. ATLANTIC (f.k.a. SEAGULL) Crude Oil Tanker Liberia flag; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9107655 (vessel) [IRAN].

5. ATLANTIS (5IM316) Crude Oil Tanker Tanzania flag (NITC); Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9569621 (vessel) [IRAN].

6. AURA (f.k.a. OCEAN PERFORMER) Crude Oil Tanker Mongolia flag; Former Vessel Flag Liberia; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more

information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9013749 (vessel) [IRAN].

7. BADR (EQJU) Iran flag; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 8407345 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

8. BANEH (EQKF) Landing Craft 640DWT 478GRT Iran flag; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 8508462; MMSI 422141000 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

9. BICAS (f.k.a. GLAROS) Crude Oil Tanker Liberia flag; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9077850 (vessel) [IRAN].

10. BRIGHT (f.k.a. ZAP) Crude Oil Tanker Mongolia flag; Former Vessel Flag Liberia; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9005235 (vessel) [IRAN].

11. CARIBO (f.k.a. NEREYDA) Crude Oil Tanker Panama flag; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9011246 (vessel) [IRAN].

12. COURAGE (f.k.a. HOMA) (5IM 596) Crude Oil Tanker 317,367DWT 163,660GRT None Identified flag; Former Vessel Flag Cyprus; alt. Former Vessel Flag Tanzania; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9357389; MMSI 677049600 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

13. DAL LAKE (f.k.a. COMPANION; f.k.a. DAVAR) (5IM 593) Crude Oil Tanker 317,850DWT 164,241GRT None Identified flag; Former Vessel Flag Cyprus; alt. Former Vessel Flag Tanzania; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9357717; MMSI 677049300 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

14. DAMAVAND (9HEG9) Crude Oil Tanker 297,013DWT 160,576GRT None Identified flag; Former Vessel Flag Malta; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9218478; MMSI 256865000 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

15. DARAB (9HEE9) Crude Oil Tanker 296,803DWT 160,576GRT None Identified flag; Former Vessel Flag Malta; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9218492; MMSI 256862000 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

16. DAYLAM (9HEU9) Crude Oil Tanker 299,500DWT 160,576GRT None Identified flag; Former Vessel Flag Malta; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9218466; MMSI 256872000 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

17. DECESIVE (f.k.a. DANESH; f.k.a. LEADERSHIP) (5IM 592) Crude Oil Tanker 319,988DWT 164,241GRT None Identified flag; Former Vessel Flag Cyprus; alt. Former Vessel Flag Tanzania; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9356593; MMSI 677049200 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

18. DELVAR (9HEF9) Crude Oil Tanker 299,500DWT 160,576GRT None Identified flag; Former Vessel Flag Malta; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9218454; MMSI 256864000 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

19. DEMOS (5IM656) Crude Oil Tanker Tanzania flag (NITC); Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9569683 (vessel) [IRAN].

20. DENA (9HED9) Crude Oil Tanker 296,894DWT 160,576GRT None Identified flag; Former Vessel Flag Malta; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9218480; MMSI 256861000 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

21. DESTINY (f.k.a. ULYSSES 1) Crude Oil Tanker Mongolia flag; Former Vessel Flag Liberia; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9177155 (vessel) [IRAN].

22. DOJRAN (f.k.a. RAINBOW; f.k.a. SOUVENIR; a.k.a. YARD NO. 1221 SHANGHAI WAIGAOQIAO) Crude Oil Tanker 318,000DWT 165,000GRT Tanzania flag; Former Vessel Flag Malta; alt. Former Vessel Flag Tuvalu; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9569619 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

23. DOVE (f.k.a. HONAR; f.k.a. JANUS; f.k.a. VICTORY) (T2EA4) Crude Oil Tanker 317,367DWT 163,660GRT None Identified flag; Former Vessel Flag Cyprus; alt. Former

Vessel Flag Tuvalu; alt. Former Vessel Flag Tanzania; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9362061; MMSI 209511000 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

24. FIANGA (f.k.a. FAEZ; f.k.a. MAESTRO; f.k.a. SATEEN) (T2DM4) Chemical/Products Tanker 35,124DWT 25,214GRT None Identified flag; Former Vessel Flag Malta;alt. Former Vessel Flag Tuvalu; alt. Former Vessel Flag Tanzania; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9283760; MMSI 572438210 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

25. FORTUN (f.k.a. SONATA; a.k.a. YARD NO. 1222 SHANGHAI WAIGAOQIAO) Crude Oil Tanker 318,000DWT 165,000GRT None Identified flag; Former Vessel Flag Malta; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9569633 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

26. HALISTIC (f.k.a. HAMOON; f.k.a. LENA; f.k.a. TAMAR) (T2EQ4) Crude Oil Tanker 299,242DWT 160,930GRT None Identified flag; Former Vessel Flag Malta; alt. Former Vessel Flag Tuvalu; alt. Former Vessel Flag Tanzania; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9212929; MMSI 572465210 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

27. HAPPINESS (f.k.a. HENGAM; f.k.a. LOYAL; f.k.a. TULAR) (T2ER4) Crude Oil Tanker 299,214DWT 160,930GRT None Identified flag; Former Vessel Flag Malta; alt. Former Vessel Flag Tuvalu; alt. Former Vessel Flag Tanzania; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9212905; MMSI 256875000 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

28. HONESTY (f.k.a. HIRMAND; f.k.a. HONESTY; f.k.a. MILLIONAIRE) (T2DZ4) Crude Oil Tanker 317,356DWT 163,660GRT None Identified flag; Former Vessel Flag Cyprus; alt. Former Vessel Flag Tuvalu; alt. Former Vessel Flag Tanzania; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9357391; MMSI 572450210 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

29. HORIZON (f.k.a. HORMOZ; f.k.a. SCORPIAN) (9HEK9) Crude Oil Tanker 299,261DWT 160,930GRT None Identified flag; Former Vessel Flag Tuvalu; alt. Former Vessel Flag Tanzania; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9212890; MMSI 256870000 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

30. HUMANITY (f.k.a. OCEAN NYMPH) Crude Oil Tanker Mongolia flag; Former Vessel Flag Panama; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9180281 (vessel) [IRAN].

31. HUWAYZEH (9HEJ9) Crude Oil Tanker 299,242DWT 160,930GRT None Identified flag; Former Vessel Flag Malta; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9212888; MMSI 256869000 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

32. HYDRA (f.k.a. EXPLORER; f.k.a. HODA; f.k.a. PRECIOUS) (T2EH4) Crude Oil Tanker 317,356DWT 163,660GRT None Identified flag; Former Vessel Flag Cyprus; alt. Former Vessel Flag Tuvalu; alt. Former Vessel Flag Tanzania; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9362059; MMSI 572458210 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

33. IMICO NEKA 455 (a.k.a. YARD NO. 455 IRAN MARINE) Shuttle Tanker 63,000DWT 40,800GRT Iran flag; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9404546 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

34. IMICO NEKA 456 (a.k.a. YARD NO. 456 IRAN MARINE) Shuttle Tanker 63,000DWT 40,800GRT Iran flag; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9404558 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

35. IMICO NEKA 457 (a.k.a. YARD NO. 457 IRAN MARINE) Shuttle Tanker 63,000DWT 40,800GRT Iran flag; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9404560 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

36. INFINITY (5IM411) Crude Oil Tanker Tanzania flag (NITC); Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9569671 (vessel) [IRAN].

37. IRAN FAHIM Chemical/Products Tanker 34,900DWT 26,561GRT Iran flag; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9286140 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

38. IRAN FALAGH Chemical/Products Tanker 34,900DWT 25,000GRT Iran flag; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to

Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9286152 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

39. IRAN FAZEL (9BAC) Chemical/Products Tanker 35,155DWT 25,214GRT Iran flag; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9283746; MMSI 422303000 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

40. JUSTICE Crude Oil Tanker None Identified flag; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9357729 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

41. MAHARLIKA (f.k.a. NOOR) (9HES9) Crude Oil Tanker 298,732DWT 156,809GRT Tanzania flag; Former Vessel Flag Malta; alt. Former Vessel Flag Tuvalu; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9079066; MMSI 256882000 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

42. MAJESTIC (f.k.a. GLORY; f.k.a. HATEF) (T2EG4) Crude Oil Tanker 317,367DWT 163,660GRT Tanzania flag; Former Vessel Flag Cyprus; alt. Former Vessel Flag Tuvalu; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9357183; MMSI 212256000 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

43. MARINA (f.k.a. HARSIN; f.k.a. VALOR) (5IM600) Crude Oil Tanker 299,229DWT 160,930GRT None Identified flag; Former Vessel Flag Malta; alt. Former Vessel Flag Tanzania; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9212917; MMSI 677050000 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

44. MARIVAN (EQKH) Tanker 640DWT 478GRT Iran flag; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 8517243; MMSI 422143000 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

45. NAINITAL (f.k.a. MIDSEA; f.k.a. MOTION; f.k.a. NAJM) (T2DR4) Crude Oil Tanker 298,731DWT 156,809GRT None Identified flag; Former Vessel Flag Malta; alt. Former Vessel Flag Tuvalu; alt. Former Vessel Flag Tanzania; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9079092; MMSI 572442210 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

46. NAPOLI (f.k.a. ELITE; f.k.a. NOAH; f.k.a. VOYAGER) (T2DQ4) Crude Oil Tanker 298,731DWT 156,809GRT None Identified flag; Former Vessel Flag Malta; alt. Former Vessel Flag Tuvalu; alt. Former Vessel Flag Tanzania; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9079078; MMSI 572441210 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

47. NATIVE LAND (f.k.a. NESA; f.k.a. OCEANIC; f.k.a. TRUTH) (T2DP4) Crude Oil Tanker 298,732DWT 156,809GRT Tanzania flag; Former Vessel Flag Malta; alt. Former Vessel Flag Tuvalu; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9079107; MMSI 572440210 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

48. NYOS (f.k.a. BRAWNY; f.k.a. MARIGOLD; f.k.a. NABI) (T2DS4) Crude Oil Tanker 298,731DWT 156,809GRT None Identified flag; Former Vessel Flag Malta; alt. Former Vessel Flag Tuvalu; alt. Former Vessel Flag Tanzania; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9079080; MMSI 572443210 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

49. ORIENTAL (f.k.a. LEYCOTHEA) Crude Oil Tanker Unknown flag; Former Vessel Flag Panama; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9183934 (vessel) [IRAN].

50. SABRINA (f.k.a. MAGNOLIA; f.k.a. SARVESTAN) (5IM590) Crude Oil Tanker 159,711DWT 81,479GRT None Identified flag; Former Vessel Flag Malta; alt. Former Vessel Flag Tanzania; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9172052; MMSI 677049000 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

51. SALALEH (f.k.a. SONGBIRD; a.k.a. YARD NO. 1224 SHANGHAI WAIGAOQIAO) Crude Oil Tanker 318,000DWT 165,000GRT None Identified flag; Former Vessel Flag Malta; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9569645 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

52. SANCHI (f.k.a. GARDENIA; f.k.a. SEAHORSE; f.k.a. SEPID) (T2EF4) Crude Oil Tanker 164,154DWT 85,462GRT None Identified flag; Former Vessel Flag Malta; alt. Former Vessel Flag Tuvalu; alt. Former Vessel Flag Tanzania; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9356608; MMSI 572455210 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

53. SARDASHT (EQKG) Landing Craft 640DWT 478GRT Iran flag; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property

and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 8517231; MMSI 422142000 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

54. SHONA (f.k.a. ABADAN; f.k.a. ALPHA) (T2EU4) Crude/Oil Products Tanker 99,144DWT 56,068GRT Tanzania flag; Former Vessel Flag Malta; alt. Former Vessel Flag Tuvalu; alt. Former Vessel Flag None Identified; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9187629; MMSI 572469210 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

55. SILVER CLOUD (f.k.a. AMOL; f.k.a. CASTOR; f.k.a. CHRISTINA) (T2EM4) Crude/Oil Products Tanker 99,094DWT 56,068GRT None Identified flag; Former Vessel Flag Malta; alt. Former Vessel Flag Tuvalu; alt. Former Vessel Flag Tanzania; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9187667; MMSI 256843000 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

56. SKYLINE (5IM632) Crude Oil Tanker Tanzania flag (NITC); Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9569669 (vessel) [IRAN].

57. SMOOTH (a.k.a. YARD NO. 1225 SHANGHAI WAIGAOQIAO) Crude Oil Tanker 318,000DWT 165,000GRT None Identified flag; Former Vessel Flag Malta; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9569657 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

58. SPARROW (f.k.a. CLOVE; f.k.a. SEMNAN) (5IM 595) Crude Oil Tanker 159,681DWT 81,479GRT None Identified flag; Former Vessel Flag Malta; alt. Former Vessel Flag Tanzania; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9171450; MMSI 677049500 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

59. SPLENDOUR (f.k.a. BLACKSTONE; f.k.a. SARV) (9HNZ9) Crude Oil Tanker 163,870DWT 85,462GRT None Identified flag; Former Vessel Flag Malta; alt. Former Vessel Flag Tuvalu; alt. Former Vessel Flag Seychelles; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9357377; MMSI 249257000 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

60. SPOTLESS (f.k.a. LANTANA; f.k.a. SANANDAJ) (5IM591) Crude Oil Tanker 159,681DWT 81,479GRT None Identified flag; Former Vessel Flag Malta; alt. Former Vessel Flag Tanzania; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9172040; MMSI 677049100 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

61. SUCCESS (f.k.a. BAIKAL; f.k.a. BLOSSOM; f.k.a. SIMA) (T2DY4) Crude Oil Tanker 164,154DWT 85,462GRT None Identified flag; Former Vessel Flag Malta; alt. Former Vessel Flag Tuvalu; alt. Former Vessel Flag Tanzania; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9357353; MMSI 572449210 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

62. SUNDIAL (f.k.a. ABADEH; f.k.a. CRYSTAL) (9HDQ9) Crude/Oil Products Tanker 99,030DWT 56,068GRT None Identified flag; Former Vessel Flag Malta; alt. Former Vessel Flag Tanzania; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9187655; MMSI 256842000 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

63. SUNEAST (f.k.a. AZALEA; f.k.a. SINA) (9HNY9) Crude Oil Tanker 164,154DWT 85,462GRT Seychelles flag; Former Vessel Flag Malta; alt. Former Vessel Flag Tuvalu; alt. Former Vessel Flag None Identified; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9357365; MMSI 249256000 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

64. SUNRISE LPG Tanker None Identified flag (NITC); Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9615092 (vessel) [IRAN].

65. SUNSHINE (f.k.a. CARNATION; f.k.a. SAFE; a.k.a. YARD NO. 1220 SHANGHAI WAIGAOQIAO) Crude Oil Tanker 318,000DWT 165,000GRT None Identified flag; Former Vessel Flag Tuvalu; alt. Former Vessel Flag Malta; alt. Former Vessel Flag Tanzania; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9569205 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

66. SUPERIOR (f.k.a. DAISY; f.k.a. SUSANGIRD) (5IM584) Crude Oil Tanker 159,681DWT 81,479GRT None Identified flag; Former Vessel Flag Malta; alt. Former Vessel Flag Tanzania; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9172038; MMSI 677048400 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

67. SWALLOW (f.k.a. CAMELLIA; f.k.a. SAVEH) (5IM 594) Crude Oil Tanker 159,758DWT 81,479GRT None Identified flag; Former Vessel Flag Malta; alt. Former Vessel Flag Tanzania; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9171462; MMSI 677049400 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

68. TOLOU (EQOD) Crew/Supply Vessel 250DWT 178GRT Iran flag; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 8318178 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

69. VALFAJR2 (EQOX) Tug 650DWT 419GRT Iran flag; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 8400103 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

70. YAGHOUB (EQOE) Platform Supply Ship 950DWT 1,019GRT Iran flag; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 8316168; MMSI 422150000 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

71. YANGZHOU DAYANG DY905 (a.k.a. YARD NO. DY905 YANGZHOU D.) LPG Tanker 11,750DWT 8,750GRT Iran flag; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9575424 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

72. YOUNES (EQYY) Platform Supply Ship Iran flag; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 8212465 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

73. YOUSEF (EQOG) Offshore Tug/Supply Ship 1,050DWT 584GRT Iran flag; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 8316106; MMSI 422144000 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

74. ZEUS (f.k.a. HADI; f.k.a. PIONEER) (T2EJ4) Crude Oil Tanker 317,355DWT 163,650GRT None Identified flag; Former Vessel Flag Cyprus; alt. Former Vessel Flag Tuvalu; Additional Sanctions Information—Not on the SDN List and Not Subject to Secondary Sanctions; U.S. Persons Must Continue to Block this Property and Interests in this Property Pursuant to Executive Order 13599; For more information, please see: *https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf;* Vessel Registration Identification IMO 9362073; MMSI 572459210 (vessel) [IRAN] (Linked To: NATIONAL IRANIAN TANKER COMPANY).

Dated: March 4, 2016.

John E. Smith,

Acting Director, Office of Foreign Assets Control.

[FR Doc. 2016–05315 Filed 3–11–16; 8:45 am]

BILLING CODE 4810–AL–P

FEDERAL REGISTER

Vol. 81 Monday,
No. 49 March 14, 2016

Part V

Department of the Treasury

Office of the Comptroller of the Currency

12 CFR Parts 4, 5, 7, et al.
Economic Growth and Regulatory Paperwork Reduction Act of 1996 Amendments; Proposed Rule

DEPARTMENT OF THE TREASURY

Office of the Comptroller of the Currency

12 CFR Parts 4, 5, 7, 9, 10, 11, 12, 16, 18, 31, 150, 151, 155, 162, 163, 193, 194, 197

[Docket ID OCC–2016–0002]

RIN 1557–AD95

Economic Growth and Regulatory Paperwork Reduction Act of 1996 Amendments

AGENCY: Office of the Comptroller of the Currency, Treasury.

ACTION: Notice of proposed rulemaking.

SUMMARY: As part of its review under the Economic Growth and Regulatory Paperwork Reduction Act of 1996, the Office of the Comptroller of the Currency (OCC) is proposing to revise certain of its rules to remove outdated or otherwise unnecessary provisions. Specifically, the OCC is proposing to: Revise certain licensing rules related to chartering applications, business combinations involving Federal mutual savings associations, and notices for changes in permanent capital; clarify national bank director oath requirements; revise certain fiduciary activity requirements for national banks and Federal savings associations, including increasing the asset size limit for mini-funds; remove certain financial disclosure requirements for national banks; remove certain unnecessary regulatory reporting, accounting, and management policy requirements for Federal savings associations; revise the electronic activities provisions for Federal savings associations; integrate and update OCC rules for national banks and Federal savings associations relating to municipal securities dealers, Securities Exchange Act disclosure rules, and securities offering disclosure rules, including providing for the electronic submission of required filings and applying the less burdensome national bank rule to Federal savings associations; update and revise recordkeeping and confirmation requirements for national banks' and Federal savings associations' securities transactions; integrate and update rules relating to insider and affiliate transactions; and make other technical and clarifying changes.

DATES: Comments must be received on or before May 13, 2016.

ADDRESSES: Because paper mail in the Washington, DC area and at the OCC is subject to delay, commenters are encouraged to submit comments through the Federal eRulemaking Portal or email, if possible. Please use the title ''Economic Growth and Regulatory Paperwork Reduction Act of 1996 Amendments'' to facilitate the organization and distribution of the comments. You may submit comments by any of the following methods:

- *Federal eRulemaking Portal—''Regulations.gov'':* Go to *http://www.regulations.gov/*. Enter ''Docket ID OCC–2016–0002'' in the Search Box and click ''Search''. Results can be filtered using the filtering tools on the left side of the screen. Click on ''Comment Now'' to submit public comments.
- Click on the ''Help'' tab on the Regulations.gov home page to get information on using Regulations.gov, including instructions for submitting public comments.
- *Email: regs.comments@occ.treas.gov*.
- *Mail:* Legislative and Regulatory Activities Division, Office of the Comptroller of the Currency, 400 7th Street SW., Suite 3E–218, Mail Stop 9W–11, Washington, DC 20219.
- *Hand Delivery/Courier:* 400 7th Street SW., Suite 3E–218, Mail Stop 9W–11, Washington, DC 20219.
- *Fax:* (571) 465–4326.

Instructions: You must include ''OCC'' as the agency name and ''Docket ID OCC–2016–0002'' in your comment. In general, OCC will enter all comments received into the docket and publish them on the Regulations.gov Web site without change, including any business or personal information that you provide such as name and address information, email addresses, or phone numbers. Comments received, including attachments and other supporting materials, are part of the public record and subject to public disclosure. Do not include any information in your comment or supporting materials that you consider confidential or inappropriate for public disclosure.

You may review comments and other related materials that pertain to this rulemaking action by any of the following methods:

- *Viewing Comments Electronically:* Go to *http://www.regulations.gov/*. Enter ''Docket ID OCC–2016–0002'' in the Search box and click ''Search''. Comments can be filtered by Agency using the filtering tools on the left side of the screen.
- Click on the ''Help'' tab on the Regulations.gov home page to get information on using Regulations.gov, including instructions for viewing public comments, viewing other supporting and related materials, and viewing the docket after the close of the comment period.

Viewing Comments Personally: You may personally inspect and photocopy comments at the OCC, 400 7th Street SW., Washington, DC. For security reasons, the OCC requires that visitors make an appointment to inspect comments. You may do so by calling (202) 649–6700, or, for persons who are deaf or hard of hearing, TTY, (202) 649–5597. Upon arrival, visitors will be required to present valid government-issued photo identification and submit to security screening in order to inspect and photocopy comments.

- *Docket:* You may also view or request available background documents and project summaries using the methods described above.

FOR FURTHER INFORMATION CONTACT: For additional information, contact Heidi Thomas, Special Counsel; or Rima Kundnani, Attorney, Legislative and Regulatory Activities Division, 202–649–5490, for persons who are deaf or hard of hearing, TTY, 202–649–5597, Office of the Comptroller of the Currency, 400 7th Street SW., Washington, DC 20219.

SUPPLEMENTARY INFORMATION:

I. Background

Section 2222 of the Economic Growth and Regulatory Paperwork Reduction Act of 1996 (EGRPRA) [1] requires that, at least once every 10 years, the Federal Financial Institutions Examination Council (FFIEC) and each appropriate Federal banking agency (Agency or, collectively, Agencies) represented on the FFIEC (the OCC, Federal Deposit Insurance Corporation (FDIC), and the Board of Governors of the Federal Reserve System (Federal Reserve Board)) conduct a review of the regulations prescribed by the FFIEC or Agency. The purpose of this review is to identify outdated or otherwise unnecessary regulatory requirements imposed on insured depository institutions.

In conducting this review, EGRPRA requires the Agencies to provide public notice and seek comment on one or more categories of regulations at regular intervals so that all Agency regulations are published for comment within a 10-year cycle. EGRPRA also directs the Agencies to categorize their regulations by type, publish the categories, and invite the public to identify areas of regulations that are ''outdated, unnecessary, or unduly burdensome.'' [2]

Once the Agencies have published the categories of regulations for comment, EGRPRA requires the Agencies to publish a comment summary and

[1] 12 U.S.C. 3311.

[2] *Id.* at 3311(a).

discuss the significant issues raised by the commenters. The statute also directs the Agencies to ''eliminate unnecessary regulations to the extent that such action is appropriate.'' [3] Finally, EGRPRA requires the FFIEC to submit a report to Congress summarizing significant issues and their relative merits. The report also must analyze whether the Agencies can address these issues through regulatory change or whether legislative action is required.

The Agencies completed the first EGRPRA review in 2006. The current EGRPRA review process runs through December 31, 2016.

As with the first EGRPRA review, the Agencies have elected to conduct this current review jointly. The Agencies have divided their regulations into 12 categories and published four **Federal Register** notices,[4] each requesting public comment on three of these categories. Additionally, the Agencies held a series of six outreach meetings to provide an opportunity for bankers, consumer and community groups, and other interested parties to present their views on the Agencies' regulations directly to Agency principals, senior Agency management, and Agency staff.[5]

The OCC believes it is unnecessary to wait until the end of the EGRPRA process to act to reduce regulatory burden where possible. We already have incorporated a number of changes commenters proposed in response to the first EGRPRA notice into our recently finalized rule to integrate the OCC's national bank and Federal savings association licensing rules.[6] In addition, the banking agencies, acting through the FFIEC, have sought comment on proposals to eliminate or revise several items on the Consolidated Reports of Condition (Call Report).[7] The Agencies also are considering the feasibility of creating a streamlined version of the Call Report for community institutions. These Call Report initiatives are consistent with the feedback the OCC, FDIC, and Federal Reserve Board have received in this EGRPRA review.

The OCC also supports specific legislative proposals that would eliminate regulatory burden. First, as senior OCC staff has testified before Congress,[8] the OCC believes that it is appropriate to increase the number of healthy, well-managed community institutions that qualify for the 18-month examination cycle by raising the statutory threshold. Recently, Congress acted to do so by raising the statutory threshold from under $500 million in total assets to under $1 billion in total assets for 1-rated institutions, and by providing the Federal banking agencies with the discretion to raise the threshold for 2-rated institutions.[9] The OCC, together with the FDIC and Federal Reserve, recently issued an interim final rule that exercises this discretion.[10]

Second, the OCC believes that Federal savings associations should have greater flexibility to expand their business model without changing their governance structure.[11] This expanded business model would provide Federal savings associations with the flexibility to adapt to changing economic and business environments to meet the needs of their communities without the costs associated with changing charters. Finally, the OCC supports creating an exclusion from the Volcker Rule for community institutions.[12]

This notice of proposed rulemaking (NPRM) represents another effort by the OCC to revise requirements imposed on national banks and Federal savings associations where possible and sensible in light of the EGRPRA mandate to identify outdated or otherwise unnecessary regulatory provisions. It reflects comments the OCC received on its rules published in the first three EGRPRA **Federal Register** notices and through the six EGRPRA outreach meetings. It also includes amendments to OCC rules derived from the OCC's most recent internal review of its rules to identify outdated or unnecessary provisions beyond those suggested by EGRPRA commenters. The amendments included in this proposed rule remove unnecessary or outdated provisions and streamline and simplify OCC rules, thereby reducing regulatory burden on national banks and Federal savings associations.

We will continue to review the EGRPRA comments and if warranted would issue additional proposed rules to reflect these comments as well as those received on rules included in the fourth EGRPRA **Federal Register** notice. We note that some of the proposed amendments included in this NPRM would amend rules that are currently out for public comment as part of this fourth **Federal Register** notice.[13] To ensure that any OCC rule finalizing this NPRM takes into account all comments we receive on these rules, the OCC will consider comments received on both this NPRM and the fourth EGRPRA notice when finalizing this rulemaking.

The proposals included in this rulemaking amend rules issued only by the OCC; they do not reflect comments submitted on rules the OCC has issued jointly with other agencies. We will address any modifications to interagency rules through a separate interagency rulemaking.

II. Description of the Proposal

Organization and Functions, Availability and Release of Information (12 CFR Part 4)

Twelve CFR part 4 describes the organization and functions of the OCC and sets forth the standards, policies, and procedures that the OCC applies in administering the Freedom of Information Act (FOIA) and requests for non-public OCC information, among other things. The OCC is proposing a number of technical amendments to these provisions.

First, this proposal would update and correct the OCC address in several sections. Second, this proposal would update the title of certain OCC offices and positions. Specifically, the proposal would replace ''Licensing Department'' with ''Licensing Division,'' and ''Disclosure Officer'' with ''Freedom of Information Act Officer'' in subparts A and B of part 4.

Additionally, the OCC proposes to remove § 4.11(b)(4). This section

[3] *Id.* at 3311(d)(2).

[4] *See* 79 FR 32172 (June 4, 2014); 80 FR 7980 (Feb. 13, 2015); 80 FR 32046 (June 5, 2015), and 80 FR 79724 (Dec. 23, 2015). More information on the current EGRPRA process, including the **Federal Register** notices, outreach meetings, and public comments received, is available at *http://egrpra.ffiec.gov/index.html.*>

[5] These public outreach meetings took place in Los Angeles, California on December 2, 2014; Dallas, Texas on February 4, 2015; Boston, Massachusetts on May 4, 2015; Kansas City, Missouri on August 4, 2015 (which focused on rural banking issues), Chicago, Illinois on October 19, 2015; and Washington, DC on December 2, 2015. These meetings were live streamed on the EGRPRA Web site to provide individuals throughout the country with the opportunity to watch and listen to the proceedings at no cost. Additionally, the outreach meetings in Kansas City, Chicago, and Washington, DC provided online viewers an opportunity to participate and provide comments via a real time text-chat feature.

[6] The OCC published this final rule on May 18, 2015, and it was effective on July 1, 2015. 80 FR 28346 (May 18, 2015).

[7] *See* 80 FR 56539 (Sept. 18, 2015).

[8] *See* ''Testimony of Toney Bland, OCC Senior Deputy Comptroller for Midsize and Community Bank Supervision, Before the Subcommittee on Financial Institutions and Consumer Credit, House Committee on Financial Services, United States House Of Representatives,'' April 23, 2015, *http://www.occ.gov/news-issuances/congressional-testimony/2015/pub-test-2015-59-written.pdf.*

[9] Congress included this proposal in the Fixing America's Surface Transportation (FAST) Act, Pub. L. 114–94, signed into law by the President on December 4, 2015.

[10] 81 FR 10063 (Feb. 29, 2016).

[11] *See Id.*

[12] *See Id.*

[13] These rules are the OCC's securities-related rules (12 CFR parts 10, 11, 12, 16, 151, 163.172, 193, 194, and 197) and insider and affiliate transactions rules (12 CFR part 31 and §§ 163.41 and 163.43).

provides that the OCC's FOIA rules, 12 CFR part 4, subpart B, do not apply to FOIA requests filed with the former Office of Thrift Supervision (OTS) before July 21, 2011. Instead, the FOIA rules of the former OTS apply to these requests. The OCC adopted this provision when it amended part 4 to reflect the transfer of certain powers, authorities, rights and duties of the OTS to the OCC pursuant to Title III of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act).[14] There are no remaining open FOIA requests that had been submitted to the OTS prior to its abolishment. Therefore, this section is no longer necessary.

Further, 12 CFR 4.12(a) requires that OCC records be available to the public, except for the exempt records listed in paragraph (b). Twelve CFR 4.12(b)(10) exempts any OTS information similar to that listed in the exemptions in paragraphs (b)(1) to (b)(9) to the extent the information is in the possession of the OCC. For purposes of clarification, the OCC proposes to include in the general requirement in paragraph (a) that OTS records, in addition to OCC records, shall be made available to the public, and to remove the exemption in paragraph (b)(10).

Rules, Policies, and Procedures for Corporate Activities (12 CFR Part 5)

Twelve CFR part 5 sets forth the OCC's rules for corporate activities and filings. These rules were included in the first EGRPRA **Federal Register** request for comments and, as indicated above, the OCC's final rule integrating the OCC's national bank and Federal savings association licensing rules incorporated changes that reflect some of the comments received in response to that notice. The proposed amendments below reflect further review of these licensing rules by the OCC since the adoption of this final rule.

Change in charter purpose or type (12 CFR 5.20, 5.53). The OCC is proposing to add provisions to §§ 5.20 and 5.53 to clarify what type of application is to be used when an existing national bank or Federal savings association proposes to change the purpose and type of charter under which it operates. The OCC charters national banks and Federal savings associations that are authorized to conduct any activity permitted for a national bank or a Federal savings association, respectively (sometimes called ''full-service charters''). The OCC also charters national banks and Federal savings associations whose activities are limited to a special purpose. The most common types of special purpose institutions are (1) those whose operations are limited to those of a trust company and activities related thereto, and (2) those that conduct only a credit card business. Other special purpose charter types include: bankers' banks, community development banks, and cash management banks.

When the OCC grants approval for a special purpose institution, the approval decision generally includes a condition requiring the institution to conduct only the limited activity. In addition, the institution's governing document—the articles of association in the case of a national bank or the charter in the case of a Federal savings association—limits the institution to the specific approved special purpose. If the institution later desires to expand the scope of its business, it must seek OCC approval. A later expansion to include additional business warrants a new review to determine if the institution has the financial and managerial resources to conduct the expanded business. Similarly, when an institution that has a full-service charter later desires to limit itself to a special purpose and conduct only one business line, the OCC reviews the change to ascertain whether the institution could continue to operate safely and soundly after it narrows its focus and to evaluate the institution's proposed capital, staffing, business plan, and risk management systems.

Previously, these filings to change the purpose of a charter had no established framework and the OCC addressed them on a case-by-case basis when an institution inquired. Recently revised § 5.53 [15] now covers transactions that are similar to a change in purpose and type of charter (*i.e.,* transactions that involve substantial changes in an institution's assets, liabilities, or business lines). In fact, the changes to an institution's assets, liabilities, and business lines that would be involved in a change in the purpose of a charter likely already would be subject to a filing under § 5.53. We therefore propose clarifying § 5.53 to expressly add change in charter type to the transactions that are covered by § 5.53. We also are proposing to add provisions to § 5.20(l), where special purpose charters are discussed, to describe changes in charter purpose, set out the requirement for an application, and direct institutions to § 5.53 for the application to be used.

Business combinations involving Federal mutual savings associations (12 CFR 5.33). Twelve CFR 5.33 sets forth the provisions governing business combinations involving depository institutions within the OCC's jurisdiction, including Federal mutual savings associations. Paragraph (n)(2)(iii) of this section currently provides that if any combining Federal savings association is a mutual savings association, the resulting institution must be a mutually held savings association, unless the transaction is approved under 12 CFR part 192, which governs mutual to stock conversions, or involves a mutual holding company reorganization under 12 U.S.C. 1467a(o).[16] Consequently, unless one of these two exceptions applies, the resulting institution may not be a mutually held state-chartered savings bank.[17]

However, the merger authority set forth in 12 CFR 5.33(n)(2)(iii) is narrower than the merger authority granted to all Federal savings associations under the Home Owners' Loan Act (HOLA). Specifically, section 10(s) of the HOLA [18] provides that ''[s]ubject to sections 5(d)(3) and 18(c) of the Federal Deposit Insurance Act and all other applicable laws, any Federal savings association may acquire or be acquired by any insured depository institution.'' The statute, therefore, does not limit the resulting institution in such transactions to a savings association.[19]

Because of § 5.33(n)(2)(iii), Federal mutual savings associations and mutual state-chartered savings banks wishing to combine must undertake a multi-step transaction. For example, a Federal mutual savings association generally may convert to a mutual state-chartered savings association or a mutual state-chartered savings bank pursuant to section 5(i)(3) of the HOLA, and thereafter combine with a mutual state-chartered savings bank. Such a process, while accomplishing the same purpose as a direct merger, is more expensive

[14] Public Law 111–203, 124 Stat. 1376 (2010), codified at 12 U.S.C. 371c.

[15] The OCC amended § 5.53 in July 2015. *See* 80 FR 28346 (May 18, 2015).

[16] Section 10(o) of the HOLA.

[17] This paragraph is generally consistent with the rule as issued by the former OTS and originally republished by the OCC as 12 CFR 146.2(a)(4). The OCC moved this provision to § 5.33 in its licensing integration rule. *See* 80 FR 28346 (May 18, 2015).

[18] 12 U.S.C. 1467a(s).

[19] Section 5(i) of the HOLA (12 U.S.C. 1464(i)) provides that transactions involving the conversion of a Federal mutual savings association to a stock Federal savings association, and vice versa, must comply with OCC regulations. As indicated above, OCC regulations relating to mutual to stock conversions are set forth at 12 CFR part 192. By limiting the resulting institution to a mutual institution, both the current rule and the proposed amendment ensure that combinations involving Federal mutual savings associations are consistent with the mutual to stock conversion regulations at 12 CFR part 192.

and time consuming than a direct merger and results in unnecessary regulatory burden for the institutions involved.

Accordingly, the OCC is proposing to amend § 5.33(n)(2)(iii) to permit a mutual depository institution insured by the FDIC, *i.e.* either a mutual savings association or a mutual savings bank, to be the resulting institution in a combination involving a Federal mutual savings association. This amendment would simplify combinations involving mutual savings banks, thereby reducing regulatory burden and costs associated with such transactions imposed under the current rule. We note that this amendment still would require the resulting institution to have a mutual charter so as not to implicate the mutual-to-stock conversion regulations, 12 CFR part 192.

The OCC also is proposing to amend 12 CFR 5.33(n)(2)(iii)(B) to allow a mutual Federal savings association to merge into an FDIC-insured depository institution subsidiary of a state-chartered mutual holding company. Currently, under the exception, a mutual Federal savings association may merge into a subsidiary savings association of a section 10(o) mutual holding company, provided the depositors of the resulting association have membership rights in the mutual holding company.[20] The exception does not allow the merger of a mutual Federal savings association into a state savings bank subsidiary of a mutual holding company that is established under state law.

As a result, in order for the mutual Federal savings association to merge into a state savings bank subsidiary of a mutual holding company organized under state law, it must first convert to a state-chartered savings association or state-chartered savings bank, and then combine with the state-chartered savings bank. We propose to amend § 5.33(n)(2)(iii)(B) so that mergers of mutual Federal savings associations into subsidiaries of section 10(o) and non-section 10(o) mutual holding companies are treated similarly. As with the amendment to § 5.33(n)(2)(iii) described above, the amendment would reduce regulatory burden and costs associated with such transactions imposed under the current rule.

Changes in permanent capital (12 CFR 5.46). Under 12 CFR 5.46, a national bank must submit an application to the OCC and receive prior approval for certain increases or decreases to the bank's permanent capital accounts. In addition, a national bank must submit an after-the-fact notice of all increases or decreases to the bank's permanent capital accounts. Furthermore, pursuant to 12 U.S.C. 57, the OCC must certify all increases to a national bank's permanent capital accounts resulting from cash or other assets for the increase to be considered valid. The purpose of these requirements is to inform the OCC whenever the bank's board of directors decides to change the capital structure of the institution, including when accepting additional funds from a parent holding company, issuing new shares or stock, or redeeming an existing issue of preferred stock.

The OCC receives a number of applications and notices for changes to permanent capital that arise solely from applying U.S. generally accepted accounting principles (GAAP). For example, U.S. GAAP may allow a national bank to revalue certain balance sheet accounts, including permanent capital accounts, for a period after the conclusion of a merger or acquisition. As 12 U.S.C. 1831n generally requires all insured depository institutions, including national banks, to apply U.S. GAAP when preparing their financial statements, there is limited value in requiring licensing filings or certifications solely because the bank is complying with that statute by applying GAAP. These accounting adjustments often are not material and typically are reviewed by the bank's internal accounting staff and external auditors. In addition, many of the accounting adjustments relate back to transactions reviewed or approved by the OCC under other rules, such as mergers, acquisitions, or divestitures. Furthermore, these accounting adjustments do not result in increases from cash paid or other assets and therefore do not require certification by the OCC pursuant to 12 U.S.C. 57.

The OCC is proposing to amend § 5.46 to create an exemption for national banks from the prior approval, notification, and certification requirements for all changes to permanent capital that result solely from application of U.S. GAAP, and do not otherwise involve the receipt of cash or other assets. However, the proposal still would require a notice for material accounting adjustments, which the proposal defines as an increase or decrease greater than 5 percent of the bank's total permanent capital prior to the adjustments in the most recent quarter, or if the national bank is subject to a letter, order, directive, written agreement, or otherwise that is related to changes in permanent capital. The national bank would need to provide the notice within 30 days after the end of the quarter in which the accounting adjustment occurred, and include the amount of the adjustment, a description, and a cite to the applicable U.S. GAAP provision.

The OCC is not proposing a similar change to § 5.45, Increases in permanent capital of a Federal stock savings association. Section 5.45 requires a Federal savings association to submit an application to the OCC and receive prior approval for increases to its permanent capital accounts under the same circumstances that national banks are required to submit an application under section 5.46(g)(1)(ii). However, unlike the national bank rule, § 5.45 requires an after-the-fact notice of the increase only if the savings association was required to obtain prior approval of the increase. In addition, there is no statutory requirement that the OCC certify the increase in capital. For these reasons, an amendment similar to the one proposed for § 5.46 is not needed for § 5.45.

The OCC is proposing, however, a clarifying change to § 5.45(g)(4)(i). The current wording of that section creates confusion as to whether Federal savings associations increasing their permanent capital accounts must file notices for all increases, rather than only in the circumstances in which the savings association is required to obtain prior approval. In adopting this provision, the OCC intended the notice to be filed only in cases in which prior approval was required. Therefore, the proposal would amend § 5.45(g)(4)(i) to specifically provide that an after-the-fact notice is required only if the capital increase was subject to prior approval by the OCC.

Additional technical changes to 12 CFR part 5. The OCC is proposing additional technical changes to 12 CFR part 5. First, the proposed rule would amend § 5.8, Public notice, to provide that the public notice of a licensing-related filing must include the closing date of the 30-day public comment period only if this information is available at the time of publication. We are proposing this change because the OCC treats the comment period differently in business combinations than in other transactions. For other transactions, the comment period starts when the public notice is published. For business combinations, the comment period starts on the latest of the publication date, the date when the OCC makes the application available in the OCC's FOIA Reading Room, or the date when the OCC publishes the application in the OCC Weekly Bulletin. When the national bank or Federal savings

[20] This type of transaction is deemed to be one type of mutual holding company reorganization.

association files the application with the OCC and publishes the notice, it typically would not know when the other two events will occur, and so would not know the comment period closing-date for these transactions at the time the public notice is published. However, in order to assist the public in determining this date, the proposal also would require that the notice include a statement indicating that information about the transaction, including the comment period closing-date, may be found in the OCC's Weekly Bulletin.

For a similar reason, the proposal would make a technical correction to paragraph (i) of 12 CFR 5.33, Business combinations involving a national bank or Federal savings association. In general, paragraph (i) provides that a business reorganization filing or a filing that qualifies for a streamlined application is deemed approved by the OCC on the latter of the 45th day after the OCC receives the application or the 15th day after the close of the public comment period. However, because the 30-day public comment period for business combinations starts on the later of the date that the filing is published in the OCC Weekly Bulletin or the date it is available in the OCC's FOIA Reading Room, and because this date will always be after the OCC receives the application, 15 days after the close of the public comment period always will be later than the 45th day after the OCC receives the application. Therefore, the reference to the 45-day period in § 5.33(i) is unnecessary and confusing, and the proposal would remove it.

Second, the proposed rule would correct inaccurate cross-references in paragraphs (j)(3) and (4) of § 5.21, Federal mutual savings association charter and bylaws. Specifically, the references to paragraphs (j)(2) would be changed to paragraph (j)(3).

Third, the proposed rule would correct an inaccurate cross-reference in § 5.33(o)(3)(i) by replacing the reference to paragraph (n)(3) to paragraph (o)(3).

Fourth, the proposal would amend § 5.50(f)(2)(ii)(E) by correcting an inaccurate cross-reference to the definition of the term ''tax-qualified employee stock benefit plan.'' Specifically, the proposal would replace ''§ 192.2(a)(39)'' with ''§ 192.25.''

Lastly, in § 5.66, Dividends payable in property other than cash, the proposal would provide that a national bank must submit a request for prior approval of a non-cash dividend to the appropriate OCC licensing office. Currently, this section only provides that the OCC must approve a non-cash dividend but does not indicate where a bank must submit the request for approval. The only direction provided in OCC dividend rules as to where a dividend application should be filed is contained in § 5.64(c)(3), which provides that a national bank submit its request for prior approval for cash dividends to the appropriate OCC supervisory office. Because the OCC reviews non-cash dividends in the appropriate licensing office, and not the appropriate supervisory office, the proposed amendment will remove any confusion as to where a bank must submit non-cash dividend applications.

National Bank and Federal Savings Association Director Provisions

The OCC rules relating to national bank and Federal savings association directors, set forth in various provisions of 12 CFR parts 7 and 163, were included in the third EGRPRA **Federal Register** request for comments. The OCC did not receive any comments on these provisions in response to this notice. However, after further review of these provisions, we are proposing the following amendments.

National Bank Director Oaths (12 CFR 7.2008). Twelve U.S.C. 73 sets forth the requirements for national bank director oaths. Specifically, this statute requires that, when appointed or elected, each national bank director must take an oath that he or she will diligently and honestly administer the affairs of the bank, not knowingly violate or willingly permit to be violated any applicable laws, and is the owner in good faith of the requisite shares of stock and that the stock is not pledged as security for any loan or debt. The statute requires the oath to be notarized and immediately transmitted to the Comptroller and filed in the Comptroller's office for 10 years.

Twelve CFR 7.2008 implements this statutory requirement. Specifically, § 7.2008 provides that: (1) A notary public, including one who is a director but not an officer of the national bank, may administer the oath of directors; (2) each director attending the organization meeting must execute either a joint or individual oath, and a director not attending the organization meeting (the first meeting after the election of the directors) must execute the individual oath; (3) a director must take another oath upon re-election, notwithstanding uninterrupted service; and (4) the national bank must file the original executed oaths of directors with the OCC and retain a copy in the bank's records in accordance with the Comptroller's Corporate Manual filing and recordkeeping instructions for executed oaths of directors. This provision also notes that appropriate sample oaths are located in the Comptroller's Corporate Manual.

The OCC is proposing to amend § 7.2008 to clarify when the director oath must be taken. As proposed, § 7.2008 would require a director to execute either a joint or individual oath at the first meeting of the board of directors that the director attends after the director is appointed or elected. This amendment more closely follows the statute by referring to the appointment or election of a director. It also would remove the reference to ''organizational meeting,'' which the OCC believes does not adequately convey when a director must execute the oath in all cases, including when a director is appointed.

The OCC also is proposing to remove obsolete references to the Comptroller's Corporate Manual and replace it with references to *www.occ.gov,*[21] and to correct a spelling error.

Fidelity Bonds (12 CFR part 7, §§ 163.180, 163.190, and 163.191)

Fidelity bonds. Twelve CFR 7.2013 requires all national bank officers and employees to have adequate fidelity bond coverage. It also states that the bank's directors may be liable for losses incurred in the absence of such bonds and that directors should not serve as bond sureties. Furthermore, the rule provides that the bank's directors should determine the appropriate amount of bond coverage, premised on consideration of the bank's internal auditing safeguards, number of employees, deposit liabilities, and amount of cash and securities normally held by the bank.

Twelve CFR 163.180(c), 163.190, and 163.191 contain the fidelity bond rules applicable to Federal savings associations. While §§ 163.190 and 7.2013 are similar, the Federal savings association rules are more prescriptive and apply not only to officers and employees, but also to directors and agents. In addition, under § 163.190(b), the Federal savings association's management must determine the amount of coverage, based on the potential risk exposure. Section 163.190(c) also directs the Federal savings association to provide supplemental coverage beyond that provided by the insurance underwriter industry's standard forms if the board determines that additional coverage is warranted. Furthermore, § 163.190(d) requires the Federal savings

[21] The OCC's Web site contains general instructions for filing the oath of directors and a sample individual oath and joint oath at *http://www.occ.gov/publications/publications-by-type/licensing-manuals/index-licensing-manuals.html.*

association's board of directors to approve the association's bond coverage, with this approval documented in the board's minutes, and to review annually the adequacy of coverage. Section 163.191 provides an alternative means of calculating the bond coverage that is appropriate for a Federal savings association agent, in lieu of that provided for in § 163.190. Finally, § 163.180(c) states that a Federal savings association maintaining a bond required by § 163.190 must promptly notify the bond company and file proof of loss for any covered loss that is greater than twice the bond's deductible amount.

Certain of these Federal savings association fidelity bond rules are very detailed and many of the details are more appropriately addressed in guidance or left to the institution's judgment, as is currently the case for national banks. Therefore, the OCC is proposing to reduce unnecessary regulatory burden by removing §§ 163.180(c), 163.190 and 163.191 and applying § 7.2013, as amended and as described below, to Federal savings associations.

As a result of removing § 163.190, Federal savings associations would no longer be required to maintain fidelity bonds for directors who do not also serve as officers or employees. The OCC proposes to remove this requirement because fidelity bond coverage generally is not available for directors unless they also are acting as officers or employees. In addition, the activities in which outside directors engage generally do not expose financial institutions to the types of losses covered by fidelity bonds.

This proposal also would remove the § 163.180(c) requirement that a Federal savings association notify its bond insurance company and file proof of loss for certain claims. The OCC finds this provision to be unnecessary. The terms of a fidelity bond contract itself require such notification, and it is a prudent business practice for a financial institution. Furthermore, the Risk Management and Insurance booklet of the *Comptroller's Handbook* states that ''[a]ll fidelity bonds require that a loss be reported to the bonding company within a specified time after a reportable item comes to the attention of management. Management should diligently report all potential claims . . . because failure to file a timely report may jeopardize coverage for that loss.''

In addition, the proposal would modify the treatment of fidelity bond coverage for certain agents of Federal savings associations. Currently, § 163.191 requires fidelity bond coverage for any agent who has control over or access to cash, securities, or other property of a Federal savings association. There is no comparable requirement for agents of national banks. Instead of a mandatory requirement for agent bonding, the OCC proposes to amend § 7.2013 to provide that the boards of directors of both banks and savings associations should consider whether agents who have access to assets of a bank or savings association should also have fidelity bond coverage. The OCC recognizes that agents providing financial services, such as cash handling or payment processing, to a financial institution potentially expose that institution to significant risks. The OCC believes these risks and associated risk mitigation strategies, including the scope and size of fidelity bond coverage for agents, are best addressed by the board of directors.

Finally, the OCC proposes to amend § 7.2013(b), which currently provides that a national bank's board of directors should determine the appropriate amount of fidelity bond coverage. This language is in contrast to that in § 163.190, which makes clear that this determination is mandatory. For safety and soundness reasons, the OCC believes that both national bank and Federal savings association boards of directors should be required to determine the appropriate bond coverage and proposes to amend § 7.2013(b) to make clear that this determination is a mandatory requirement. The OCC also proposes to modify this section by allowing a board committee as an alternative to the entire board to assess fidelity bond coverage.

Fiduciary Activities (12 CFR Parts 9 and 150)

Twelve CFR parts 9 and 150 set forth the standards that apply to the fiduciary activities of national banks and Federal savings associations, respectively. Parts 9 and 150 were included in the first EGRPRA **Federal Register** notice, and the OCC is proposing to revise these rules to reflect some of the public comments received.

Sections 9.13 and 150.230 require a national bank or Federal savings association, respectively, to place all fiduciary account assets in the joint custody or control of no fewer than two of the fiduciary officers or employees designated by the bank's or savings association's board of directors or to maintain fiduciary investments off premises, if consistent with applicable law and if the bank maintains adequate safeguards and controls. The proposal would amend § 9.13 and add a new § 150.245 to provide relief for arrangements under which a national bank or Federal savings association is deemed a fiduciary solely because it provides investment advice for a fee concerning the purchase and sale of specific securities. If, under such an arrangement the bank or savings association is a fiduciary merely because it provides such advice and does not have investment discretion, the OCC does not believe that it should be required to have custody of the fiduciary assets. Specifically, the proposal would amend § 9.13(a) to provide that a national bank that is deemed a fiduciary based solely on its provision of investment advice for a fee, as that capacity is defined in 12 CFR 9.101(a), is not required to serve as custodian when offering those fiduciary services. Similarly, new § 150.245 would provide that a Federal savings association that is deemed a fiduciary based solely on its provision of investment advice for a fee, as that capacity is defined in 12 CFR 9.101(a), would not be required to maintain custody or control of fiduciary assets as set forth in § 150.220 or 150.240.

Section 9.14(a) provides that before a national bank may act as a private or court-appointed trustee in a state that requires corporations acting in such capacities to deposit securities with state authorities for the protection of private or court trusts, the bank must make a similar deposit with state authorities. If the state authorities refuse to accept the deposit, the bank must instead deposit the securities with the Federal Reserve Bank of the district in which the national bank is located. Section 150.490 contains a nearly identical requirement for Federal savings associations, except that savings associations must deposit the securities with state authorities or the applicable Federal Home Loan Bank. The proposal would amend § 9.14(a) to permit national banks to deposit these securities either with the Federal Home Loan Bank of which the bank is a member or with the appropriate Federal Reserve Bank. Because Federal savings associations may not be members of a Federal Reserve Bank, the OCC cannot make a reciprocal amendment to § 150.490.

Section 9.18 permits a national bank, where consistent with applicable law, to invest assets that it holds as fiduciary in specified collective investment funds. Section 150.260 permits Federal savings associations also to invest funds in a fiduciary account in collective investment funds, and provides that in establishing and administering such funds, Federal savings associations must

comply with the requirements of § 9.18. Therefore, the amendments to § 9.18 proposed in this rulemaking also would apply to Federal savings associations.

Section 9.18(b)(1) requires a national bank to establish and maintain each collective investment fund in accordance with a written plan approved by a resolution of the bank's board of directors or by a committee authorized by the board. This paragraph also requires the bank to make a copy of the plan available for public inspection at its main office during all banking hours and to provide a copy of the plan to any person who requests it.

Among other things, one EGRPRA commenter requested that the OCC remove the requirement that a copy of the investment plan be available for public inspection at the bank's main office. The OCC finds that it is appropriate to provide the public access to this plan but agrees that requiring a bank to make the plan available for public inspection at its main office is unnecessarily burdensome and not the most efficient method for public inspection in today's electronic environment. Therefore, the proposal would instead require that the bank make a copy of the plan available to the public either at its main office or on its Web site. We are proposing to maintain the option for access to the plan at a main office for those small banks that may not have a Web site. The proposal also would clarify that a bank may satisfy the requirement to provide a copy of the plan to any person who requests it by providing it in either written or electronic form.

Section 9.18(c)(2) of this section provides that a national bank may collectively invest assets that it holds as fiduciary in a mini-fund. A mini-fund is a fund that is maintained by the bank for the collective investment of cash balances received or held by the bank in its capacity as trustee, executor, administrator, guardian, or custodian under the Uniform Gifts to Minors Act that the bank considers too small to be invested separately in an economically efficient manner. This section further provides that the total assets in a mini-fund must not exceed $1,000,000 and the number of participating accounts must not exceed 100.

An EGRPRA commenter requested that the OCC periodically adjust the asset limit for mini-funds in § 9.18(c)(2) to account for inflation and economic growth. This commenter also noted that the current limit of $1 million was last updated in 1996 [22] and suggested that the OCC raise the threshold to at least $1.5 million, which is the inflation-adjusted value of $1 million in 1996 dollars.

The OCC agrees with this commenter that this threshold is outdated and is proposing to amend § 9.18(c)(2) to increase the threshold to $1,500,000, with an annual adjustment for inflation. This change will continue to make mini-funds a feasible investment option for national banks.

Municipal Securities Dealers (12 CFR Part 10) [23]

Part 10 requires that a national bank (or a separately identifiable department or division of a national bank) that acts as a municipal securities dealer, and an associated person that acts as a municipal securities principal or representative, file certain forms with the OCC. Specifically, § 10.2 requires national banks to submit to the OCC Form MSD–4 (Uniform Application for Municipal Securities Principal or Municipal Securities Representative Associated with a Bank Municipal Securities Dealer) before associating with a municipal securities principal or municipal securities representative. Within 30 days of terminating such person's association with the bank, the bank must file with the OCC Form MSD–5 (Uniform Termination Notice for Municipal Securities Principal or Municipal Securities Representative Associated with a Bank Municipal Securities Dealer). Although there is no equivalent regulation applicable to Federal savings associations, these institutions and associated persons currently file these same forms with the OCC pursuant to Municipal Securities Rulemaking Board (MSRB) rules, as incorporated in an OTS Chief Counsel Opinion.[24] In order to coordinate and harmonize the requirements applicable to these practices, the OCC proposes to codify this OTS opinion in OCC regulations by amending part 10 to include Federal savings associations. This proposed change would apply identical regulations to national banks and Federal savings associations without adding to or otherwise changing the requirements applicable to Federal savings associations. Furthermore, by codifying this filing in OCC rules instead of referring to it in an opinion letter, this change would more clearly identify this requirement for Federal savings associations.

In addition, the OCC proposes other minor changes to clarify and update the current rule. First, the proposed rule would update the citation to MSRB Rule G–7(b) in § 10.2(a) to reflect MSRB revisions to this rule. Second, § 10.2(c) states that banks may obtain Forms MSD–4 and MSD–5 ''by contacting the OCC at 400 7th Street SW., Washington, DC 20219, Attention: Bank Dealer Activities.'' We propose amending § 10.2(c) to instead allow national banks to obtain Forms MSD–4 and MSD–5 [25] on *http://www.banknet.gov/*.[26] Third, the proposal would replace the street address of the MSRB for where to obtain MSRB rules with the MSRB's internet address.

Securities Exchange Act Rules (12 CFR Parts 11, 194) [27]

Twelve CFR parts 11 and 194 set forth the periodic reporting requirements for national banks and Federal savings associations, respectively, with securities registered under the Securities Exchange Act of 1934 (Exchange Act). In light of the similar statutory provisions that apply to national banks and Federal savings associations as implemented by these parts, the OCC proposes to remove part 194 and amend part 11 to include Federal savings associations. The proposed changes would reduce duplication and create efficiencies by establishing a single set of rules for all

[22] *See* 61 FR 68554 (Dec. 30, 1996).

[23] As indicated above, the OCC's securities-related rules, including part 10, are included in the fourth EGRPRA **Federal Register** notice, the comment period for which closes on March 22, 2016. To ensure that any OCC rule finalizing this NPRM takes into account all comments we receive on part 10, the OCC will consider comments received on both this NPRM and the fourth EGRPRA notice when finalizing this rulemaking.

[24] OTS Chief Counsel Opinion (OTS Op. Oct. 29, 2001) (noting that a Federal savings association engaged in municipal securities underwriting and dealing must comply with applicable laws and regulations, financial reporting requirements, and Municipal Securities Rulemaking Board (MSRB) rules). MSRB rules include requirements to file forms with the ''appropriate regulatory agency.'' *See, e.g.,* MSRB Rule G–7. The Exchange Act provides that the OCC is the appropriate regulatory agency with respect to a municipal securities dealer that is a Federal savings association. 15 U.S.C. 78c(a)(34)(A)(i).

[25] We note that Forms MSD–4 and MSD–5 are uniform forms developed by the Federal Reserve Board, FDIC and OCC and that these forms expressly state that they be *mailed* to the appropriate regulatory agency. Therefore, the OCC cannot amend part 10 to provide for the electronic filing of these forms until the Federal Reserve Board, FDIC, and OCC jointly decide to permit electronic filing.

[26] BankNet is the OCC's secure Web site for communicating with and receiving information from national banks and Federal savings associations. BankNet is only available to OCC-regulated institutions and is not available to the public.

[27] As indicated above, the OCC's securities-related rules, including parts 11 and 194, are included in the fourth EGRPRA **Federal Register** notice, the comment period for which closes on March 22, 2016. The OCC will consider comments received on both parts 11 and 194 in response to this NPRM and the fourth EGRPRA notice when finalizing this rulemaking.

entities supervised by the OCC with respect to the Exchange Act disclosure rules, while not changing the requirements applicable to national banks or Federal savings associations.

Part 11 generally requires national banks with securities registered under sections 12(b) or 12(g) of the Exchange Act [28] to comply with certain Exchange Act rules. The OCC notes that on April 5, 2012, the Jumpstart Our Business Startups Act (JOBS Act) [29] amended the Exchange Act and directed the Securities and Exchange Commission (SEC) to engage in various rulemakings. The OCC generally intends for part 11 to remain consistent with the Exchange Act and SEC rules. Therefore, the OCC is proposing one change as a result of the JOBS Act, as described in more detail below. In addition, the OCC is proposing to amend the filing instructions in § 11.3 and to make technical, non-substantive edits and clarifications, as also described below.

Authority and OMB control number (§ 11.1). Section 11.1 sets forth the authority of the OCC to issue rules for national banks with respect to the Exchange Act and sets forth the Office of Management and Budget (OMB) control number assigned to part 11 for purposes of the Paperwork Reduction Act. This proposal would amend this section to include the OCC's authority with respect to Federal savings associations. It also would remove the reference to the OMB control number, as it is not required to be included in regulatory text and the OCC has generally not included such numbers in recently published regulations. This removal is technical and does not affect the OCC's responsibilities under the PRA.

Reporting requirements for registered national banks (§ 11.2). The OCC proposes to add a new paragraph (c) to § 11.2 to state explicitly that references to registration requirements under the Securities Act of 1933 (Securities Act) pertain to the registration requirements under 12 CFR part 16. This proposed change clarifies the applicable requirements for national banks and Federal savings associations.

Emerging growth company eligibility (§ 11.2). The JOBS Act amended the Exchange Act to create a new class of issuer known as an emerging growth company.[30] An emerging growth company is defined generally as an issuer that had total annual gross revenues of less than $1 billion during its most recently completed fiscal year.[31] The JOBS Act provides scaled disclosure provisions for emerging growth companies, including, among other things: (1) An exemption from proxy statement requirements concerning shareholder approval of executive compensation under section 14A of the Exchange Act; [32] (2) an exemption from proxy statement requirements concerning disclosure of executive compensation versus performance under section 14(i) of the Exchange Act; [33] (3) a limitation of applicable time periods for disclosures required under Regulation S–K [34] for selected financial data; [35] (4) treatment as a smaller reporting company for purposes of executive compensation disclosures required under Regulation S–K, Item 402; [36] and (5) an exemption from auditor attestation provisions concerning internal financial reporting controls required by the Sarbanes-Oxley Act of 2002.[37]

The JOBS Act and the Exchange Act contain exclusions from emerging growth company eligibility that are based on public offerings that an issuer makes under the Securities Act. First, the JOBS Act provides that an issuer is not eligible for emerging growth company status if it engaged in a public securities offering pursuant to an effective Securities Act registration statement on or before December 8, 2011.[38] Second, the Exchange Act, as amended by the JOBS Act, provides that an issuer may not remain an emerging growth company beyond the close of the fiscal year following the fifth anniversary of the issuer's first securities offering under a Securities Act registration statement.[39] Because national banks and Federal savings associations file registration statements under OCC regulations rather than the Securities Act, these exclusions do not technically apply to banks and savings associations.

The OCC proposes to add new paragraph (d) to § 11.2 to clarify national bank and Federal savings association eligibility for emerging growth company treatment for those provisions of the Exchange Act that the OCC administers.[40] The intent of this proposed change is to ensure equivalent treatment of banks and savings associations with non-bank issuers. This proposed provision also would provide that a bank or savings association eligible for emerging growth company status may choose to forgo such exemption and instead comply with the requirements that apply to a bank or savings association that is not an emerging growth company. Furthermore, this proposed provision would provide that: (1) A bank or savings association is not an emerging growth company if it sold common equity securities on or before December 8, 2011, pursuant to a registration statement or offering circular filed under 12 CFR part 16, part 197, or under the former OTS rule at 12 CFR 563g; and (2) emerging growth company status for banks and savings associations terminates no later than the end of the fiscal year following the fifth anniversary of the first sale of its common equity securities pursuant to a registration statement or offering circular under 12 CFR parts 16, 197 or 563g.[41] The OCC believes that this proposed change is consistent with its obligation under section 12(i) of the Exchange Act to issue substantially similar regulations as the SEC for those provisions of the Exchange Act for which it is vested authority with respect to banks and savings associations.

Filing requirements and inspection of documents (§ 11.3). Several EGRPRA comments requested the OCC to permit national banks and Federal savings associations to submit OCC forms and reports electronically. The OCC agrees that electronic filings are more efficient and less costly for national banks and Federal savings associations, are more efficient for the OCC to review, and provide a quicker response time for banks and savings associations. The OCC currently permits the electronic submission of a number of filings, for example, Call Reports, and public welfare investment notifications and proposals. However, a number of OCC securities-related rules do not permit electronic submissions.

Specifically, § 11.3(a) requires national banks to submit by mail, fax, or otherwise four copies of all papers required to be filed with the OCC (pursuant to the Exchange Act or regulations thereunder) to the Securities and Corporate Practices (SCP) Division of the OCC. Through incorporation of SEC Rule 12b–11, part 194 requires

[28] 15 U.S.C. 78*l*(b), (g).

[29] Public Law 112–106, 126 Stat. 306 (2012).

[30] JOBS Act, section 101(b), 126 Stat. 307.

[31] Exchange Act, section 3(a)(80) (15 U.S.C. 78c(a)(80)).

[32] Exchange Act, section 14A(e) (15 U.S.C. 78n–1(e)).

[33] Exchange Act, section 14(i) (15 U.S.C. 78n(i)).

[34] 17 CFR 210.1–01 *et seq.*

[35] Exchange Act, section 13(a) (15 U.S.C. 78m(a)).

[36] 12 CFR 229.402.

[37] 15 U.S.C. 7262(b).

[38] JOBS Act, section 101(d), 126 Stat. 308.

[39] Exchange Act, section 3(a)(80) (15 U.S.C. 78c(a)(80)).

[40] Exchange Act, section 12(i) (15 U.S.C. 78*l*(i)).

[41] The JOBS Act and the Exchange Act, as amended by the JOBS Act, contain equivalent restrictions for non-banks. However, these restrictions are based on when an issuer files a registration statement under the Securities Act.

Federal savings associations to file three copies of Exchange Act filings with the SCP Division. We propose to amend § 11.3(a)(1) to require instead that national banks and Federal savings associations submit one copy of their filings through electronic mail to the OCC at *http://www.banknet.gov/*.[42]

The proposed amendments to § 11.3 also provide that documents may be signed electronically using the signature provision in SEC Rule 12b–11.[43] This rule provides that required signatures for Exchange Act filings may be signed using typed signatures or duplicated or facsimile versions of manual signatures. Where typed, duplicated, or facsimile signatures are used, each signatory to the filing is required to ''manually sign a signature page or other document authenticating, acknowledging or otherwise adopting his or her signature that appears in the filing.'' [44] As provided by Rule 12b–11, the national bank or Federal savings association must retain this document for five years and, upon request, provide a copy to the OCC.

The OCC also proposes to amend § 11.3(a)(1) to establish an exception to the general electronic filing requirement to permit the use of paper filings where unanticipated technical difficulties prevent the use of electronic filings. This exception is modeled on the SEC's General Rules and Regulations for Electronic Filings, Regulation S–T, Rule 201,[45] which provides a temporary hardship exemption to the SEC's Electronic Data Gathering, Analysis, and Retrieval system (EDGAR) filing requirements in cases of unanticipated technical difficulties. Similar to Rule 201, the OCC notes that use of this exception should be extremely limited and should be relied upon only when unusual and unexpected circumstances create technical impediments to the use of electronic filings. However, this exception would not be available for statements of beneficial ownership that must be made through the *FDICconnect* platform, which requires electronic filings.[46]

Current § 11.3(a)(3)(i) provides that the date on which papers are actually received by the OCC shall be the date of filing, if the person or bank filing the papers has complied with all applicable requirements. The proposal updates this provision to conform with the electronic filing requirement. Specifically, proposed § 11.3(a)(3)(i) provides that an electronic filing whose submission is commenced on a nonholiday weekday on or before 5:30 p.m. Eastern Standard or Daylight Savings Time, whichever is currently in effect, would be deemed received by the OCC on the same business day. An electronic filing whose submission is commenced after 5:30 p.m. Eastern Standard or Daylight Savings Time, whichever is currently in effect, or on a Saturday, Sunday, or Federal holiday would be deemed received by the OCC on the next business day. The proposal also would add a new paragraph (a)(3)(iii) to § 11.3 to provide that if an electronic filer in good faith attempts to file a document pursuant to this part in a timely manner but the filing is delayed due to technical difficulties beyond the electronic filer's control, the electronic filer may request that the OCC adjust the filing date. The OCC may grant the request if it appears that such adjustment is appropriate and consistent with the public interest and the protection of investors. These rules for dating an electronic filing, and for providing a waiver for technical difficulties with the filing, are also derived from SEC Regulation S–T.[47]

In addition, the OCC proposes the following technical amendments. First, the proposed rule would rename the paragraph heading of § 11.3(a)(3)(ii), *Electronic filings,* to *Beneficial ownership filings.* This provision currently establishes filing dates for statements of beneficial ownership that must be made through the *FDICconnect* platform.[48] In light of the general electronic filing standard for part 11 filings proposed in this rulemaking, we believe that the heading of this section should be revised because electronic filing requirements are applied to all part 11 filings, not just those made under § 11.3(a)(3)(ii).

Second, the OCC proposes to delete paragraph (a)(4) of § 11.3. This paragraph originally provided a mandatory compliance date of January 1, 2004 for 12 CFR part 11. However, as this date has now passed, this mandatory compliance date is no longer needed in the rule text.

Third, the OCC proposes to amend § 11.4(b), which currently provides that filing fees must be paid by check. To reflect the electronic filing of documents and the additional payment options now available, the proposed amendment would revise this section to provide that filing fees may be paid by means acceptable to the OCC, in addition to by check. We note that the OCC is not currently imposing any filing fees for part 11 filings and is not proposing any fees as part of this rulemaking.

As a consequence of proposing to amend part 11 to include Federal savings associations, the OCC proposes to remove part 194 in its entirety. In so doing, the OCC notes that the removal of § 194.3, which provides liability for certain forward-looking statements made by Federal savings associations, does not change the applicability of the requirements of this section for Federal savings associations. Specifically, the text of § 194.3 is substantially similar to the SEC Rule 3b–6,[49] which currently applies to national banks by reference in § 11.2. Therefore, because the proposed part 11 (and its cross-reference to the SEC Rule 3b–6) would apply to Federal savings associations, the requirements imposed by current § 194.3 would continue to apply to Federal savings associations.

Furthermore, we note that the removal of §§ 194.801 and 194.802, interpretations for Federal savings associations filing statements pursuant to the Exchange Act, is not intended to be a substantive change in how these filings are conducted. The interpretations included in these sections are now widely accepted and no longer need to be included in a rule. Therefore, the removal of these sections would not change how Federal savings associations prepare their reports.

Recordkeeping and Confirmation Requirements for Securities Transactions (12 CFR Parts 12, 151) [50]

Twelve CFR parts 12 and 151 establish recordkeeping and confirmation requirements for national banks and Federal savings associations, respectively, that engage in securities transactions for their customers. The OCC has reviewed these rules, and proposes the following amendments to eliminate regulatory burden and remove outdated or obsolete provisions.

Definitions. The OCC is proposing to revise the definition of ''municipal security'' at §§ 12.2(i)(3) and 151.40 to remove an outdated citation to the Internal Revenue Code.

[42] As described elsewhere in this proposal, the OCC also proposes to amend part 16, Securities offering disclosure rules, to provide for electronic submissions.

[43] 17 CFR 240.12b–11.

[44] *Id.*

[45] 17 CFR 232.201.

[46] *See* 70 FR 46403 (Aug. 10, 2005). FDICconnect is the secure Internet channel for FDIC-insured institutions to conduct business and exchange information with the FDIC.

[47] 17 CFR 232.

[48] *See* 70 FR 46403 (Aug. 10, 2005).

[49] 17 CFR 240.3b–6.

[50] As indicated above, the OCC's securities-related rules, including parts 12 and 151, are included in the fourth EGRPRA **Federal Register** notice, the comment period for which closes on March 22, 2016. The OCC will consider comments received on parts 12 and 151 in response to both this NPRM and the fourth EGRPRA notice when finalizing this rulemaking.

Recordkeeping. Section 12.3 and subpart A of part 151 establish recordkeeping requirements for securities transactions conducted by national banks and Federal savings associations, respectively. Section 151.60(b) prescribes more detailed procedures for record maintenance and storage for Federal savings associations than prescribed for national banks in § 12.3(b). Specifically, § 12.3(b) provides that the required records must clearly and accurately reflect the information required and provide an adequate basis for the audit of the information, and that record maintenance may include the use of automated or electronic records provided the records are easily retrievable, readily available for inspection, and capable of being reproduced in a hard copy. In addition to what is required for national banks, § 151.60(b) imposes requirements related to indexing, paper storage, electronic storage, and the provision of records to examiners. The proposed rule would remove § 151.60(b) and revise § 151.60(a) to include the less detailed maintenance and storage procedures found in the national bank rule. The OCC believes that this approach would provide a Federal savings association with more flexibility in making internal business decisions about record storage and maintenance.

Current § 151.60(c), redesignated in this proposal as § 151.60(b), provides that a Federal savings association may use a third-party service provider to provide record storage or maintenance. The national bank rule does not include a similar third-party provision. The proposed rule would amend § 12.3 to clarify that a national bank may use a third-party service provider for record storage and maintenance provided that the bank maintains effective oversight to ensure that the records are easily retrievable, are readily available for inspection, can be reproduced in a hard copy, and follow applicable OCC guidance.[51] Therefore, the proposed rule provides, in both §§ 12.3(b) and redesignated § 151.60(b) that, if using a third-party service provider, the national bank or Federal savings association must maintain effective oversight of the third-party service provider to ensure records meet the requirements of § 12.3 or §§ 151.50 and 151.60, respectively.

Content and time of notification. Sections 12.4 and 151.70, respectively, require national banks and Federal savings associations that effect securities transactions for their customers to provide notifications of the transactions. The national bank or Federal savings association may choose among several types of notification. Pursuant to §§ 12.4(a) and 151.90, a national bank or Federal savings association, respectively, may provide the customer a written notice that includes the information set forth in those sections. Sections 12.5 and 151.100 permit a national bank or Federal savings association, respectively, to fulfill the notification requirement through alternative means that vary by the type of account. For transactions that use a registered broker-dealer, § 151.80(a) allows the Federal savings association to satisfy the requirement of § 151.70 by having the registered broker-dealer send the confirmation statement directly to the customer or by having the Federal savings association send a copy of the broker-dealer's confirmation to the customer. If the broker-dealer has the necessary account level information to send the confirmation directly to the customer, the Federal savings association need not send out an additional written notification of the transaction. In contrast, under § 12.4(b), a national bank may send a copy of the broker-dealer's confirmation but is not expressly permitted to satisfy the requirement by having the broker-dealer send the confirmation directly to the customer.

The OCC believes that most national banks and Federal savings associations, particularly community institutions, effect securities transactions for customers through registered broker-dealers. To avoid duplicative reporting to customers and to reduce burden on institutions, the OCC is proposing to amend § 12.4(b) to follow the approach of § 151.80. With this amendment, both national banks and Federal savings associations may direct a broker-dealer to mail confirmations to customers without requiring that a duplicate be sent by the bank or savings association, thereby reducing regulatory burden for national banks. This approach also would reduce confusion that may result when a customer receives duplicate confirmations for the same transaction from two different parties.

In addition, the OCC proposes to amend § 151.80 to reduce regulatory burden on Federal savings associations. Currently, § 151.80(b) requires a Federal savings association that receives or will receive remuneration from any source, including the customer, in connection with the transaction to provide the customer a statement of the source and amount of the remuneration in addition to the registered broker-dealer confirmation. The proposed rule would amend this provision to provide that, when such remuneration is determined by a written agreement between the Federal savings association and the customer, the savings association would not need to provide this remuneration statement for each securities transaction. This change would be consistent with § 12.4(b), which does not require a national bank to provide a statement of the source and amount of remuneration in these circumstances.

National bank disclosure of remuneration for mutual fund transactions. The OCC proposes to delete from its regulation the interpretation in § 12.101, national bank disclosure of remuneration for mutual fund transactions. The OCC does not intend to change any existing practices. Instead, the OCC believes that this issue is obsolete because of recent SEC actions.[52]

National bank use of electronic communications as customer notifications. Section 12.102 allows national banks to comply with many provisions of part 12 by using electronic communications with customers. Federal savings associations have a similar provision at § 151.110. However, the use of electronic communications has become widespread and is provided for in State and Federal law, such as the Electronic Signatures in Global and National Commerce Act,[53] which allows for electronic communications with customers. Therefore, we propose to remove these provisions because they are duplicative of existing law.

Securities Offering Disclosures (12 CFR Parts 16, 197)[54]

Twelve CFR parts 16 and 197 set forth securities offering disclosure rules for national banks and Federal savings associations, respectively. These rules are based on the Securities Act[55] and certain Securities Act rules, to the

[51] *See* OCC Bulletin 2013–29, Third-Party Relationships: Risk Management Guidance (Oct. 30, 2013).

[52] For example, the SEC now requires all mutual funds to disclose their fee structures in registration statements. *http://www.sec.gov/about/forms/formn-1a.pdf.*

[53] 15 U.S.C. 7001 *et seq.*

[54] As indicated above, the OCC's securities-related rules, including parts 16 and 197, are included in the fourth EGRPRA **Federal Register** notice, the comment period for which closes on March 22, 2016. The OCC will consider comments received on parts 16 and 197 in response to both this NPRM and the fourth EGRPRA notice when finalizing this rulemaking.

[55] National bank and Federal savings association securities are generally exempt from the Securities Act. Securities Act, sections 3(a)(2) and (5) (15 U.S.C. 77c(a)(2) and (5)).

extent appropriate for banks.[56] In light of the similar provisions that apply to national banks and Federal savings associations, the OCC proposes to amend part 16 to include Federal savings associations and to remove part 197. In addition, the OCC is proposing to incorporate some provisions of part 197 into part 16, and to make technical changes to SEC citations included in part 16. The proposed amendments would reduce duplication and create efficiencies by establishing a single set of rules for all entities supervised by the OCC with respect to securities offerings. Furthermore, integrating savings associations into part 16 would clarify disclosure requirements for these institutions and provide them with additional exemptions, as described below.

The JOBS Act, addressed above in the discussion of part 11, amended the Securities Act and directed the SEC both to amend existing Securities Act rules and to write new rules to implement certain JOBS Act provisions. Generally, the JOBS Act seeks to ease securities offering disclosure requirements and periodic reporting obligations for certain issuers, including emerging growth companies.[57] It also creates new Securities Act private placement exemptions for crowdfunding [58] and small company capital formation.[59] In addition, the JOBS Act includes provisions that reduce restrictions on certain research and communications concerning emerging growth company securities offerings.[60]

As with part 11, the OCC generally intends for part 16 to remain consistent with the Securities Act, including those provisions amended under the JOBS Act, and SEC rules. Current part 16 incorporates through cross-references various SEC rules that the JOBS Act directs the SEC to amend. Amendments to these SEC rules therefore would be incorporated into part 16 by virtue of these cross-references.[61] However, the SEC has also adopted other rules to implement the JOBS Act.[62] The OCC will review the rules to determine whether corresponding changes to part 16 are necessary. At this time, the OCC is not proposing specific changes to part 16 to incorporate the JOBS Act, with the exception of updated citations where appropriate.

Registration statement: Form and content. The OCC is proposing to replace the offering circular required under § 197.2 and the corresponding form and content requirements of § 197.7 with a registration statement and prospectus as currently required by §§ 16.3 and 16.15 for national banks. Requiring the use of the same form by both national banks and Federal savings associations would provide a consistent set of disclosure standards and format for investors. In addition, this change would not impose any undue regulatory burden on Federal savings associations because these forms provide similar information to potential investors.

As discussed in detail above, the JOBS Act provides for certain scaled registration statement disclosure requirements for an issuer that is an emerging growth company.[63] Because the JOBS Act amended the Securities Act to add the emerging growth company definition and because the Securities Act generally does not apply to national bank or Federal savings association securities,[64] the Securities Act emerging growth company definition does not apply to banks and savings associations. Additionally, current part 16 does not cross-reference the Securities Act definition for emerging growth company or otherwise define or incorporate the term.[65]

Communications not deemed an offer. Both §§ 16.4 and 197.2(b) provide that certain communications by national banks or Federal savings associations about their securities are not deemed to be offers. However, § 16.4 more closely follows SEC regulations by additionally exempting summary prospectuses covered by SEC Rule 431,[66] notices of certain proposed unregistered offerings covered by SEC Rule 135c,[67] publications or distributions of research reports by brokers or dealers covered by SEC Rules 138 and 139,[68] and certain communications made after providing a prospectus. Amending part 16 to include Federal savings associations would afford them the additional communication exemptions under the SEC rules pursuant to § 16.4, currently available to national banks.

Exemptions. Section 16.5 provides exemptions to the general registration requirements for national bank securities under § 16.3. These exemptions significantly overlap with the § 197.3 exemptions to the registration requirements for Federal savings associations. However, § 16.5(b) applies SEC Rules 152 [69] (private placement exemption) and 152a [70] (exemption for sales of certain fractional interests) to transactions exempt under section 4 of the Securities Act,[71] while

[56] 59 FR 54798 (Nov. 2, 1994) (''[Part 16] generally requires national bank securities offering documents to conform to the form for registration that the bank would use if it had to register the securities under the Securities Act. Accordingly, the final rule cross-references a number of provisions of the Securities Act and a number of SEC rules.'')

[57] As indicated in the discussion of Part 11, above, an emerging growth company is a new category of issuer created under the JOBS Act. Generally, an emerging growth company is an issuer that had total annual gross revenues of less than $1 billion during its most recently completed fiscal year. Securities Act section 2(a)(19) (15 U.S.C. 77b(a)(19)). An emerging growth company is eligible to rely on certain scaled disclosure requirements for registration statements filed under the Securities Act. For example, an emerging growth company need not present more than two years of audited financial statements in a registration statement for an initial public offering. Securities Act section 7(a) (15 U.S.C. 77g(a)). *C.f.* SEC Regulation S–X, Rule 3–02 (17 CFR 210.3–02) (requiring three years of audited financial statements). We note that under 12 CFR 16.15(e), the OCC does not generally require audited financial statements in securities offering documents for national banks in organization. An emerging growth company also is eligible for scaled disclosure requirements in the context of Exchange Act periodic reporting. A detailed discussion of this relief is set forth above in the discussion of part 11.

[58] Securities Act, section 4(a)(6) (15 U.S.C. 77d(a)(6)) (crowdfunding creates a registration exemption for offerings of up to $1 million, provided that individual investments do not exceed certain thresholds and the issuer satisfies other conditions in the JOBS Act).

[59] Securities Act, section 3(b) (15 U.S.C. 77c(b)) (directing the SEC to create a registration exemption for securities offerings of up to $50 million).

[60] Securities Act, sections 2(a)(3) and 5(d) (15 U.S.C. 77b(a)(3) and 77e(d)).

[61] The SEC recently adopted amendments to Regulation A under the Securities Act to implement section 401 of the JOBS Act. 80 FR 21806 (Apr. 20, 2015). The SEC also has adopted amendments to Rule 506 of Regulation D and Rule 144A under the Securities Act to implement section 201(a) of the JOBS Act. 78 FR 44771 (July 24, 2013). Part 16 refers to these rules through cross-references.

[62] *See* 80 FR 71387 (Nov. 16, 2015).

[63] We note that a national bank or Federal savings association that is a smaller reporting company under SEC Regulation S–K may already avail itself of certain scaled disclosure requirements in a registration statement. Generally, a national bank or Federal savings association with a public float of less than $75 million may qualify as a smaller reporting company. 17 CFR 229.10.

[64] Securities Act, sections 3(a)(2) and (5).

[65] 12 CFR 16.15(a) provides that a registration statement filed under part 16 ''must be on the form for registration . . . that the bank would be eligible to use were it required to register the securities under the Securities Act and must meet the requirements of the Commission regulations referred to in the applicable form for registration.'' Accordingly, to the extent the SEC updates applicable forms and regulations to implement JOBS Act emerging growth company provisions, a national bank or Federal savings association may utilize emerging growth company provisions. By way of example, part 16 does not define or explicitly cross-reference the SEC's smaller reporting company definition in Regulation S–K. However, by virtue of 12 CFR 16.15, a national bank may rely on the scaled disclosure provisions for a smaller reporting company, since SEC registration statement forms incorporate the applicable Regulation S–K provisions.

[66] 17 CFR 230.431.

[67] 17 CFR 230.135c.

[68] 17 CFR 230.138 and 230.139.

[69] 17 CFR 230.152.

[70] 17 CFR 230.152a.

[71] 15 U.S.C. 77d.

§ 197.3(b) does not. By amending § 16.5 to include Federal savings associations, the additional exemptions provided by these two SEC rules would apply to transactions by savings associations. This amendment would provide savings associations with additional flexibility when issuing securities, resulting in reduced costs and less regulatory burden for such issuances.

The OCC notes that the JOBS Act amended section 4 of the Securities Act to create a private placement exemption for crowdfunding.[72] The SEC recently has adopted rules to implement the private placement exemption for crowdfunding.[73] National banks and Federal savings associations may not rely on the private placement exemption for crowdfunding in Securities Act section 4(a)(6) unless and until the OCC adopts rules implementing this provision for national banks and Federal savings associations or affirmatively adopts SEC rules that implement this provision. At this time, the OCC is not proposing to amend its rules to permit the private placement exemption for crowdfunding.

In addition, § 16.5(f) specifically exempts transactions that satisfy the requirements of SEC Rule 701[74] regarding offers and sales of securities pursuant to certain compensatory benefit plans and contracts relating to compensation. Section 197.3 does not cross-reference SEC Rule 701 but rather provides in § 197.3(g) a narrower exemption for sales only to officers, directors or employees through an employee benefit plan or a dividend or interest reinvestment plan that has been approved by shareholders. In particular, § 197.3(g) does not exempt sales made through compensatory benefit plans for consultants, advisors, and family members, as does SEC Rule 701.

By amending § 16.5 to include Federal savings associations, the proposal would expand the exemption available for savings associations to cover all such sales exempted by SEC Rule 701. Although the OCC has not incorporated the § 197.3(g) requirement regarding shareholder approval of compensation plans, Federal savings associations still must follow all applicable corporate governance requirements under their charter provisions. Additionally, national banks and Federal savings associations that are subject to the Federal proxy rules must comply with SEC rules issued under Exchange Act Section 14A[75] concerning shareholder approval of executive compensation and golden parachute payments.

In addition, the OCC notes that under paragraph (e) of § 197.3 certain collateralized securities issued by Federal savings associations are exempt from registration. We understand that Federal savings associations may have relied upon SEC Regulation D[76] in addition to § 197.3(e).[77] Therefore, the OCC has not included § 197.3(e) in the proposal because this exemption is unnecessary in light of the availability of the Regulation D private placement exemption in part 16.

The proposal also would make technical changes to update the citations to SEC rules in § 16.5(b) and (e).

Sales of Nonconvertible Debt. The OCC proposes to apply § 16.6, sales of nonconvertible debt, to Federal savings associations. While Federal savings associations have previously sold nonconvertible debt under similar restrictions through various interpretive letters, a single set of requirements is simpler and more efficient.

Small issues. Section 16.8 provides an exemption for small issues of national bank securities under the SEC's Regulation A.[78] Currently, Federal savings associations do not have a Regulation A exemption for small issuances. In order to provide comparable treatment for Federal savings associations that wish to issue small amounts of securities and remain exempt from filing registration statements and prospectuses, and to reduce regulatory burden, the OCC proposes to amend this provision to include savings associations.

Securities offered and sold in holding company dissolution. Section 16.9 provides an exemption for securities offered and sold in a holding company dissolution. Part 197 does not contain a similar provision; however, savings associations have relied on SEC rules for these transactions pursuant to informal OTS staff guidance. The OCC proposes to apply § 16.9 to securities issued by Federal savings associations to provide more certainty as to the applicability of the § 16.9 exemption to these transactions.

Effectiveness. Section 16.16 provides that a registration statement and amendments will become effective in accordance with § 8(a) and (c) of the Securities Act and SEC Regulation C, 17 CFR part 230, which is the 20th day after filing or sooner if so determined by the OCC. Section 197.6 contains the same effective date but does not reference Regulation C. The Federal savings association rule also contains other provisions regarding a delay in effectiveness and provides that the OCC may pursue any remedy under section 5(d) of the HOLA if it appears that the offering circular contains any material misstatement or omission. In applying § 16.16 to Federal savings associations, SEC regulation C would apply to Federal savings associations instead of these additional provisions included in § 197.6.

Sales of securities at an office of a savings association. Section 197.17 provides that the sale of securities of a Federal savings association or its affiliates at an office of the savings association may only be made in accordance with the provisions of § 163.76.[79] Section 163.76 generally prohibits the offer or sale of debt or equity securities issued by a Federal savings association or an affiliate at an office of the association, unless the equity securities are issued by the association or the affiliate in connection with the association's conversion from the mutual to stock form of organization and certain conditions are met. The OCC is proposing to amend part 16 by adding a new § 16.10 to maintain this restriction on the sale of a Federal savings association's or affiliate's securities. Furthermore, new § 16.10 cross-references § 163.76.[80]

The OCC specifically requests that commenters opine on whether the OCC should remove the limitations on the offer or sale of debt or equity securities at an office of a Federal savings association in light of amendments to the Exchange Act made by the Gramm-Leach-Bliley Act,[81] rules promulgated by the Financial Industry Regulatory Authority,[82] and the Interagency Statement on Retail Sales of Nondeposit Investment Products, all of which govern securities activities conducted on the premises of OCC-regulated financial institutions[83] In the

[72] Securities Act, section 4(a)(6) (15 U.S.C. 77d(a)(6)).

[73] 80 FR 71387 (Nov. 16, 2015).

[74] 17 CFR 230.701.

[75] 15 U.S.C. 78n-1. Section 951 of the Dodd-Frank Act added section 14A to the Exchange Act.

[76] 17 CFR 230.501 *et seq.*

[77] 12 CFR 197.4(a).

[78] 17 CFR 230.251 *et seq.*

[79] Section 197.17 includes an inaccurate cross-reference to § 197.76. We have provided the correct cross-reference in the discussion above and in the proposed rule. *See* proposed § 16.10.

[80] The OCC may decide to move the restrictions contained in § 163.76 to part 16 or to another OCC rule in a future rulemaking that integrates all of part 163.

[81] *See* 15 U.S.C. 78c(a)(4). *See also* Regulation R, 17 CFR 247.100 *et seq.*

[82] *See* FINRA Rule 3160.

[83] *See* OCC Bulletin 94–13, Non deposit Investment Sales Examination Procedures (Feb. 24,

Continued

alternative, should the OCC amend part 16 to prohibit a national bank from offering or selling debt or equity securities issued by the bank or an affiliate at an office of the bank?

Filing requirements and inspection of documents. Sections 16.17 and 197.5 require national banks and Federal savings associations, respectively, to submit by mail or otherwise four copies of all registration statements, offering documents, amendments, notices, or other documents to the SCP Division or, if related to a bank in organization or a de novo Federal savings association, to the appropriate district office. Similar to the proposed amendment to § 11.3, the OCC is proposing to amend § 16.17 to require instead that banks and savings associations submit one copy of their filings through electronic mail to the SCP Division or the appropriate district office, as applicable. Pursuant to proposed § 16.17(g), any filing of amendments or revisions to previously filed documents must include two copies, one of which must be marked to indicate clearly and precisely, by underlining or in some other appropriate manner, the changes made. Current § 16.17(e) requires a total of four copies of amendments or revisions.

The amendments to § 16.17 also provide that documents may be signed electronically using the signature provision in SEC Rule 402.[84] This rule provides that required signatures for Securities Act filings may be typed or may be duplicated or facsimile versions of manual signatures. Where typed, duplicated, or facsimile signatures are used, each signatory to the filing is required to ''manually sign a signature page or other document authenticating, acknowledging or otherwise adopting his or her signature that appears in the filing.'' [85] As provided by Rule 402, this document must be retained for five years and, upon request, a copy must be provided to the OCC.

Current §§ 16.17(d) and 197.1 provide the date on which papers are actually received by the OCC shall be the date of filing, if the person or bank filing the papers has complied with all applicable requirements. As with the proposed amendment to § 11.3(a)(3)(i), the OCC proposes to update § 16.17(d) to conform with the electronic filing requirement. Specifically, the proposed amendment provides that an electronic filing that is commenced on a nonholiday weekday on or before 5:30 p.m. Eastern Standard or Daylight Savings Time, whichever is currently in effect, would be deemed received by the OCC on the same business day. An electronic filing whose submission is commenced after 5:30 p.m. Eastern Standard or Daylight Savings Time, whichever is currently in effect, or on a Saturday, Sunday, or Federal holiday would be deemed received by the OCC on the next business day. We note, however, that paragraph (e) provides that with respect to any registration statement or any post-effective amendment filed pursuant to SEC Rule 462(b) (17 CFR 230.462(b)), the cut-off time would be 10 p.m. to be consistent with corresponding SEC rules.

As with proposed section § 11.3(a)(3)(iii), proposed § 16.17(d) provides that if an electronic filer in good faith attempts to file a document pursuant to this part in a timely manner but the filing is delayed due to technical difficulties beyond the electronic filer's control, the electronic filer may request that the OCC adjust the filing date. The OCC may grant the request if it appears that such adjustment is appropriate and consistent with the public interest and the protection of investors. As indicated above, these rules for dating an electronic filing, and for providing a waiver for technical difficulties with the filing, are derived from SEC Regulation S–T.[86]

The OCC also is proposing to add a new § 16.17(f) to establish an exception to the general electronic filing requirements that permits the use of paper filings where unanticipated technical difficulties prevent the use of electronic filings. This exception is modeled on SEC Regulation S–T, Rule 201,[87] which provides a temporary hardship exemption to the SEC's EDGAR filing requirements in cases of unanticipated technical difficulties. Similar to Rule 201, the OCC notes that the use of this exception should be extremely limited and should be relied upon only when unusual and unexpected circumstances create technical impediments to the use of electronic filings.

Finally, the OCC is proposing technical changes to § 16.17(h), currently § 16.17(f), that would update a cross-reference to 12 CFR part 4.

Use of prospectus. Section 16.18 provides that no person may use a prospectus or amendment declared effective by the OCC more than nine months after the effective date unless the information contained in the prospectus or amendment is as of a date not more than 16 months prior to the date of use. Furthermore, this section provides that no person may use a prospectus if an event arises or fact changes after the effective date that causes the prospectus to contain an untrue statement of material fact or to omit a material fact that causes the prospectus to be misleading until an amendment reflecting the event or change has been filed with and declared effective by the OCC. Section 197.8 contains similar provisions for Federal savings associations. Therefore, applying § 16.18 to Federal savings associations would not result in any changes for Federal savings associations.

Withdrawal or abandonment. In general, § 16.19 provides that a registration statement, amendment, or exhibit may be withdrawn prior to its effective date. Furthermore, this section provides that the OCC may deem abandoned a registration statement or amendment that has been on file with the OCC for nine months and has not become effective. Section 197.11 contains the same provisions for Federal savings associations. Therefore, applying § 16.19 to Federal savings associations would not result in any changes for Federal savings associations.

Request for interpretive advice or no-objection letter. The proposal would amend § 16.30 to update the cross-reference to where the address for filing a request for interpretive advice or a no-objection letter may be found.

Escrow requirement. For national banks, § 16.31 provides the OCC with discretion to require the establishment of an escrow account, while § 197.9 automatically requires an escrow account for Federal savings associations. By amending part 16 to include Federal savings associations and deleting § 197.9, this proposal would remove the mandatory escrow requirement for Federal savings associations.

Fraudulent transactions/unsafe or unsound practices. Section 16.32 prohibits fraudulent transactions in the offer or sale of bank securities and deems such transactions to be an unsafe or unsound practice under 12 U.S.C. 1818. Section 197.10 contains a similar prohibition. However, § 16.32 specifically cross-references the investor protections under section 17 of the Securities Act [88] and references SEC Rule 175 [89] on forward-looking statements. Although section 17 by its terms applies to Federal savings associations regardless of the OCC rule, neither it nor SEC Rule 175 is

1994) and OCC Bulletin 95–52. Retail Sales of Nondeposit Investment Products (Sept. 22, 1995).

[84] 17 CFR 230.402.

[85] *Id.*

[86] 17 CFR 232.

[87] 17 CFR 232.201.

[88] 15 U.S.C. 77q.

[89] 17 CFR 230.175.

referenced in § 197.10. The OCC proposes to amend § 16.32 to include Federal savings associations. As a result, part 16 would put Federal savings associations on notice that the Securities Act section 17 investor protections apply. Furthermore, Federal savings associations would have the additional clarifying guidance on the liability of forward-looking statements provided by SEC Rule 175.

Filing fees. Section 16.33 provides that filing fees, as provided for in the Notice of Comptroller of the Currency Fees published pursuant to 12 CFR 8.8, must accompany filings made pursuant to part 16. The OCC proposes to amend § 16.33(a) to provide that the OCC may require filing fees. In addition, the proposal would amend § 16.33(b) to provide that such fees may be paid by means acceptable to the OCC, in addition to by check, to reflect the additional payment options now available. The OCC is not currently imposing any filing fees for part 16 filings and is not proposing any fees as part of this rulemaking.

Waiver and interpretive advice requests. The OCC is not proposing to include in part 16 the blanket waiver provisions contained in §§ 197.14 and 197.15. However, the OCC would continue to provide interpretive advice or no-objection letters under the terms provided in § 16.30. We also note that 12 CFR 100.2 provides that the Comptroller may, for good cause and to the extent permitted by statute, waive the applicability of any provision of 12 CFR parts 1 through 197, with respect to Federal savings associations.

Current and periodic reports. The OCC has not included in proposed part 16 the filing requirement contained in § 197.18. Specifically, § 197.18 requires a Federal savings association to file certain periodic reports with the OCC after its offering circular becomes effective, even if the savings association is not otherwise required to register its securities with the OCC under the Exchange Act. This filing requirement applies to Federal savings associations until the securities to which the savings association's offering circular relates are held of record by fewer than 300 persons in any fiscal year other than the fiscal year in which the offering circular becomes effective. The FDIC and the Federal Reserve Board have not imposed a comparable obligation on State banks, and the OCC removed this obligation on national banks in 2008.[90] Instead, a State or national bank is subject to Exchange Act periodic and current reporting requirements if the bank's total assets exceed $10,000,000 and it has a class of equity security (other than an exempted security) held of record by 2,000 or more persons.[91]

As a result of this proposed amendment, a Federal savings association would be subject to Exchange Act periodic and current reporting requirements if it had total assets exceeding $10,000,000 and a class of equity security (other than an exempted security) held of record by 2,000 or more persons.[92] This change would make the current and periodic reporting requirements for national banks and Federal savings associations identical. It also would reduce regulatory burden by eliminating such filing requirements for Federal savings associations with fewer than 1,200 holders of record.[93] Financial information about a savings association would continue to be publicly available to investors through quarterly financial information, including balance sheets and statements of income, which is part of a savings association's Call Reports and is available at *https://cdr.ffiec.gov/public/.*

Periodic sales reports. Under § 197.12, Federal savings associations must file periodic reports on the sales of securities that are registered under § 197.2 or that are otherwise exempt from registration under § 197.4 (non-public offerings, including Regulation D and sales to 35 or more persons). National banks do not have to file similar reports. Furthermore, institutions generally sell securities for the purpose of increasing their capital. The OCC can review any increases to a Federal savings association's capital through the institution's quarterly Call Report, and therefore the periodic sales report provides limited additional value for supervision. Furthermore, § 5.45, as added by the licensing integration rule, published on May 18, 2015, requires Federal savings associations subject to capital plans or other regulatory actions to file reports for increases in permanent capital, so the Securities Sales Report is redundant in cases that present the most supervisory risk.[94] Therefore, the OCC proposes not to include in part 16 the § 197.12 requirement that Federal savings associations file reports on sales of securities.

The OCC also is proposing a technical change throughout part 16. Specifically, the proposal would replace all references to ''Commission'' with ''SEC.''

Disclosure of Financial and Other Information by National Banks (Part 18)

Twelve CFR part 18 sets forth annual financial disclosure requirements for national banks. Specifically, part 18 requires national banks to prepare annual disclosure statements as of December 31 to be made available to bank security holders by March 31 of the following year. The rule specifies the types of information that must be included in the disclosure statements, which includes, at a minimum, certain information from the bank's Call Report. The Comptroller may require the inclusion of other information and the bank may include an optional narrative. Section 18.5 provides alternative ways a bank may meet the disclosure statement requirement. These alternatives include allowing Exchange Act registered banks to use the bank's annual report and allowing banks with audited financial statements to use those statements provided the statements include certain required information.

Part 18 was included in the third EGRPRA **Federal Register** notice, and we did not receive any comments on this rule in response to this notice.

The OCC is proposing to remove part 18 to reduce unnecessary burden. The information this part requires a national bank to disclose is contained in other publicly available documents, such as the Call Report and the Uniform Bank Performance Report. Part 18 is therefore duplicative and unnecessary. We note that the Federal Reserve Board and the former OTS rescinded similar regulations for state member banks and savings association, respectively. The OTS repealed 12 CFR 562.3 in December 1995 and the Federal Reserve Board eliminated 12 CFR 208.17 in 1998.[95]

Part 31 (§§ 163.41, 163.43): Extensions of Credit to Insiders and Affiliate Transactions [96]

National banks and Federal savings associations must comply with rules of

[90] 73 FR 22216 (Apr. 24, 2008).

[91] Exchange Act, section 12(g) (15 U.S.C. 78l(g)), as amended by section 601(a) of the JOBS Act.

[92] *Id.*

[93] *Id.* National banks and Federal savings associations that are currently registered under section 12(g) of the Exchange Act and have 1,200 or more holders of record for a class of securities must continue to comply with current and periodic reporting requirements.

[94] Section § 5.46 requires national banks to file reports for increases in permanent capital.

[95] 60 *FR* 66866 (December 27, 1995); 63 *FR* 37630 (July 13, 1998).

[96] Part 31 and §§ 163.41 and 163.43 are included in the fourth EGRPRA **Federal Register** notice, the comment period for which closes on March 22, 2016. As indicated previously in this preamble, to ensure that any OCC rule finalizing this NPRM takes into account all comments we receive on part

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the Federal Reserve Board regarding extensions of credit to insiders (Regulation O)[97] and transactions with affiliates (Regulation W),[98] which implement section 22 and sections 23A and 23B, respectively, of the Federal Reserve Act.[99] Twelve CFR part 31 and 12 CFR 163.41 and 163.43 address these transactions for national banks and Federal savings associations, respectively. Specifically, § 31.2 requires national banks to comply with Regulation O. Appendix A to part 31 provides interpretive guidance on the application of Regulation W to deposits between affiliated banks. Sections 163.41 and 163.43 contain general statements that refer Federal savings associations to applicable regulations of the Federal Reserve Board, specifically, Regulation O and Regulation W.

The OCC proposes to consolidate its rules that address insider lending and affiliate transactions by amending part 31 to state clearly that both national banks and Federal savings associations must comply with Regulation O and Regulation W and by removing §§ 163.41 and 163.43. Specifically, the proposed rule would add ''Federal savings associations'' to the text of § 31.2 and add a new § 31.3 to require both national banks and Federal savings associations to comply with the affiliate transaction requirements contained in part 223. In addition, new § 31.3(b) clarifies that the OCC administers and enforces affiliate transaction requirements as they apply to national banks and Federal savings associations.

Moreover, the OCC proposes to adopt new § 31.3(c) to implement the statutory standards for authorizing an exemption from section 23A in accordance with section 608 of the Dodd-Frank Act. Section 608, which became effective on July 21, 2012, amends section 23A and section 11 of the HOLA to authorize the OCC to exempt, by order, a transaction of a national bank or Federal savings association, respectively, from the affiliate transaction requirements of section 23A and section 11 of the HOLA if: (1) the OCC and the Federal Reserve Board jointly find the exemption to be in the public interest and consistent with the purposes of section 23A and section 11, as applicable, and (2) within 60 days of receiving notice of such finding, the FDIC does not object in writing to the finding based on a determination that the exemption presents an unacceptable risk to the Deposit Insurance Fund.[100] In addition, in new § 31.3(d), the OCC proposes to adopt procedures that a national bank and Federal savings association must follow for requesting such an exemption. These procedures are modeled after the Federal Reserve Board's existing procedures in Regulation W.

Appendix A to part 31, which is specific to national banks, would remain unchanged. We propose to amend Appendix B, which contains a comparison between selected provisions of Regulation O and the OCC's lending limits rule, 12 CFR part 32, to include Federal savings associations and to make technical changes.

Finally, we propose to amend the authority provision in § 31.1 to reference 12 U.S.C. 1463 and 1468 and to correct a duplicative reference to 12 U.S.C. 1817(k).

It should be noted that the OCC may impose additional restrictions on any transaction between a Federal savings association or national bank and its affiliates that the OCC determines to be necessary to protect the safety and soundness of the institution.[101] This authority is unaffected by and not addressed in this regulation.

Electronic Operations and Activities of Federal Savings Associations (12 CFR Part 155)

Twelve CFR part 155 addresses the use of technology by Federal savings associations to deliver products and services. Specifically, § 155.200 provides that a Federal savings association may use electronic means or facilities to perform any function, or provide any product or service, as part of an otherwise authorized activity. In addition, § 155.200 permits Federal savings associations to use, or participate with others to use, electronic means or facilities to perform any function, or provide any product or service, as part of an authorized activity; and to market and sell, or participate with others to market and sell, electronic capacities and by-products to third parties in order to optimize the use of resources, if the savings association acquired or developed these capacities and by-products in good faith as part of providing financial services. These authorizations are similar to what is provided for national banks in 12 CFR part 7, subpart E.

Section 155.210 requires management of the savings association to take steps to identify, assess and mitigate potential risks, establish prudent internal controls, and implement security measures designed to prevent unauthorized access, prevent fraud, and comply with applicable security device requirements of part 168.

Section 155.300(b) requires a Federal savings association to file a written notice with the OCC prior to establishing a transactional Web site and § 155.310 provides the procedures for filing this notice. Finally, § 155.300(c) requires a Federal savings association to follow any written procedures the OCC imposes with respect to any supervisory or compliance concerns regarding its use of electronic means or facilities.

This proposal would remove §§ 155.300 and 155.310. Part 155 was included in the first EGRPRA **Federal Register** request for comments. In response to this request, we received comments recommending that the OCC remove the transactional Web site notice requirement in § 155.300(b). The OCC agrees that this notice is no longer necessary and this proposed rule would remove this notice requirement and the procedural details for this notice. Although not carried over in the proposed regulatory text, as stated in current § 155.300(a), Federal savings associations are encouraged to discuss any planned new products or services that will use electronic means or facilities with their assigned OCC supervisory office.

With respect to § 155.300(c), pursuant to the OCC's safety and soundness authority, Federal savings associations are required to comply with any written procedures the OCC imposes for supervisory or compliance reasons. This provision therefore is unnecessary.

Finally, the OCC proposes other non-substantive changes to update the rule and to present the regulatory provisions in a format more consistent with the OCC's other rules.

Regulatory Reporting Requirements for Federal Savings Associations (12 CFR Part 162 and § 163.180)

Twelve CFR part 162 and § 163.180(a), which set forth regulatory reporting and auditing standards and requirements for Federal savings associations, were included in the first EGRPRA **Federal Register** request for comments. Although the OCC did not

31 and §§ 163.41 and 163.43, the OCC will consider comments received on both this NPRM and the fourth EGRPRA notice when finalizing this rulemaking.

[97] 12 CFR part 215.

[98] 12 CFR part 223.

[99] 12 U.S.C. 371c, 371c–1, 375a, and 375b. In general, section 11 of the HOLA, 12 U.S.C. 1468, applies the sections 23A and 23B of the Federal Reserve Act to savings associations in the same manner and to the same extent as if the savings association were a member bank. *But see* 12 U.S.C. 375a(4).

[100] *See* section 608(a)(4)(A)(iv) of the Dodd-Frank Act (exemptive authority for national banks) and section 608(c) of the Dodd-Frank Act (exemptive authority for Federal savings associations).

[101] *See, e.g.,* 12 U.S.C. 93a, 371c(f)(2)(B)(i), 481, 1831p–1, and 1468(a)(4).

receive any comments on these rules, as part of the EGRPRA review process the OCC is proposing to revise 12 CFR part 162 and remove § 163.180(a) in order to eliminate duplicative requirements.

Various Federal statutes impose reporting and audit requirements on Federal savings associations and national banks. Specifically, 12 U.S.C. 161(a) provides that national banks must submit reports of condition to the Comptroller in accordance with the requirements of the Federal Deposit Insurance Act (FDI Act). Twelve U.S.C. 1464(v)(1) is the comparable statute for Federal savings associations. In addition, 12 U.S.C. 1831m and FDIC implementing regulations at 12 CFR part 363 require insured depository institutions above a specified asset threshold to have annual independent audits and to submit annual reports and audited financial statements to the FDIC and the appropriate Federal banking agency.[102] These financial statements must be prepared in accordance with GAAP and such other disclosure requirements as the FDIC and the appropriate Federal banking agency may prescribe.[103] The *Interagency Policy Statement on External Audit Programs of Banks and Savings Associations* (1999 Interagency Policy Statement) [104] provides unified interagency guidance regarding independent external auditing programs of community banks and savings associations that are exempt from 12 CFR part 363 (*i.e.,* institutions with less than $500 million in total assets) or that are not otherwise subject to audit requirements by order, agreement, statute, or agency regulations. Furthermore, 12 U.S.C. 1463(b)(1) requires the Comptroller, by regulation, to prescribe uniform accounting and disclosure standards for Federal savings associations' compliance with all applicable regulations.

As indicated above, 12 CFR part 162 and § 163.180(a) set forth the regulatory reporting and auditing standards and requirements for savings associations. Specifically, § 162.1 requires Federal savings associations to use forms prescribed by the OCC and to follow such regulatory reporting requirements as the OCC may require. This section also requires Federal savings associations and their affiliates to maintain accurate and complete records of all business transactions that support the regulatory reports submitted to the OCC and any financial reports prepared in accordance with GAAP. These records must be maintained in the United States and must be readily accessible by the OCC for examination and other supervisory purposes within five business days upon request by the OCC, at a location acceptable to the OCC.

Section 162.2 sets forth the minimum requirements to be included in all reports to the OCC, including Call Reports. In general, these reports must incorporate GAAP, as well as additional safety and soundness requirements more stringent than GAAP that the Comptroller prescribes. Section 163.180(a) provides that Federal savings associations and their service corporations must submit periodic and other reports as required by the appropriate Federal banking agency. Both §§ 162.1 and 162.2 implement the 12 U.S.C. 1463(b)(1) requirement, described above, that the OCC issue regulations prescribing uniform accounting and disclosure standards for Federal savings associations' compliance with all applicable regulations.

Section 162.4 sets forth requirements and standards for audits of Federal savings associations. It generally provides that the OCC may require, at any time, an independent audit of a Federal savings association's financial statements when necessary for safety and soundness reasons. It further requires an independent audit if a Federal savings association receives a CAMELS rating of 3, 4, or 5, specifies qualifications for independent public accountants, and states that audit engagement letters provide the OCC with access to and copies of any work papers, policies, and procedures relating to the services performed.

There are no comparable OCC regulations for national banks. However, the OCC applies and enforces the above-referenced statutory requirements, as well as the applicable FDIC reporting and auditing requirements, with respect to both national banks and Federal savings associations.

The OCC proposes to remove the requirements contained in §§ 162.1 and 162.2. The OCC has adequate authority pursuant to its general examination authority to obtain records and reports from Federal savings associations, as well as national banks.[105] Furthermore, the frequently changing nature of accounting standards and disclosures makes it impractical to codify detailed standards in a regulation.

The OCC believes that the audit requirements of § 162.4 and reporting requirements of § 163.180(a) also are unnecessarily repetitive of other requirements and proposes to remove them. The OCC has adequate statutory authority to require reports and 12 CFR 363 already specifies requirements for independent audits and auditors for both Federal savings associations and national banks. In addition, as with national banks, the agency does not believe that it is necessary to articulate this authority for Federal savings associations in a regulation.[106] Rescission of §§ 162.4 and 163.180(a) would not affect the OCC's ability, pursuant to our safety and soundness authority, to require at any time an independent audit of a Federal savings association or to access work papers and related documents prepared in connection with any audit of a Federal savings association.[107]

The OCC reminds Federal savings associations that rescinding § 162.4 also would not eliminate or affect the requirement that a savings association with $500 million or more in assets obtain an annual audit pursuant to 12 U.S.C. 1831m and 12 CFR part 363, nor would it minimize the importance of administering an external audit program. Furthermore, the OCC encourages all national banks and Federal savings associations, regardless of size, to have independent external reviews of their operations and financial statements and to establish audit committees made up entirely of outside directors. The form of that review can range from financial statement audits by independent public accountants to agreed-upon procedures (*i.e.,* directors' examinations) performed by other independent and qualified persons. In particular, Federal savings associations should be familiar with 12 CFR part 363 and the 1999 Interagency Policy

[102] Among other requirements, 12 CFR part 363 requires insured depository institutions with total assets above certain thresholds to assess the effectiveness of internal controls over financial reporting, to establish independent audit committees, and to comply with related reporting requirements.

[103] Other statutes further clarify the use of GAAP by insured depository institutions. *See, e.g.,* 12 U.S.C. 1831n(a)(2)(A) (the accounting principles applicable to reports or statements required to be filed with Federal banking agencies by insured depository institutions shall be uniform and consistent with GAAP) and 12 U.S.C. 1831n(a)(2)(B) (in certain circumstances, the appropriate Federal banking agency or the FDIC may, with respect to such reports or statements, prescribe an accounting principle applicable to such institutions that is no less stringent than GAAP).

[104] *See* OCC Bulletin 99–37, Interagency Policy Statement on External Auditing Programs (Oct. 7, 1999) and 64 FR 52319 (Sept. 28, 1999).

[105] *See* 12 U.S.C. 1464(d)(1)(B) (Federal savings associations) and 12 U.S.C. 481 (national banks). *See also* 12 U.S.C. 1817.

[106] *See, e.g.,* 12 U.S.C. 1817(a)(3) and 12 CFR part 304 with respect to reports and 12 CFR part 363 and the *Interagency Policy Statement on External Audit Programs of Banks and Savings Associations* (64 FR 52319, Sept. 28, 1999) with respect to audits.

[107] *See* 12 U.S.C. 1831p–1.

Statement, which apply to all insured depository institutions.

However, we recognize that 12 U.S.C. 1463(b)(1) requires the Comptroller to prescribe by regulation uniform accounting and disclosure standards for Federal savings associations. To satisfy this requirement, the proposal provides that a Federal savings association shall incorporate U.S. GAAP and the disclosure standards included therein when complying with all applicable regulations, unless otherwise specified by statute or regulation or by the OCC. We believe that the guidance provided in proposed § 162.1 satisfies the statutory requirement while being flexible enough to accommodate the evolving nature of the standards and disclosures. We note that we are proposing to reference GAAP as ''U.S. GAAP'' to clarify that the reference is to GAAP as used in the United States, in light of evolving global accounting standards. With respect to national banks, a similar regulation is not required by statute and would be redundant with other provisions that require compliance with GAAP, such as 12 U.S.C. 1831m and 1831n(a)(2), discussed above.

Section 163.161: Management and Financial Policies

Section 163.161(a)(1) of title 12 generally requires each Federal savings association and each service corporation to be well-managed, to operate in a safe and sound manner, and to pursue financial policies that are safe and consistent with economical home financing and the purposes of savings associations. Section 163.161(a)(2) requires each Federal savings association and service corporation to maintain sufficient liquidity to ensure its safe and sound operations. Section 163.161(b) addresses the compensation of Federal savings association and service corporation officers, directors, and employees.

Federal savings associations, and national banks, are subject to many other regulations and guidance that require sound management and financial policies. Part 30 of the OCC's regulations contain guidelines establishing operational and managerial standards for safety and soundness applicable to national banks and Federal savings associations. Among other things, these Safety and Soundness Guidelines, which implement the statutory safety and soundness provisions at section 39 of the FDI Act,[108] address executive compensation.[109] In addition, the OCC, together with other Federal financial regulators, is conducting a rulemaking to implement section 956 of the Dodd-Frank Act, which imposes enhanced requirements pertaining to incentive compensation for both national banks and Federal savings associations with over $1 billion in assets.[110] Finally, the OCC, along with the other Federal banking agencies, issued a joint policy statement in 2010 that provides guidance for the sound management of liquidity risk. This policy statement is both more detailed and more current than the provisions of the regulation and is applicable to both national banks and Federal savings associations.[111]

The OCC has concluded that § 163.161 duplicates these existing provisions applicable to Federal savings associations. Therefore, the OCC proposes to delete § 163.161 in its entirety. We note that § 163.161 was included in the third EGRPRA **Federal Register** notice and that we did not receive any comments on this section.

Financial Derivatives Transactions by Federal Savings Associations (§ 163.172)[112]

Twelve CFR 163.172 states that a Federal savings association may engage in a transaction involving a financial derivative provided that the association is authorized to invest in the assets underlying the derivative, the transaction is safe and sound, and the association's board of directors and management satisfy certain prudential requirements. It also states that, in general, if a Federal savings association should engage in a financial derivative transaction, it should do so to reduce its risk exposure.

Section 163.172(a) defines ''financial derivative'' as a financial contract whose value depends on the value of one or more underlying assets, indices, or reference rates. It states that the most common types of financial derivatives are futures, forward commitments, options, and swaps.

The OCC proposes to replace the term ''forward commitment'' with ''forward contract.'' A ''forward commitment'' generally refers to an agreement to loan funds in the future and is not a financial derivative. In contrast, a ''forward contract'' is a well-known type of financial derivative to which this rule should apply. This change would clarify any confusion caused by the wording of the current rule but we would not expect it to have a material effect on Federal savings associations or the securities marketplace.

The OCC proposes other non-substantive changes to clarify the rule further and to present the regulatory provisions in a format more consistent with the OCC's other rules. It should be noted that the OCC does not have a comparable regulation governing national bank derivative transactions, but it has addressed these activities through interpretive letters.

Accounting Requirements (12 CFR part 193)

Twelve U.S.C. 1463(b)(2)(A) requires savings associations to use GAAP in preparing reports to regulators. The Federal Home Loan Bank Board (FHLBB) originally issued part 563c in 1974 [113] and the OTS readopted it as the successor agency to the FHLBB in 1989.[114] The OCC republished this rule as 12 CFR part 193, without substantive changes, when it issued former OTS rules as OCC rules in 2011.[115] Part 193 requires Federal savings associations to make disclosures in financial statements filed in conversion applications or under the Securities Exchange Act. These disclosures are in addition to those required under GAAP.

The OCC has determined that the additional financial disclosures required by part 193 are, in most cases, substantially similar to and largely repetitive of otherwise applicable public disclosure requirements that a Federal savings association or its holding company must satisfy under the Securities Act, the Exchange Act, or OCC regulations, as appropriate. Therefore, the OCC proposes to delete part 193. Federal savings associations still will be required to follow GAAP reporting and disclosure requirements.[116]

[108] 12 U.S.C. 1831p–1.

[109] 12 CFR part 30, appendix A. The OCC, FDIC, and Federal Reserve Board also issued joint agency guidance on incentive compensation in 2010. *See* 75 FR 36395 (June 25, 2010).

[110] *See* 76 FR 21170 for the joint proposed rule. A final rule has not yet been issued.

[111] *Interagency Policy Statement on Funding and Liquidity Risk Management,* 75 FR 13656 (Mar. 13, 2010).

[112] Section 163.172 is included in the fourth EGRPRA **Federal Register** notice, the comment period for which closes on March 22, 2016. As indicated previously in this preamble, the OCC will consider comments received on § 163.172 in response to both this NPRM and the fourth EGRPRA notice when finalizing this rulemaking.

[113] 39 FR 24223 (July 1, 1974).

[114] 54 FR 49627 (Nov. 30, 1989).

[115] 76 FR 48949 (Aug. 9, 2011).

[116] We note that in response to our interim final rule and request for comments on the republication of former OTS rules, the OCC received a comment letter requesting that it delete the reference to real estate investment trusts from § 193.102. *See* Docket ID OCC–2011–0016. This comment is moot in light of our proposed removal of part 193 in its entirety.

III. Request for Comments

The OCC encourages comment on any aspect of this proposal and especially on those issues noted in this preamble.

IV. Regulatory Analysis

Regulatory Flexibility Act

Pursuant to the Regulatory Flexibility Act (RFA), an agency must prepare a regulatory flexibility analysis for all proposed and final rules that describes the impact of the rule on small entities.[117] Under section 605(b) of the RFA, this analysis is not required if the head of the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities and publishes its certification and a short explanatory statement in the **Federal Register** along with its rule.

The OCC currently supervises approximately 1,055 small entities.[118] Because some of the proposal's provisions could impact any national bank and other provisions could impact any Federal savings association, the proposal could impact a substantial number of OCC-supervised small entities.

If the proposal is implemented, we believe that substantially all of national banks' and Federal savings associations' direct costs will be associated with reviewing the amendments and, when necessary, modifying policies and procedures to correct any inconsistencies between banks' and savings associations' internal policies and the modified rules. We estimate that the monetized direct cost per national bank/Federal savings association will range from a low of approximately $1 thousand to a high of approximately $8 thousand. Using the upper bound average direct cost per national bank or Federal savings association, we believe the proposal might have a significant economic impact on approximately three OCC-supervised small entities, which is not a substantial number.[119] Therefore, the OCC has concluded that the final rule does not have a significant economic impact on a substantial number of small entities supervised by the OCC.

Unfunded Mandates Reform Act of 1995

Section 202 of the Unfunded Mandates Reform Act of 1995 (UMRA) requires that an agency prepare a budgetary impact statement before promulgating a rule that includes a Federal mandate that may result in the expenditure by State, local, and tribal governments, in the aggregate, or by the private sector of $100 million or more in any one year. Under Title II of the UMRA, indirect costs, foregone revenues and opportunity costs are not included when determining if a mandate meets or exceeds UMRA's cost threshold. The UMRA does not apply to regulations that incorporate requirements specifically set forth in law. If a budgetary impact statement is required, section 205 of the UMRA also requires an agency to identify and consider a reasonable number of regulatory alternatives before promulgating a rule. Our estimated UMRA cost is less than $1 million.

Paperwork Reduction Act

Under the Paperwork Reduction Act of 1995,[120] the OCC may not conduct or sponsor, and a person is not required to respond to, an information collection unless the information collection displays a valid OMB control number. The OCC has submitted the information collection requirements imposed by this proposed rule to OMB for review, with the exception of requirements being removed or undergoing a nonmaterial change. Those collections will be submitted to OMB at the final rule stage.

Section 5.20(b) would be amended to codify the requirements now imposed in a scope up/scope down application under § 5.53(v). Section 5.33(g)(4)(i) would be amended to eliminate the need for a prior waiver request for an FDIC-insured mutual depository institution as a resulting institution in a combination involving a Federal mutual savings association. A nonmaterial change will be filed with OMB for these revisions.

Section 9.18(b)(1) would be revised to replace the requirement that a national bank make a copy of any collective investment fund plan available for public inspection at its main office with the requirement that the plan could instead be available to the public on its Web site. A nonmaterial change will be filed with OMB for this revision.

Part 194 would be removed and Federal savings associations would follow part 11. Section 11.3 would be revised to require that fewer copies be filed and to allow electronic signatures. A nonmaterial change will be filed with OMB for these revisions.

Section 12.4(b) would be amended to allow institutions to direct a broker-dealer to mail confirmations to customers without requiring a duplicate or other form of notification specified in § 12.4 or 12.5 to be sent by the institution. Sections 12.101 and 12.102 would remove the disclosure of remuneration for mutual fund transactions and electronic communications. Sections 151.60(a) and 151.60(b) would be amended to include the less detailed maintenance and storage procedures for customer securities transaction records found in part 12. Section 151.60(b) also would be amended to allow use of a third-party service provider for records storage and maintenance. Section 151.80 would be amended to provide that a Federal savings association that has previously determined compensation in a written agreement with the customer would not need to provide a remuneration statement for each securities transaction. The Recordkeeping Requirements for Securities Transactions information collection covering parts 12 and 151 was submitted to OMB for review:

Title: Recordkeeping Requirements for Securities Transactions.

OMB Control No.: 1557–0142.

Frequency of Response: On occasion.

Affected Public: Businesses or other for-profit organizations.

Estimated Number of Respondents:

Current: 399.

Revised: 399.

Estimated Total Annual Burden:

Current: 2,315 hours.

Revised: 1,916 hours.

Part 197 would be removed and Federal savings associations would follow part 16. In addition, § 16.5 would be amended to provide additional exemptions for private placements and sales of certain fractional interests. The filing requirement in § 197.18 for periodic reports on sales of securities would be removed and Federal savings associations with total assets exceeding $10,000,000 and a class of equity security (other than exempted security) held of record by 2,000 or more persons would be subject to Exchange Act periodic and current reporting requirements. Section 16.17 would reduce from four to one the number of

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[117] *See* 5 U.S.C. 601 *et seq.*

[118] We base our estimate of the number of small entities on the Small Business Administration's (SBA) size thresholds for commercial banks and savings institutions, and trust companies, which are $550 million and $38.5 million, respectively. Consistent with the General Principles of Affiliation 13 CFR 121.103(a), we count the assets of affiliated financial institutions when determining if we should classify a bank we supervise as a small entity. We use December 31, 2014, to determine size because a ''financial institution's assets are determined by averaging the assets reported on its four quarterly financial statements for the preceding year.'' *See* footnote 8 of the SBA's *Table of Size Standards.*

[119] The OCC classifies the economic impact of total costs on a national bank or Federal savings association as significant if the total estimated costs in a single year are greater than 5 percent of total salaries and benefits or greater than 2.5 percent of total non-interest expense. We believe three is not a substantial number because it represents less than one percent of OCC-supervised small entities.

[120] 44 U.S.C. 3501 *et seq.*

copies that must submitted of all registration statements, offering documents, amendments, notices, or other documents and from four to two the number of copies of amendments. In addition, documents may be signed electronically using the signature provision in SEC Rule 402. The Securities Offering Disclosure information collection covering parts 16 and 197 has been submitted to OMB for review:

Title: Securities Offering Disclosure Rules.

OMB Control No.: 1557–0120.

Frequency of Response: On occasion.

Affected Public: Businesses or other for-profit organizations.

Estimated Number of Respondents:

Current: 61.

Revised: 37.

Estimated Total Burden:

Current: 1,310 hours.

Revised: 814 hours.

Part 18 would be removed and the related information collection, OMB Control No. 1557–0182, would be discontinued.

Section 31.3(d) would be added to provide procedures to be followed when seeking exemption from 23A of the Federal Reserve Act. A request for a new control number for this collection has been submitted to OMB:

Title: Extensions of Credit to Insiders and Transactions with Affiliates.

OMB Control No.: 1557–NEW.

Frequency of Response: On occasion.

Affected Public: Businesses or other for-profit organizations.

Estimated Number of Respondents: 1 respondent.

Estimated Total Annual Burden: 10 hours.

The notice requirement in § 155.310, requiring a Federal savings association to file a written notice with the OCC at least 30 days prior to establishing a transactional Web site, would be removed under the proposed rule. Therefore, OMB Control No. 1557–0301, covering § 155.310, will be discontinued at the final rule stage.

The proposed rule would remove duplicative reporting requirements found in §§ 162.1 and 162.4. The General Reporting and Recordkeeping information collection covering part 162 has been submitted to OMB for review:

Title: General Reporting and Recordkeeping.

OMB Control No.: 1557–0266.

Frequency of Response: On occasion.

Affected Public: Businesses or other for-profit organizations.

Estimated Number of Respondents:

Current: 500.

Revised: 500.

Estimated Total Annual Burden:

Current: 68,345 hours.

Revised: 67,845 hours.

Comments are invited on:

(a) Whether the collections of information are necessary for the proper performance of the functions of the OCC, including whether the information has practical utility;

(b) The accuracy of the OCC's estimates of the burden of the collections of information;

(c) Ways to enhance the quality, utility, and clarity of the information to be collected;

(d) Ways to minimize the burden of the collections on respondents, including through the use of automated collection techniques or other forms of information technology; and

(e) Estimates of capital or start-up costs and costs of operation, maintenance, and purchase of services to provide information.

V. Redesignation Tables

Subject	Current rule	Proposed rule.
Electronic Notice for Securities Transactions	12 CFR 151.110	Removed.
Transactions with Affiliates	163.41	§ 31.3.
Loans by savings associations to their executive officers, directors and principal shareholders.	163.43	§ 31.2.
Management and Financial Policies	163.161	Removed.
Periodic Reports	12 CFR 163.180(a)	Removed.
Notification of Loss and Reports of Increase in Deductible Amount of Bond	12 CFR 163.180(c)	§ 7.2013.
Bonds for Directors, Officers, Employees, and Agents; Form of and Amount of Bonds.	12 CFR 163.190	§ 7.2013.
Bonds for Agents	12 CFR 163.191	§ 7.2013.
Accounting Requirements	12 CFR part 193	Removed.
Securities of Federal Savings Associations	12 CFR part 194	12 CFR part 11.
Requirements under certain sections of the Securities Exchange Act of 1934.	§ 194.1	§ 11. 2. § 11.3. § 11.4.
Liability for certain statements by Federal savings associations	§ 194.3	
Form and content of financial statements	§ 194.210	§ 11.2.
Application of this subpart	§ 194.801	
Description of business	§ 194.802	
Securities Offerings	12 CFR part 197	12 CFR part 16.
Definitions	§ 197.1	§ 16.2.
Offering circular requirement	§ 197.2(a)	§ 16.3(a).
—In General.		
—Communications not deemed an offer	§ 197.2(b)	§ 16.4.
—Preliminary offering circular	§ 197.2(c)	§ 16.3(b).
Exemptions	§ 197.3	§ 16.5.
Non-public offering	§ 197.4	§ 16.7.
Filing and signature requirements	§ 197.5	§ 16.17.
Effective date	§ 197.6	§ 16.16.
Form, content, and accounting	§ 197.7	§ 16.15.
Use of the offering circular	§ 197.8	§ 16.18.
Escrow requirement	§ 197.9	§ 16.31.
Unsafe or unsound practices	§ 197.10	§ 16.32.
Withdrawal or abandonment	§ 197.11	§ 16.19.
Securities sale report	§ 197.12	
Public disclosure and confidential treatment	§ 197.13	§ 16.17(f).
Waiver	§ 197.14	
Requests for interpretive advice or waiver	§ 197.15	§ 16.30.

Subject	Current rule	Proposed rule.
Delayed or continuous offering and sale of securities	§ 197.16	
Sales of securities at an office of a savings association	§ 197.17	§ 16.10.
Current and periodic reports	§ 197.18	
Approval of the security	§ 197.19	
Filing of copies of offering circulars in certain exempt offerings	§ 197.21	
Form for Securities Sale Report (Appendix A)	§ 197, Appendix A	

List of Subjects

12 CFR Part 4

Administrative practice and procedure, Freedom of information, Individuals with disabilities, Minority businesses, Organization and functions (Government agencies), Reporting and recordkeeping requirements, Women.

12 CFR Part 5

Administrative practice and procedure, Federal savings associations, National banks, Reporting and recordkeeping requirements, Securities.

12 CFR Part 7

Computer technology, Credit, Insurance, Investments, Federal savings associations, National banks, Reporting and recordkeeping requirements, Securities, Surety bonds.

12 CFR Part 9

Estates, Investments, National banks, Reporting and recordkeeping requirements, Trusts and trustees.

12 CFR Part 10

Federal savings associations, National banks, Reporting and recordkeeping requirements, Securities.

12 CFR Part 11

Confidential business information, Federal savings associations, National banks, Reporting and recordkeeping requirements, Securities.

12 CFR Part 12

National banks, Reporting and recordkeeping requirements, Securities.

12 CFR Part 16

Federal savings associations, National banks, Reporting and recordkeeping requirements, Securities.

12 CFR Part 18

National banks, Reporting and recordkeeping requirements.

12 CFR Part 31

Credit, Federal savings associations, National banks, Reporting and recordkeeping requirements.

12 CFR Part 150

Administrative practice and procedure, Reporting and recordkeeping requirements, Federal savings associations, Trusts and trustees.

12 CFR Part 151

Reporting and recordkeeping requirements, Federal savings associations, Securities, Trusts and trustees.

12 CFR Part 155

Accounting, Consumer protection, Electronic funds transfers, Reporting and recordkeeping requirements, Federal savings associations.

12 CFR Part 162

Accounting, Reporting and recordkeeping requirements, Federal savings associations.

12 CFR Part 163

Accounting, Administrative practice and procedure, Advertising, Conflict of interests, Crime, Currency, Investments, Mortgages, Reporting and recordkeeping requirements, Savings associations, Securities, Surety bonds.

12 CFR Part 193

Accounting, Federal savings associations, Securities.

12 CFR Part 194

Authority delegations (Government agencies), Reporting and recordkeeping requirements.

12 CFR Part 197

Reporting and recordkeeping requirements, Federal savings associations, Securities.

For the reasons set forth in the preamble, and under the authority of 12 U.S.C. 93a and 5412(b)(2)(B), chapter I of title 12 of the Code of Federal Regulations is proposed to be amended as follows:

PART 4—ORGANIZATION AND FUNCTIONS, AVAILABILITY AND RELEASE OF INFORMATION, CONTRACTING OUTREACH PROGRAM, POST–EMPLOYMENT RESTRICTIONS FOR SENIOR EXAMINERS

■ 1. The authority citation for part 4 is revised to read as follows:

Authority: 12 U.S.C. 1, 93a, 1820(d), 3301, 5321, 5412, and 5414. Subpart A also issued under 5 U.S.C. 552. Subpart B also issued under 5 U.S.C. 552; E.O. 12600 (3 CFR 1987 Comp., p. 235). Subpart C also issued under 5 U.S.C. 301, 552; 12 U.S.C. 161, 481, 482, 484(a), 1442, 1462a, 1463, 1464, 1817(a)(2) and (3), 1818(u) and (v), 1820(d)(6), 1820(k), 1821(c), 1821(o), 1821(t), 1831m, 1831p–1, 1831o, 1867, 1951 *et seq.,* 2601 *et seq.,* 2801 *et seq.,* 2901 *et seq.,* 3101 *et seq.,* 3401 *et seq.;* 15 U.S.C. 77uu(b), 78q(c)(3); 18 U.S.C. 641, 1905, 1906; 29 U.S.C. 1204; 31 U.S.C. 5318(g)(2), 9701; 42 U.S.C. 3601; 44 U.S.C. 3506, 3510. Subpart D also issued under 12 U.S.C. 1833e. Subpart E is also issued under 12 U.S.C. 1820(k).

§ 4.11 [Amended]

■ 2. Section 4.11 is amended by removing paragraph (b)(4).

§ 4.12 [Amended]

■ 3. Section 4.12 is amended by:
■ a. In paragraph (a), removing the phrase ''OCC records'' and replacing it with the phrase ''OCC and Office of Thrift Supervision (OTS) records'';
■ b. In paragraph (b)(8), adding ''and'' at the end;
■ c. In paragraph (b)(9), removing ''; and'' at the end and adding in its place a period; and
■ d. Removing paragraph (b)(10).

§ 4.14 [Amended]

■ 4. Section 4.14(c) is amended by:
■ a. Removing the phrase ''Disclosure Officer'', and adding in its place the phrase ''Freedom of Information Act Officer'';
■ b. Removing ''Large Bank Supervision'' and replacing it with the phrase ''the Large Bank Supervision Department''; and
■ c. Removing the phrase ''Licensing Department'', and adding in its place the phrase ''Licensing Division''.

§ 4.15 [Amended]

■ 5. Section 4.15(b) is amended by removing the phrase ''Disclosure Officer'', and adding in its place the phrase ''Freedom of Information Act Officer''.

§ 4.17 [Amended]

■ 6. Section 4.17(c) is amended by removing the phrase ''Communications Division, Office of the Comptroller of the Currency, 400 7th Street SW., Washington, DC 20219'', and adding in its place the phrase ''Financial

Management, Accounts Receivable, Office of the Comptroller of the Currency, 400 7th Street SW., Washington, DC 20219''.

§ 4.18 [Amended]

■ 7. Section 4.18 is amended by:
■ a. In paragraph (a), removing the word ''Department'' and replacing it with the word ''Division'', wherever it appears; and
■ b. In paragraph (b), removing the phrase ''Disclosure Officer'', and adding in its place the phrase ''Freedom of Information Act Officer''.

PART 5—RULES, POLICIES, AND PROCEDURES FOR CORPORATE ACTIVITIES

■ 8. The authority citation for part 5 continues to read as follows:

Authority: 12 U.S.C. 1 *et seq.,* 24a, 93a, 215a–2, 215a–3, 481, 1462a, 1463, 1464, 2901 *et seq.,* 3907, and 5412(b)(2)(B).

§ 5.8 [Amended]

■ 9. Section 5.8 is amended in paragraph (b) by:
■ a. Adding the phrase ''(if known at the time of publication of the notice)'' after the phrase ''the closing date of the public comment period''; and
■ b. Adding the phrase ''that the public may find information about the filing, (including the closing date of the comment period) in the OCC's Weekly Bulletin available at *www.occ.gov,''* before the phrase ''and any other information that the OCC requires''.
■ 10. Section 5.20 is amended by:
■ a. Adding a sentence at the end of paragraph (b);
■ b. Adding a sentence at the end of paragraph (c);
■ c. Reesignating the text in paragraph (l) as paragraph (l)(1) and adding a heading; and
■ d. Adding paragraph (l)(2).

The revisions and additions read as follows:

§ 5.20 Organizing a national bank or Federal savings association

* * * * *

(b) * * * An existing national bank or Federal savings association desiring to change the purpose of its charter shall submit an application and obtain prior OCC approval.

(c) * * * This section also describes the requirements for an existing national bank or Federal savings association to change the purpose of its charter and refers such institutions to § 5.53 for the procedures to follow.

* * * * *

(l) *Special purpose institutions*—(1) *In general.* * * *

(2) *Changes in charter purpose.* An existing national bank or Federal savings association whose activities are limited to a special purpose that desires to change to another special purpose, to add another special purpose, or to no longer be limited to a special purpose charter shall submit an application and obtain prior OCC approval under § 5.53. An existing national bank or Federal savings association whose activities are not limited that desires to limit its activities and become a special purpose institution shall submit an application and obtain prior OCC approval under § 5.53.

§ 5.21 [Amended]

■ 11. Section 5.21 is amended by:
■ a. In paragraph (j)(3)(i)(B), removing the phrase ''paragraph (j)(2)'' and replacing it with the phrase ''paragraph (j)(3)'';
■ b. In paragraphs (j)(3)(ii) and (iii), removing the phrase ''paragraph (j)(2)(i)(A)'' wherever it appears and replacing it with the phrase ''paragraph (j)(3)(i)(A)'';
■ c. In paragraph (j)(4), removing the phrase ''paragraph (j)(2)(i)'' and replacing it with the phrase ''paragraph (j)(3)(i)''; and
■ d. In paragraph (j)(4), removing the phrase ''paragraph (j)(2)(ii)'' and replacing it with the phrase ''paragraph (j)(3)(ii)''.

§ 5.33 [Amended]

■ 12. Section 5.33 is amended by:
■ a. In paragraph (i), removing the phrase ''the 45th day after the application is received by the OCC, or the 15th day after the close of the comment period, whichever is later,'' and adding in its place the phrase ''the 15th day after the close of the comment period,'';
■ b. In paragraph (n)(2)(iii), removing the phrase ''mutually held savings association,'' and adding in its place the phrase ''mutually held depository institution that is insured by the FDIC,'';
■ c. In paragraph (n)(2)(iii)(B), adding the phrase ''or a similar transaction under state law'' at the end of the sentence; and
■ d. In paragraph (o)(3)(i), removing the phrase ''paragraph (n)(3)'' and adding in its place the phrase ''paragraph (o)(3)''.

§ 5.45 [Amended]

■ 13. Section 5.45 is amended in paragraph (g)(4)(i) introductory text by removing the word ''After'' and adding in its place the phrase ''If prior approval is required pursuant to § 5.45(g), after''.
■ 14. Section 5.46 is amended by adding paragraph (i)(6) to read as follows:

§ 5.46 Changes in permanent capital

* * * * *

(i) * * *

(6) *Exception for accounting adjustments.* (i) Changes to the permanent capital accounts that result solely from application of U.S. generally accepted accounting principles are not subject to the prior approval or notice requirements in paragraphs (i)(1), (i)(3), or (i)(4) of this section, as applicable.

(ii) Within 30 days after the end of the quarter in which the adjustment occurred, a bank must notify the OCC if the accounting adjustment resulted in an increase or decrease to permanent capital in an amount greater than 5% of the bank's total permanent capital prior to the adjustments; or, if the bank is subject to a letter, order, directive, written agreement, or otherwise related to changes in permanent capital. The notification must include the amount and description of the adjustment, including the applicable provision of U.S. GAAP.

* * * * *

§ 5.50 [Amended]

■ 15. Section 5.50 is amended in paragraph (f)(2)(ii)(E) by removing ''§ 192.2(a)(39)'' and adding in its place ''§ 192.25''.
■ 16. Section 5.53 is amended by:
■ a. Removing the word ''or'' at the end of paragraph (c)(1)(iii);
■ b. Removing the period at the end of paragraph (c)(1)(iv) and adding in its place ''; or''; and
■ c. Adding a paragraph (c)(1)(v); and
■ d. Revising paragraph (d)(3)(ii).

The addition and revision read as follows:

§ 5.53 Substantial asset change by a national bank or Federal savings association.

* * * * *

(c) * * *

(1) * * *

(v) Any change in the purpose of the charter of the national bank or Federal savings association as described in § 5.20(l)(2).

(d) * * *

(3) * * *

(ii) *Additional factors.* The OCC's review of any substantial asset change that involves the purchase or other acquisition or other expansions of the bank's or savings association's operations or that involves a change in the purpose of the bank's or association's charter, as described in § 5.20(l)(2), will include, in addition to the foregoing factors, the factors governing the organization of a bank or savings association under § 5.20.

* * * * *

■ 17. Section 5.66 is amended by adding a sentence between the first and second sentences to read as follows:

§ 5.66 Dividends payable in property other than cash.

* * * A national bank shall submit a request for prior approval of a noncash dividend to the appropriate OCC licensing office. * * *

PART 7—ACTIVITIES AND OPERATIONS

■ 18. The authority citation for part 7 is revised to read as follows:

Authority: 12 U.S.C. 1 *et seq.,* 25b, 71, 71a, 92, 92a, 93, 93a, 95(b)(1), 481, 484, 1462a, 1463, 1464, 1465, 1818 and 5412(b)(2)(B).

■ 19. Section 7.2008 is amended by revising paragraphs (b) and (c) to read as follows:

§ 7.2008 Oath of directors.

* * * * *

(b) *Execution of the oath.* Each director shall execute either a joint or individual oath at the first meeting of the board of directors that the director attends after the director is appointed or elected. A director shall take another oath upon re-election, notwithstanding uninterrupted service. Appropriate sample oaths may be found in the Charter Booklet of the Comptroller's Licensing Manual available at *www.occ.gov*.

(c) *Filing and recordkeeping.* A national bank must file the original executed oaths of directors with the appropriate OCC licensing office, as defined in 12 CFR 5.3(c), and retain a copy in the bank's records.

■ 20. Section 7.2013 is amended by:

■ a. Revising paragraph (a) and paragraph (b) introductory text; and

■ b. In paragraph (b)(4), by adding the phrase ''or savings association'' after the word ''bank''.

The revisions read as follows:

§ 7.2013 Fidelity bonds covering officers and employees.

(a) *Adequate coverage.* All officers and employees of a national bank or Federal savings association must have adequate fidelity bond coverage. The failure of directors to require bonds with adequate sureties and in sufficient amount may make the directors liable for any losses that the bank or savings association sustains because of the absence of such bonds. Directors should not serve as sureties on such bonds. Directors should consider whether agents who have access to assets of the bank or savings association should also have fidelity bond coverage.

(b) *Factors.* The board of directors of the national bank or Federal savings association, or a committee thereof, must determine the amount of such coverage, premised upon a consideration of factors, including:

* * * * *

PART 9—FIDUCIARY ACTIVITIES OF NATIONAL BANKS

■ 21. The authority citation for part 9 continues to read as follows:

Authority: 12 U.S.C. 24 (Seventh), 92a, and 93a; 15 U.S.C. 78q, 78q–1, and 78w.

■ 22. Section 9.13 is amended by adding a sentence at the end of paragraph (a) to read as follows:

§ 9.13 Custody of fiduciary assets.

(a) * * * A bank that is deemed a fiduciary based solely on its provision of investment advice for a fee, as that capacity is defined in § 9.101(a), is not required to serve as custodian when offering those fiduciary services.

* * * * *

§ 9.14 [Amended]

■ 23. Section 9.14 is amended in paragraph (a) by adding the phrase ''or Federal Home Loan Bank'' after the phrase ''with the Federal Reserve Bank''.

■ 24. Section 9.18 is amended:

■ a. In paragraph (b)(1) by revising the second sentence; and

■ b. In paragraph (c)(2) by:

■ i. Removing ''$1,000,000'' and adding in its place ''$1,500,000''; and

■ ii. Adding a sentence at the end.

The revision and addition reads as follows:

§ 9.18 Collective investment funds.

(b) * * *

(1) * * * The bank shall make a copy of the Plan available either for public inspection at its main office during all banking hours or on its Web site and shall provide a written or electronic copy of the Plan to any person who requests it. * * *

* * * * *

(c) * * *

(2) * * * The OCC shall adjust this $1,500,000 threshold amount on January 1 of every year by the percentage increase in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI–W) that was in effect on the preceding June 1, rounded to the nearest $100 increment, and make this adjusted amount available to the public.

* * * * *

PART 10—MUNICIPAL SECURITIES DEALERS

■ 25. The authority citation for part 10 is revised to read as follows:

Authority: 12 U.S.C. 93a, 481, 1462a, 1464(c), 1818, and 5412(b)(2)(B); 15 U.S.C. 78o–4(c)(5) and 78q–78w.

■ 26. Amend § 10.1 by:

■ a. Adding the phrase ''or Federal savings association'' after the word ''bank'', wherever it appears;

■ b. In paragraph (b), removing the phrase ''to be'' and replacing it with the phrase ''will be'';

■ c. In paragraph (b), removing footnote 1; and

■ d. Adding a sentence at the end of paragraph (b).

The addition reads as follows.

§ 10.1 Scope.

* * * * *

(b) * * * MSRB rules may be obtained at *www.msrb.org*.

§ 10.2 [Amended]

■ 27. Amend § 10.2 by:

■ a. In paragraph (a):

■ i. Adding ''or Federal savings association'' after the phrase ''national bank'', wherever it appears; and

■ ii. Removing the phrase ''Rule G–7(b)(i)–(x)'' and replacing it with the phrase ''Rule G–7(b)'';

■ b. In paragraph (b):

■ i. Removing the word ''must'' and replacing it with the phrase ''or Federal savings association shall''; and

■ ii. Removing the phrase ''the bank as a municipal'' and replacing it with the phrase ''the national bank or Federal savings association as a municipal''; and

■ c. In paragraph (c), removing the phrase ''by contacting the OCC at 400 7th Street SW., Washington, DC 20219, Attention: Bank Dealer Activities'' and adding in its place ''at *http://www.banknet.gov/*''.

PART 11—SECURITIES EXCHANGE ACT DISCLOSURE RULES

■ 28. The authority citation for part 11 is revised to read as follows:

Authority: 12 U.S.C. 93a, 1462a, 1463, 1464 and 5412(b)(2)(B); 15 U.S.C. 78j–1(m), 78m, 78n, 78p, 78w, 78l, 7241, 7242, 7243, 7244, 7261, 7262, 7264, and 7265.

■ 29. Section 11.1, including the section heading, is revised to read as follows:

§ 11.1 Authority.

The Office of the Comptroller of the Currency (OCC) is vested with the powers, functions, and duties otherwise vested in the Securities and Exchange Commission (SEC) to administer and enforce the provisions of sections 10A(m), 12, 13, 14(a), 14(c), 14(d), 14(f), and 16 of the Securities Exchange Act of 1934, as amended (Exchange Act) (15 U.S.C. 78j–1(m), 78l, 78m, 78n(a), 78n(c), 78n(d), 78n(f), and 78p), and sections 302, 303, 304, 306, 401(b), 404, 406, and 407 of the Sarbanes-Oxley Act of 2002 (Sarbanes-Oxley Act), as

amended (15 U.S.C. 7241, 7242, 7243, 7244, 7261, 7262, 7264, and 7265), for national banks and Federal savings associations with one or more classes of securities subject to the registration provisions of sections 12(b) and (g) of the Exchange Act (registered national banks or registered Federal savings associations). Further, the OCC has general rulemaking authority under 12 U.S.C. 93a, 1462a, 1463, and 1464, to promulgate rules and regulations concerning the activities of national banks and Federal savings associations.

■ 30. Section 11.2, including the section heading, is revised to read as follows:

§ 11.2 Reporting requirements for registered national banks and Federal savings associations.

(a) *Filing, disclosure and other requirements.*—(1) *General.* Except as otherwise provided in this section, a national bank or Federal savings association whose securities are subject to registration pursuant to section 12(b) or section 12(g) of the Exchange Act (15 U.S.C. 78l(b) and (g)) shall comply with the rules, regulations, and forms adopted by the SEC pursuant to:

(i) Sections 10A(m), 12, 13, 14(a), 14(c), 14(d), 14(f), and 16 of the Exchange Act (15 U.S.C. 78j–1(m), 78l, 78m, 78n(a), (c), (d) and (f), and 78p); and

(ii) Sections 302, 303, 304, 306, 401(b), 404, 406, and 407 of the Sarbanes-Oxley Act (codified at 15 U.S.C. 7241, 7242, 7243, 7244, 7261, 7262, 7264, and 7265).

(2) [Reserved]

(b) *References to the Securities Exchange Commission, SEC, or Commission.* Any references to the ''Securities and Exchange Commission,'' the ''SEC,'' or the ''Commission'' in the rules, regulations and forms described in paragraph (a)(1) of this section with respect to securities issued by registered national banks or registered Federal savings associations shall be deemed to refer to the OCC unless the context otherwise requires.

(c) *References to registration requirements.* For national banks and Federal savings associations, any references to registration requirements under the Securities Act of 1933 and its accompanying rules in the rules, regulations, and forms described in paragraph (a)(1) of this section mean the registration requirements in 12 CFR part 16.

(d) *Emerging growth company eligibility*—(1) *General.* A national bank or Federal savings association that meets the criteria to qualify as an emerging growth company under section 3(a)(80) of the Exchange Act (15 U.S.C. 78c(a)(80)) shall be eligible for treatment as an emerging growth company for purposes of any rule, regulation or form described in paragraph (a)(1) of this section, except as provided in paragraph (d)(3) of this section.

(2) *Opt-in right.* With respect to an exemption provided to a national bank or Federal savings association that is an emerging growth company under this part, the bank or savings association may choose to forgo such exemption and instead comply with the requirements that apply to a bank or savings association that is not an emerging growth company.

(3) *Exclusions.* A national bank or Federal savings association that otherwise meets the definition of emerging growth company in section 3(a)(80) of the Exchange Act (15 U.S.C. 78c(a)(80)) shall not be considered an emerging growth company for purposes of this part if:

(i) The first sale of its common equity securities pursuant to an effective registration statement or offering circular occurred on or before December 8, 2011; or

(ii) It has reached the last day of its fiscal year following the fifth anniversary of the date of the first sale of its common equity securities pursuant to an effective registration statement or offering circular.

■ 31. Section 11.3 is amended by:

■ a. Revising paragraphs (a)(1) and (a)(3)(i) and the heading to paragraph (a)(3)(ii);

■ b. Adding a paragraph (a)(3)(iii);

■ c. Removing paragraph (a)(4); and

■ d. Removing the phrase '', at the address listed in paragraph (a) of this section'' in paragraph (b) and adding in its place the phrase '', at the address listed on *www.occ.gov*.''.

The revisions read as follows:

§ 11.3 Filing requirements and inspection of documents.

(a) *Filing requirements*—(1)(i) *In general.* Except as otherwise provided in this section, all papers required to be filed with the OCC pursuant to the Exchange Act or regulations thereunder shall be submitted to the Securities and Corporate Practices Division of the OCC electronically at *http://www.banknet.gov/*. Documents may be signed electronically using the signature provision in SEC Rule 12b–11 (17 CFR 240.12b–11).

(ii) *Electronic filing exception.* If a national bank or Federal savings association experiences unanticipated technical difficulties preventing the timely preparation and submission of an electronic filing, other than the filings described in paragraph (a)(3)(ii) of this section, the bank may, upon notice to the OCC's Securities and Corporate Practices Division, file the subject filing in paper format no later than one business day after the date on which the filing was to be made. Paper filings should be submitted to the Securities and Corporate Practices Division, Office of the Comptroller of the Currency at the address provided at *www.occ.gov*.

* * * * *

(3) *Date of filing*—(i) *General.* The date of filing is the date the OCC receives the filing, provided the person, bank, or savings association submitting the filing has complied with all applicable requirements. An electronic filing that is submitted on a business day by direct transmission commencing on or before 5:30 p.m. Eastern Standard or Daylight Savings Time, whichever is currently in effect, would be deemed received by the OCC on the same business day. An electronic filing that is submitted by direct transmission commencing after 5:30 p.m. Eastern Standard or Daylight Savings Time, whichever is currently in effect, or on a Saturday, Sunday, or Federal holiday, would be deemed received by the OCC on the next business day.

(ii) *Beneficial ownership filings.*

* * *

(iii) *Adjustment of filing date.* If an electronic filer in good faith attempts to file a document pursuant to this part in a timely manner but the filing is delayed due to technical difficulties beyond the electronic filer's control, the electronic filer may request that the OCC adjust the filing date of such document. The OCC may grant the request if it appears that such adjustment is appropriate and consistent with the public interest and the protection of investors.

* * * * *

■ 32. Section 11.4 is amended by revising paragraph (b) to read as follows:

§ 11.4 Filing fees.

* * * * *

(b) Fees must be paid by check payable to the Comptroller of the Currency or by other means acceptable to the OCC.

PART 12—RECORDKEEPING AND CONFIRMATION REQUIREMENTS FOR SECURITIES TRANSACTIONS

■ 33. The authority citation for part 12 continues to read as follows:

Authority: 12 U.S.C. 24, 92a, and 93a.

§ 12.1 [Amended]

■ 34. Section 12.1 is amended:

■ a. In paragraph (c)(1) by removing the phrase ''Securities and Exchange

Commission'' and adding in its place the phrase ''Securities and Exchange Commission (SEC)''; and

■ b. By removing the phrase ''Securities and Exchange Commission'' in paragraph (c)(2)(iii) and the phrase ''Securities and Exchange Commission (SEC)'' in paragraph (c)(2)(v), and adding ''SEC'' in their place.

■ 35. Sections 12.2 is amended by:

■ a. In paragraph (g)(3) by removing the phrase ''Securities and Exchange Commission'' and adding in its place ''SEC''; and

■ b. Revising paragraphs (i)(3) to read as follows.

§ 12.2 Definitions.

* * * * *

(i) * * *

(3) A security that is an industrial development bond.

* * * * *

■ 36. Section 12.3 is amended by adding a third sentence at the end of paragraph (b), to read as follows:

§ 12.3 Recordkeeping.

* * * * *

(b) * * * A national bank may contract with a third-party service provider to maintain the records, provided that the bank maintains effective oversight of the third-party service provider to ensure the records meet the requirements of this section.

■ 37. Section 12.4 is amended by revising paragraph (b) to read as follows:

§ 12.4 Content and time of notification.

* * * * *

(b) *Copy of the registered broker/dealer's confirmation.* A copy of the confirmation of a registered broker/dealer relating to the securities transaction, which the bank may direct the registered broker/dealer to send directly to the customer; and, if the customer or any other source will provide remuneration to the bank in connection with the transaction and a written agreement between the bank and the customer does not determine the remuneration, a statement of the source and amount of any remuneration that the customer or any other source is to provide the bank.

§ 12.7 [Amended]

■ 38. Section 12.7(d) is amended by removing the phrase ''Securities and Exchange Commission (SEC)'' adding in its place ''SEC''.

§ 12.9 [Amended]

■ 39. Section 12.9(b)(2) is amended by removing the phrase ''Securities and Exchange Commission (SEC)'' and adding in their place ''SEC''.

Interpretations [Removed]

§§ 12.101 through 12.102 [Removed]

■ 40. The undesignated center heading ''Interpretations'' and §§ 12.101 and 12.102 are removed.

PART 16—SECURITIES OFFERING DISCLOSURE RULES

■ 41. The authority citation for part 16 is revised to read as follows:

Authority: 12 U.S.C. 1 *et seq.,* 93a, 1462a, 1463, 1464, and 5412(b)(2)(B).

■ 42. Section 16.1 is amended by:

■ a. Revising paragraph (a); and

■ b. In paragraphs (b) and (c), removing the word ''bank'' wherever it appears and replacing it with the phrase ''national bank or Federal savings association''.

The revision reads as follows:

§ 16.1 Authority, purpose, and scope.

(a) *Authority.* This part is issued under the rulemaking authority of the Comptroller of the Currency (OCC) for national banks in 12 U.S.C. 1 *et seq.,* and 93a, and for Federal savings associations in 12 U.S.C. 1462a, 1463, 1464, and 5412(b)(2)(B).

* * * * *

■ 43. Section 16.2 is amended by:

■ a. In paragraph (a), removing the phrase ''Commission Rule'' and adding in its place ''SEC Rule'';

■ b. Removing paragraphs (b), (c), and (j) and redesignating paragraphs (d) through (f) as paragraphs (b) through (d), respectively; redesignating paragraphs (g) and (h) as paragraphs (f) and (g), respectively; and redesignating paragraphs (k) through (n) as paragraphs (j) through (m), respectively;

■ c. In newly designated paragraph (b), remove ''2(12)'' and ''77b(12))'' and add ''2(a)(12)'' and ''77b(a)(12))'', respectively, in their places;

■ d. In newly redesignated paragraph (c), remove ''78a through 78jj'' and add ''78a *et seq.''* in its place;

■ e. Adding new paragraphs (e), (h), and (n);

■ f. In newly redesignated paragraph (g) and paragraph (i), removing the word ''bank'' and replacing it with the phrase ''national bank or Federal savings association'';

■ g. In newly redesignated (j);

■ i. Removing ''2(2)'' and ''77b(2))'' and adding ''2(a)(2)'' and ''77b(a)(2))'', respectively, in their places; and

■ ii. Removing the word ''bank'' and replacing it with the phrase ''national bank and a Federal savings association'';

■ h. In newly redesignated (m), removing ''2(3)'' and ''77b(3))'' and adding ''2(a)(3)'' and ''77b(a)(3))'', respectively, in their places;

■ i. In paragraph (o), removing ''through 77aa'' and adding ''*et seq.''* in its place;

■ j. In paragraph (p), removing ''2(1)'' and ''77b(1))'' and adding ''2(a)(1)'' and ''77b(a)(1))'', respectively, in their places; and

■ k. In paragraph (q);

■ i. Removing ''2(11)'', ''77b(11))'', and ''2(11)'', and adding ''2(a)(11)'', ''77b(a)(11))'', and ''2(a)(11)'', respectively, in their places; and

■ ii. Removing the phrase ''Commission Rules'' and adding in its place ''SEC Rules''.

The additions read as follows:

§ 16.2 Definitions.

* * * * *

(e) *Federal savings association* means an existing Federal savings association chartered under section 5 of the Home Owners' Loan Act (HOLA) (12 U.S.C. 1464 *et seq.*) or a Federal savings association in organization.

* * * * *

(h) *National bank* means an existing national bank, a national bank in organization, or a Federal branch or agency of a foreign bank.

* * * * *

(n) *SEC* means the Securities and Exchange Commission. When used in the rules, regulations, or forms of the SEC referred to in this part, the term ''SEC'' shall be deemed to refer to the OCC.

* * * * *

§ 16.3 [Amended]

■ 44. Section 16.3 is amended by:

■ a. In paragraphs (a) introductory text and (b) introductory text, by removing the word ''bank'' and replacing it with the phrase ''national bank or Federal savings association''; and

■ b. In paragraph (c):

■ i. By removing ''Commission Rule'' and replacing it with ''SEC Rule'';

■ ii. By removing the citation ''section 4(3)'' and replacing it with the citation ''section 4(a)(3)''; and

■ iii. By removing the word ''bank'' and replacing it with the phrase ''national bank and Federal savings association''.

§ 16.4 [Amended]

■ 45. Section 16.4 is amended by removing the phrase ''Commission Rule'' and replacing it with the phrase ''SEC Rule'' wherever it occurs.

■ 46. Section 16.5 is amended by:

■ a. Revising the introductory text and paragraphs (a), (b), and (e);

■ b. In paragraph (f), removing the phrase ''Commission Rule'' and replacing it with the phrase ''SEC Rule''; and

■ c. In paragraph (g), removing the phrase ''Commission Regulation'' and

replacing it with the phrase ''SEC Regulation''.

The revisions read as follows.

§ 16.5 Exemptions.

The registration statement and prospectus requirements of § 16.3 of this part do not apply to an offer or sale of national bank or Federal savings association securities:

(a) If the securities are exempt from registration under section 3 of the Securities Act (15 U.S.C. 77c), but only by reason of an exemption other than section 3(a)(2) (exemption for bank securities), section 3(a)(5) (exemption for savings association securities), section 3(a)(11) (exemption for intrastate offerings), and section 3(a)(12) (exemption for bank holding company formation) of the Securities Act.

(b) In a transaction exempt from registration under section 4 of the Securities Act (15 U.S.C. 77d). SEC Rules 152 and 152a (17 CFR 230.152 and 230.152a) (which apply to sections 4(a)(2) and 4(a)(1) of the Securities Act) apply to this part;

* * * * *

(e) In a transaction that satisfies the requirements of SEC Rule 144, 144A, or 236 (17 CFR 230.144, 230.144A, or 230.236);

* * * * *

■ 47. Section 16.6 is amended by:

■ a. In paragraph (a) introductory text removing the word ''bank'' and replacing it with the phrase ''national bank or Federal savings association'';

■ b. Revising paragraphs (a)(1) and (5);

■ c. In paragraph (a)(3), removing the word ''bank'' and replacing it with the phrase ''national bank or Federal savings association''; and

■ d. In paragraph (b), removing the phrase ''Commission Rule'' and replacing it with the phrase ''SEC Rule'' wherever it occurs.

The revisions read as follows:

§ 16.6 Sales of nonconvertible debt.

(a) * * *

(1) The national bank or Federal savings association issuing the debt has securities registered under the Exchange Act or is a subsidiary of a holding company that has securities registered under the Exchange Act;

* * * * *

(5) Prior to or simultaneously with the sale of the debt, each purchaser receives an offering document that contains a description of the terms of the debt, the use of proceeds, and method of distribution, and incorporates the national bank's or Federal savings association's latest Consolidated Reports of Condition and Income (Call Report) and the national bank's, Federal savings association's, or the holding company's Forms 10–K, 10–Q, and 8–K (17 CFR part 249) filed under the Exchange Act; and

* * * * *

§ 16.7 [Amended]

■ 48. Section 16.7 is amended by:

■ a. Removing the phrase ''Commission Regulation'' and replacing it with the phrase ''SEC Regulation'', wherever it appears;

■ b. In paragraphs (a) introductory text and (b), by removing the word ''bank'' and replacing it with the phrase ''national bank or Federal savings association'';

■ c. In paragraph (b), removing the phrase ''Commission Rule'' and replacing it with the phrase ''SEC Rule''; and

■ d. In paragraph (c), by removing the word ''bank'' and replacing it with the phrase ''national bank or Federal savings association''.

§ 16.8 [Amended]

■ 49. Section 16.8 is amended:

■ a. By removing the phrase ''Commission Regulation'' and replacing it with the phrase ''SEC Regulation'', wherever it appears;

■ b. In paragraph (a), by removing the word ''bank'' and replacing it with the phrase ''national bank or Federal savings association''; and

■ c. In paragraph (b), by removing the word ''Commission's'' and replacing it with the word ''SEC's''.

■ 50. Section 16.9 is amended by:

■ a. Revising paragraph (a); and

■ b. In the introductory text and paragraphs (b) through (d), by removing the word ''bank'' and replacing it with the phrase ''national bank or Federal savings association'', wherever it appears.

The revision reads as follows:

§ 16.9 Securities offered and sold in holding company dissolution.

* * * * *

(a) The offer and sale of national bank or Federal savings association issued securities occurs solely as part of a dissolution in which the security holders exchange their shares of stock in a holding company that had no significant assets other than securities of the bank or savings association, for bank or savings association stock;

* * * * *

■ 51. Section 16.10 is added to read as follows:

§ 16.10 Sales of securities at an office of a Federal savings association.

Sales of securities of a Federal savings association or its affiliates at an office of a Federal savings association may be made only in accordance with the provisions of 12 CFR 163.76. For the purpose of this section, ''affiliate'' has the same meaning as in 12 CFR 161.4.

§ 16.15 [Amended]

■ 52. Section 16.15 is amended by:

■ a. In paragraph (a):

■ i. Removing the word ''Commission's'' and replacing it with the word ''SEC's''; and;

■ ii. Removing the phrase ''Commission regulations'' and replacing it with the phrase ''SEC regulations'';

■ b. In paragraph (b), by removing the phrase ''Commission Regulation'' and replacing it with the phrase ''SEC Regulation'';

■ c. In paragraphs (a) and (d), by removing the word ''bank'' and replacing it with the phrase ''national bank or Federal savings association''; and

■ d. In paragraph (e), by adding the phrase ''or Federal savings association'' after the word ''bank'', wherever it appears.

§ 16.16 [Amended]

■ 53. Section 16.16 is amended in paragraph (a) by removing the phrase ''Commission Regulation'' and replacing it with the phrase ''SEC Regulation''.

■ 54. Section 16.17 is revised to read as follows:

§ 16.17 Filing requirements and inspection of documents.

(a) Except as otherwise provided in this section, all registration statements, offering documents, amendments, notices, or other documents must be filed with the OCC's Securities and Corporate Practices Division electronically at *http://www.banknet.gov/*. Documents may be signed electronically using the signature provision in SEC Rule 402 (17 CFR 230.402).

(b) All registration statements, offering documents, amendments, notices, or other documents relating to a national bank or Federal savings association in organization must be filed with the appropriate district office of the OCC at *http://www.banknet.gov/*.

(c) Where this part refers to a section of the Securities Act or the Exchange Act or an SEC rule that requires the filing of a notice or other document with the SEC, that notice or other document must be filed with the OCC.

(d) Provided the person filing the document has complied with all requirements regarding the filing, including the submission of any fee required under § 16.33, the date of filing of the document is the date the OCC

receives the filing. An electronic filing that is submitted on a business day by direct transmission commencing on or before 5:30 p.m. Eastern Standard or Daylight Savings Time, whichever is currently in effect, would be deemed received by the OCC on the same business day. An electronic filing that is submitted by direct transmission commencing after 5:30 p.m. Eastern Standard or Daylight Savings Time, whichever is currently in effect, or on a Saturday, Sunday, or Federal holiday, would be deemed received by the OCC on the next business day. If an electronic filer in good faith attempts to file a document with the OCC in a timely manner but the filing is delayed due to technical difficulties beyond the electronic filer's control, the electronic filer may request that the OCC adjust the filing date of such document. The OCC may grant the request if it appears that such adjustment is appropriate and consistent with the public interest and the protection of investors.

(e) Notwithstanding paragraph (d) of this section, any registration statement or any post-effective amendment thereto filed pursuant to SEC Rule 462(b) (17 CFR 230.462(b)) shall be deemed received by the OCC on the same business day if its submission commenced on or before 10 p.m. Eastern Standard Time or Eastern Daylight Savings Time, whichever is currently in effect, and on the next business day if its submission commenced after 10 p.m. Eastern Standard or Daylight Savings Time, whichever is currently in effect, or any time on a Saturday, Sunday, or Federal holiday.

(f) *Electronic filing exception.* If a national bank or Federal savings association experiences unanticipated technical difficulties preventing the timely preparation and submission of an electronic filing, the bank or savings association may, upon notice to the OCC's Securities and Corporate Practices Division or district office, as appropriate, file the subject filing in paper format no later than one business day after the date on which the filing was to be made. Paper filings should be submitted to the OCC's Securities and Corporate Practices Division or appropriate district office, at the address provided at *www.occ.gov.*

(g) Any filing of amendments or revisions must include two copies, one of which must be marked to indicate clearly and precisely, by underlining or in some other appropriate manner, the changes made.

(h) The OCC will make available for public inspection copies of the registration statements, offering documents, amendments, exhibits, notices or reports filed pursuant to this part at the address identified in § 4.14 of this chapter.

■ 55. Section 16.30 is amended by revising paragraph (a) to read as follows:

§ 16.30 Request for interpretive advice or no-objection letter.

* * * * *

(a) File a copy of the request, including any supporting attachments, with the OCC's Securities and Corporate Practices Division at the address provided at *www.occ.gov;*

* * * * *

■ 56. Section 16.32 is amended:

■ a. By revising the title; and

■ b. In paragraph (a) introductory text and paragraph (a)(3) by removing the word ''bank'' and replacing it with the phrase ''national bank or Federal savings association''; and

■ c. In paragraph (d), removing the phrase ''Commission Rule'' and replacing it with the phrase ''SEC Rule''.

The revision reads as follows.

§ 16.32 Fraudulent transactions and unsafe or unsound practices.

* * * * *

■ 57. Section 16.33 is revised to read as follows:

§ 16.33 Filing fees.

(a) The OCC may require filing fees to accompany certain filings made under this part before it will accept those filings. The OCC provides an applicable fee schedule in the *Notice of Comptroller of the Currency Fees* published pursuant to § 8.8 of this chapter.

(b) Filing fees must be paid by check payable to the Comptroller of the Currency or by other means acceptable to the OCC.

PART 18 [REMOVED]

■ 58. Remove part 18.

PART 31—EXTENSIONS OF CREDIT TO INSIDERS AND TRANSACTIONS WITH AFFILIATES

■ 59. The authority citation for part 31 is revised to read as follows:

Authority: 12 U.S.C. 93a, 375a(4), 375b(3), 1463, 1467a(d), 1468, 1817(k), and 5412(b)(2)(B).

■ 60. Section 31.1 is revised to read as follows:

§ 31.1 Authority.

This part is issued pursuant to 12 U.S.C. 93a, 375a(4), 375b(3), 1463, 1467a(d), 1468, 1817(k), and 5412(b)(2)(B), as amended.

§ 31.2 [Amended]

■ 61. Section 31.2 is amended by:

■ a. In paragraph (a):

■ i. Removing the phrase ''A national bank and its'', and adding in its place the phrase ''National banks, Federal savings associations, and their''; and

■ ii. Adding ''(Regulation O)'' to the end of the sentence; and

■ b. In paragraph (b), adding '', Federal savings associations,'' after the word ''banks''.

■ 62. Add § 31.3 to read as follows:

§ 31.3 Affiliate transactions requirements.

(a) *General rule.* National banks and Federal savings associations shall comply with the provisions contained in 12 CFR part 223 (Regulation W).

(b) *Enforcement.* The Comptroller of the Currency administers and enforces affiliate transactions requirements as they apply to national banks and Federal savings associations.

(c) *Standard for exemptions.* The OCC may, by order, exempt transactions or relationships of a national bank or Federal savings association from the requirements of section 23A and section 11 of the Home Owners' Loan Act (HOLA), as applicable, and 12 CFR part 223 if:

(1) The OCC, jointly with the Federal Reserve Board, finds the exemption to be in the public interest and consistent with the purposes of section 23A or section 11 of the HOLA, as applicable; and

(2) The FDIC, within 60 days of receiving notice of such joint finding, does not object in writing to the finding based on a determination that the exemption presents an unacceptable risk to the Deposit Insurance Fund.

(d) *Procedures for exemptions.* A national bank or Federal savings association may request an exemption from the requirements of section 23A or section 11 of the HOLA, as applicable, and 12 CFR part 223 for a national bank or Federal savings association by submitting a written request to the Deputy Comptroller for Licensing with a copy to the appropriate Federal Reserve Bank. Such a request must:

(1) Describe in detail the transaction or relationship for which the national bank or Federal savings association seeks exemption;

(2) Explain why the OCC should exempt the transaction or relationship;

(3) Explain how the exemption would be in the public interest and consistent with the purposes of section 23A or section 11 of the HOLA, as applicable; and

(4) Explain why the exemption does not present an unacceptable risk to the Deposit Insurance Fund.

■ 63. Appendix B to part 31 is amended by:

■ a. Revising the title;
■ b. Revising the introductory note;
■ c. Removing the references ''part 31'', ''Part 31'', and ''Parts 31 and 32'' and adding in their place the references ''part 215'', ''Part 215'', and ''parts 32 and 215'', respectively, wherever they appear;
■ d. Under the heading ''Definition of 'Loan or Extension of Credit''', in the first sentence under ''Renewals'', removing the phrase ''will be applied in the same manner'' and adding in its place the phrase ''are equivalent''; and
■ e. Under the heading ''Combination/Attribution Rules'' in the fourth sentence, under ''Loans to corporate groups'', removing the word ''until'' and adding in its place the word ''unless''.

The revisions read as follows:

Appendix B to Part 31—Comparison of Selected Provisions of Parts 32 and 215

Note: This appendix compares certain provisions of 12 CFR part 32 with those of 12 CFR part 215. As used in this appendix, the term ''bank'' refers to both national banks and Federal savings associations.

* * * * *

PART 150—FIDUCIARY POWERS OF FEDERAL SAVINGS ASSOCIATIONS

■ 64. The authority citation for part 150 continues to read as follows:

Authority: 12 U.S.C. 1462a, 1463, 1464, 5412(b)(2)(B).

■ 65. Section 150.245 is added to read as follows:

§ 150.245 When is a fiduciary not required to maintain custody or control of fiduciary assets?

If you are deemed a fiduciary based solely on your provision of investment advice for a fee, as that capacity is defined in 12 CFR 9.101(a), you are not required to maintain custody or control of fiduciary assets as set forth in § 150.220 or 150.240.

PART 151–RECORDKEEPING AND CONFIRMATION REQUIREMENTS FOR SECURITIES TRANSACTIONS

■ 66. The authority citation for part 151 continues to read as follows:

Authority: 12 U.S.C. 1462a, 1463, 1464, 5412(b)(2)(B).

■ 67. Paragraph (3) in the definition of *Municipal security* in § 151.40 is revised to read as follows:

§ 151.40 What definitions apply to this part?

* * * * *

Municipal security means:

* * * * *

(3) A security that is an industrial development bond.

* * * * *

■ 68. Section 151.60 is revised to read as follows:

§ 151.60 How must I maintain my records?

(a) *In general.* The records required by § 151.50 must clearly and accurately reflect the information required and provide an adequate basis for the audit of the information. Record maintenance may include the use of automated or electronic records provided the records are easily retrievable, readily available for inspection, and capable of being reproduced in a hard copy.

(b) *Use of third party.* You may contract with third-party service providers to maintain the records required by this section, provided that you maintain effective oversight of the third-party vendor to ensure records meet the requirements of § 150.50 and this section.

■ 69. Revise § 151.80(b) to read as follows:

§ 151.80 How do I provide a registered broker-dealer confirmation?

* * * * *

(b) Unless you have determined remuneration in a written agreement with the customer, if you have received or will receive remuneration from any source, including the customer, in connection with the transaction, you must provide a statement of the source and amount of the remuneration in addition to the registered broker-dealer confirmation described in paragraph (a) of this section.

§ 151.110 [Removed]

■ 70. Section 151.110 is removed.

■ 71. Part 155 is revised to read as follows:

PART 155—ELECTRONIC OPERATIONS

Sec.
155.100 Scope.
155.200 Use of electronic means and facilities.
155.210 Requirements for using electronic means and facilities.

Authority: 12 U.S.C. 1462a, 1463, 1464, 5412(b)(2)(B).

§ 155.100 Electronic activities of Federal savings associations.

This part describes how a Federal savings association may provide products and services through electronic means and facilities.

§ 155.200 Use of electronic means and facilities.

(a) *General.* A Federal savings association may use, or participate with others to use, electronic means or facilities to perform any function, or provide any product or service, as part of an authorized activity. Electronic means or facilities include, but are not limited to, automated teller machines, automated loan machines, personal computers, the Internet, telephones, and other similar electronic devices.

(b) *Other.* To optimize the use of resources, a Federal savings association may market and sell, or participate with others to market and sell, electronic capacities and by-products to third-parties, if the savings association acquired or developed these capacities and by-products in good faith as part of providing financial services.

§ 155.210 Requirements for using electronic means and facilities.

To use electronic means and facilities under this subpart, a Federal savings association's management must:

(a) Identify, assess, and mitigate potential risks and establish prudent internal controls; and

(b) Implement security measures designed to ensure secure operations. Such measures must be adequate to:

(1) Prevent unauthorized access to the savings association's records and its customers' records;

(2) Prevent financial fraud through the use of electronic means or facilities; and

(3) Comply with applicable security devices requirements of part 168 of this chapter.

■ 72. Part 162 is revised to read as follows:

PART 162—ACCOUNTING AND DISCLOSURE STANDARDS

Sec.
162.1 Accounting and disclosure standards.

Authority: 12 U.S.C. 1463, 5412(b)(2)(B).

§ 162.1 Accounting and disclosure standards.

A Federal savings association shall follow U.S. generally accepted accounting principles (GAAP) and the disclosure standards included therein when complying with all applicable regulations, unless otherwise required by statute, regulation, or the OCC.

PART 163—SAVINGS ASSOCIATIONS—OPERATIONS

■ 73. The authority citation for part 163 continues to read as follows:

Authority: 12 U.S.C. 1462a, 1463, 1464, 1467a, 1817, 1820, 1828, 1831o, 3806, 5101 *et seq.,* 5412(b)(2)(B); 31 U.S.C. 5318; 42 U.S.C. 4106.

§ 163.41 [Removed]

■ 74. Remove § 163.41.

§ 163.43 [Removed]

■ 75. Remove § 163.43.

§ 163.161 [Removed and reserved]

■ 76. Remove and reserve § 163.161.

■ 77. Section 163.172 is amended by:

■ a. In paragraph (a), revising the paragraph heading and removing the word ''commitments'' and adding the word ''contracts'' in its place;

■ b. Revising paragraph (b), the heading to paragraph (c) and paragraph (c)(1);

■ c. In paragraph (c)(2), removing the word ''you'' and adding in its place the phrase ''a savings association'';

■ d. In paragraphs (c)(2) through (4) removing the word ''Your'', wherever it appears, and adding in its place the word ''The'';

■ e. In paragraph (c)(3)(ii), removing the word ''your'' and adding in its place the phrase ''the savings association's'';

■ f. Revising the heading to paragraph (d);

■ g. In paragraph (d)(1), removing the word ''Management'' and adding in its place the phrase ''The management of a Federal savings association''; and

■ h. Revising paragraph (e).

The revisions read as follows.

§ 163.172 Financial derivatives.

(a) *Definition.* * * *

(b) *Permissible financial derivatives transactions.* A Federal savings association may engage in a transaction involving a financial derivative if the savings association is authorized to invest in the assets underlying the financial derivative, the transaction is safe and sound, and the requirements in paragraphs (c) through (e) of this section are met. In general, a savings association that engages in a transaction involving a financial derivative should do so to reduce its risk exposure.

(c) *Board of directors' responsibilities.* (1) A Federal savings association's board of directors is responsible for effective oversight of financial derivatives activities.

* * * * *

(d) *Management responsibilities.*

* * *

(e) *Recordkeeping requirement.* A Federal savings association must maintain records adequate to demonstrate compliance with this section and with its board of directors' policies and procedures on financial derivatives.

§ 163.180 [Amended]

■ 78. Section 163.180 is amended by removing and reserving paragraphs (a) and (c).

§ 163.190 [Removed]

■ 79. Remove § 163.190.

§ 163.191 [Removed]

■ 80. Remove § 163.191.

PART 193 [REMOVED]

■ 81. Remove part 193.

PART 194—[REMOVED]

■ 82. Remove part 194.

PART 197 [REMOVED]

■ 83. Remove part 197.

Dated: March 2, 2016.

Thomas J. Curry,

Comptroller of the Currency.

[FR Doc. 2016–05089 Filed 3–11–16; 8:45 am]

BILLING CODE 4810–01–P

FEDERAL REGISTER

Vol. 81 Monday,
No. 49 March 14, 2016

Part VI

Environmental Protection Agency

40 CFR Part 68
Accidental Release Prevention Requirements: Risk Management Programs Under the Clean Air Act; Proposed Rule

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 68

[EPA–HQ–OEM–2015–0725; FRL–9940–94–OLEM]

RIN 2050–AG82

Accidental Release Prevention Requirements: Risk Management Programs Under the Clean Air Act

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule.

SUMMARY: The Environmental Protection Agency (EPA), in response to Executive Order 13650, is proposing to amend its Risk Management Program regulations. The proposed revisions include several changes to the accident prevention program requirements including an additional analysis of safer technology and alternatives for the process hazard analysis for some Program 3 processes, third-party audits and incident investigation root cause analysis for Program 2 and Program 3 processes, enhancements to the emergency preparedness requirements, increased public availability of chemical hazard information, and several other changes to certain regulatory definitions and data elements submitted in risk management plans. These proposed amendments seek to improve chemical process safety, assist local emergency authorities in planning for and responding to accidents, and improve public awareness of chemical hazards at regulated sources.

DATES:

Comments. Comments and additional material must be received on or before May 13, 2016. Under the Paperwork Reduction Act (PRA), comments on the information collection provisions are best assured of consideration if the Office of Management and Budget (OMB) receives a copy of your comments on or before April 13, 2016.

Public Hearing. The EPA will hold a public hearing on this proposed rule on March 29, 2016 in Washington, DC.

ADDRESSES: Comments. Submit comments and additional materials, identified by docket EPA–HQ–OEM–2015–0725 to the Federal eRulemaking Portal: *http://www.regulations.gov*. Follow the online instructions for submitting comments. Once submitted, comments cannot be edited or removed from Regulations.gov. The EPA may publish any comment received to its public docket. Do not submit electronically any information you consider to be Confidential Business Information (CBI) or other information whose disclosure is restricted by statute. Multimedia submissions (audio, video, etc.) must be accompanied by a written comment. The written comment is considered the official comment and should include discussion of all points you wish to make. The EPA will generally not consider comments or comment contents located outside of the primary submission (*i.e.,* on the web, cloud, or other file sharing system). For additional submission methods, the full EPA public comment policy, information about CBI or multimedia submissions, and general guidance on making effective comments, please visit *http://www2.epa.gov/dockets/commenting-epa-dockets*.

Public Hearing. A public hearing will be held in Washington, DC on March 29, 2016 at William J. Clinton East Building, Room 1153 (Map Room), 1201 Constitution Ave. NW., Washington, DC 20460. The hearing will convene at 9:00 a.m. through 8:00 p.m. The sessions will run from 9:00 a.m. to 12:00 Noon, with a break between 12:00 Noon and 1:00 p.m., continuing from 1:00 p.m. to 4:30 p.m., with a break from 4:30 to 5:30 p.m., and continuing from 5:30 p.m. to 8:00 p.m. Persons wishing to preregister may be assigned a time according to this schedule. The evening session beginning at 5:30 p.m. will be extended one hour after all scheduled comments have been heard to accommodate those wishing to make a comment as a walk-in registrant. Please register at *https://rmp-proposed-rule.eventbrite.com* to speak at the hearing. The last day to preregister in advance to speak at the hearing is March 24, 2016. Additionally, requests to speak will be taken the day of the hearing at the hearing registration desk, although preferences on speaking times may not be able to be fulfilled. If you require the service of a translator or special accommodations such as audio description, we ask that you pre-register for the hearing, on or before March 21, 2016, to allow sufficient time to arrange such accommodations.

The hearing will provide interested parties the opportunity to present data, views or arguments concerning the proposed action. The EPA will make every effort to accommodate all speakers who arrive and register. Because this hearing is being held at U.S. government facilities, individuals planning to attend the hearing should be prepared to show valid picture identification to the security staff in order to gain access to the meeting room. Please note that the REAL ID Act, passed by Congress in 2005, established new requirements for entering federal facilities. If your driver's license is issued by Alaska, American Samoa, Arizona, Kentucky, Louisiana, Maine, Massachusetts, Minnesota, Montana, New York, Oklahoma or the state of Washington, you must present an additional form of identification to enter the federal building. Acceptable alternative forms of identification include: Federal employee badges, passports, enhanced driver's licenses and military identification cards. In addition, you will need to obtain a property pass for any personal belongings you bring with you. Upon leaving the building, you will be required to return this property pass to the security desk. No large signs will be allowed in the building, cameras may only be used outside of the building and demonstrations will not be allowed on federal property for security reasons.

The EPA may ask clarifying questions during the oral presentations, but will not respond to the presentations at that time. Written statements and supporting information submitted during the comment period will be considered with the same weight as oral comments and supporting information presented at the public hearing. Verbatim transcripts of the hearing and written statements will be included in the docket for the rulemaking. The EPA will make every effort to follow the schedule as closely as possible on the day of the hearing; however, please plan for the hearing to run either ahead of schedule or behind schedule.

FOR FURTHER INFORMATION CONTACT: James Belke, United States Environmental Protection Agency, Office of Land and Emergency Management, 1200 Pennsylvania Ave. NW. (Mail Code 5104A), Washington, DC 20460; telephone number: (202) 564–8023; email address: *belke.jim@epa.gov*, or: Kathy Franklin, United States Environmental Protection Agency, Office of Land and Emergency Management, 1200 Pennsylvania Ave. NW. (Mail Code 5104A), Washington, DC 20460; telephone number: (202) 564–7987; email address: *franklin.kathy@epa.gov*.

Electronic copies of this Notice of Proposed Rulemaking (NPRM) and related news releases are available on EPA's Web site at *http://www.epa.gov/rmp*. Copies of this NPRM are also available at *http://www.regulations.gov*.

SUPPLEMENTARY INFORMATION: *Acronyms and Abbreviations.* We use multiple acronyms and terms in this preamble. While this list may not be exhaustive, to ease the reading of this preamble and for reference purposes, the EPA defines the following terms and acronyms here:

ACC American Chemistry Council

ACUS Administrative Conference of the United States
AFPM American Fuel & Petrochemical Manufacturers
AMWA Association of Metropolitan Water Agencies
AN ammonium nitrate
ANSI American National Standards Institute
API American Petroleum Institute
ASTM American Society for Testing and Materials
AUC Allied Universal Corp
AWWA American Water Works Association
AXPC American Exploration & Production Council
BSEE Bureau of Safety and Environmental Enforcement
BTMU Bank of Tokyo Mitsubishi
CAA Clean Air Act
CAAA Clean Air Act Amendments
CARB California Air Resources Board
CAS Chemical Abstracts Service
CBI confidential business information
CCHS Contra Costa County Health Services
CCPS Center for Chemical Process Safety
CEM European Committee for Standardization
CFATS Chemical Facility Anti-Terrorism Standards
CFR Code of Federal Regulations
CGA Compressed Gas Association
CI Chlorine Institute
CO2 Carbon dioxide
COS Center for Offshore Safety
CPCD Coalition to Prevent Chemical Disasters
CPSC Consumer Product Safety Commission
CRA Corn Refiners Association
CSAG Chemical Safety Advocacy Group
CSB Chemical Safety and Hazard Investigation Board
CSD Center for Science and Democracy
CSISSFRRA Chemical Safety Information, Site Security and Fuels Regulatory Relief Act
DHS Department of Homeland Security
DOI Department of the Interior
EPA Environmental Protection Agency
EPCRA Emergency Planning & Community Right-To-Know Act
FCC Federal Communications Commission
FDA Food and Drug Administration
FEMA Federal Emergency Management Agency
FOIA Freedom of Information Act
FPC Formosa Plastics Corporation
FR Federal Register
FRP facility response plan
GHG greenhouse gas
GHS Globally Harmonized System of Classification and Labelling of Chemicals
GPA Gas Processors Association
HAZOP hazard and operability study
HF hydrofluoric acid
IPAA Independent Petroleum Association of America
ISD inherently safer design
ISO industrial safety ordinance
ISOM isomerization
ISS inherently safer strategies
IST inherently safer technology
LEPC local emergency planning committee
LPG liquefied petroleum gas
MACT maximum achievable control technology
MIC methyl isocyanate
MKOPSC Mary Kay O'Connor Process Safety Center
MOC management of change
NACD National Association of Chemical Distributors
NAICS North American Industrial Classification System
NAM National Association of Manufacturers
NAS National Academy of Sciences
NASTTPO National Association of SARA Title III Program Officials
NIST National Institute of Standards and Technology
NJDEP New Jersey Department of Environmental Protection
NOPA National Oilseed Processors Association
NPRM Notice of Proposed Rulemaking
NRC Nuclear Regulatory Commission
NSPS New Source Performance Standards
NTTAA National Technology Transfer Advancement Act
NYDFS New York State Department of Financial Services
OCA offsite consequences analysis
OCS outer continental shelf
OHMERC Oklahoma Hazardous Materials Emergency Response Commission
OMB Office of Management and Budget
OSHA Occupational Safety and Health Administration
PCAOB Public Company Accounting Oversight Board
PE professional engineer
PHA process hazard analysis
PRA Paperwork Reduction Act
PREP preparedness for response exercise program
PSI process safety information
PSM process safety management
PSSAP Process Safety Site Assessment Program
PVC polyvinyl chloride
PwC PricewaterhouseCoopers
RAGAGEP recognized and generally accepted good engineering practices
RCRA Resource Conservation and Recovery Act
RFA Regulatory Flexibility Act
RFI request for information
RMP Risk Management Plan
SARA Superfund Amendments and Reauthorization Act
SBAR Small Business Advocacy Review
SBREFA Small Business Regulatory Enforcement Fairness Act
SDS safety data sheet
SDWA Safe Drinking Water Act
SEC Securities and Exchange Commission
SEMS Safety and Environmental Management Systems
SER small entity representative
SERC state emergency response commission
SOCMA Society of Chemical Manufacturers and Affiliates
SOP standard operating procedure
STAA safer technology and alternatives analysis
TCPA Toxic Catastrophe Prevention Act
TEPC tribal emergency planning committees
TERC tribal emergency response commission
TPA Texas Pipeline Association
TQ threshold quantity
TSCA Toxic Substances Control Act
UMRA Unfunded Mandates Reform Act
USCG United States Coast Guard
UST underground storage tank
USW United Steel Workers
VCM vinyl chloride monomer
VCS voluntary census standards

Organization of this Document. The contents of this preamble are:

I. General Information

A. Executive Summary

1. Purpose of the Regulatory Action

The purpose of this action is to improve safety at facilities that use and distribute hazardous chemicals. In response to catastrophic chemical facility incidents in the United States, including the explosion that occurred at the West Fertilizer facility in West, Texas, on April 17, 2013 that killed 15 people, President Obama issued Executive Order 13650, ''Improving Chemical Facility Safety and Security,'' on August 1, 2013.[1]

Section 6(a)(i) of Executive Order 13650 requires that various Federal agencies develop options for improved chemical facility safety and security that identify ''improvements to existing risk management practices through agency programs, private sector initiatives, Government guidance, outreach, standards, and regulations.'' One agency program presently in existence is the Risk Management Program implemented by EPA under section 112(r) of the Clean Air Act (42 U.S.C. 7412(r)). Section 6(c) of Executive Order 13650 requires the Administrator of EPA to review the chemical hazards covered by the Risk Management Program and expand, implement and enforce the Risk Management Program to address any additional hazards. As part of this effort to solicit comments and information from the public regarding potential changes to EPA's Risk Management Program regulations (40 CFR part 68), on July 31, 2014, EPA published a ''Request for Information'' notice or ''RFI'' (79 FR 44604).

EPA believes that the Risk Management Program regulations have been effective in preventing and mitigating chemical accidents in the United States. However, EPA believes that revisions could further protect human health and the environment from chemical hazards through advancement of process safety management based on lessons learned. These revisions are a result of a review of the existing Risk Management Program and information gathered from the RFI and Executive Order listening sessions.

2. Summary of the Major Provisions of the Regulatory Action

This action proposes to amend EPA's Risk Management Program regulations at 40 CFR part 68. These regulations apply to stationary sources (also referred to as ''facilities'') that hold specific ''regulated substances'' in excess of threshold quantities. These facilities are required to assess their potential release impacts, undertake steps to prevent releases, plan for emergency response to releases, and summarize this information in a risk management plan (RMP) submitted to EPA. The release prevention steps vary depending on the type of process, but progressively gain specificity and rigor over three program levels (*i.e.,* Program 1, Program 2, and Program 3).

The major provisions of this proposed rule include several changes to the accident prevention program requirements, as well as enhancements to the emergency response requirements, and improvements to the public availability of chemical hazard information. Each of these proposed revisions is introduced in the following paragraphs of this section and described in greater detail in sections IV through VI, later in this document.

Certain proposed provisions would apply to a subset of the processes based on program levels described in 40 CFR part 68 (or in one case, to a subset of processes within a program level). A full description of these program levels is provided in section II of this document.

a. Accident Prevention Program Revisions

This action proposes three changes to the accident prevention program requirements. First, the proposed rule would require all facilities with Program 2 or 3 processes to conduct a root cause analysis as part of an incident investigation of a catastrophic release or an incident that could have reasonably resulted in a catastrophic release (*i.e.,* a near-miss). This provision is intended to reduce the number of chemical accidents by requiring facilities to identify the underlying causes of an incident so that they may be addressed. Identifying the root causes, rather than isolating and correcting solely the immediate cause of the incident, will help prevent similar incidents at other locations, and will yield the maximum benefit or lessons learned from the incident investigation.

Second, the proposed rule would require regulated facilities with Program 2 or 3 processes to contract with an independent third-party to perform a compliance audit after the facility has a reportable release. Compliance audits are required under the existing rule, but are allowed to be self-audits (*i.e.,* performed by the owner or operator of the regulated facility). This provision is intended to reduce the risk of future accidents by requiring an objective auditing process to determine whether the owner or operator of the facility is effectively complying with the accident prevention procedures and practices required under 40 CFR part 68.

The third proposed revision to the prevention program would add an element to the process hazard analysis (PHA), which is updated every five years. Specifically, owners or operators of facilities with Program 3 regulated processes in North American Industrial Classification System (NAICS) codes 322 (paper manufacturing), 324 (petroleum and coal products manufacturing), and 325 (chemical manufacturing) would be required to conduct a safer technology and alternatives analysis (STAA) as part of their PHA, and to evaluate the feasibility of any inherently safer technology (IST) identified. The current PHA requirements include consideration of active, passive, and procedural measures to control hazards. The proposed modernization effort continues to support the analysis of those measures and adds consideration of IST alternatives. The proposed provision is intended to reduce the risk of serious accidental releases by requiring facilities in these sectors to conduct a careful examination of potentially safer technology and designs that they could implement in lieu of, or in addition to, their current technologies. Data compiled from RMPs suggest processes in these NAICS codes have a disproportionate share of reportable releases.

At this time, EPA is not proposing any additional requirements either for location of stationary sources (related to their proximity to public receptors) or emergency shutdown systems. However, EPA seeks comment on whether such requirements should be considered for future rulemakings, including the scope of such requirements, or whether the Agency should publish guidance.

b. Emergency Response Enhancements

This action also proposes to enhance the rule's emergency response requirements. Owners or operators of all facilities with Program 2 or 3 processes would be required to coordinate with the local emergency response agencies at least once a year to ensure that resources and capabilities are in place to respond to an accidental release of a regulated substance. As a result of improved coordination between facility owners and operators and local emergency response officials, EPA believes that some facilities that are currently designated as non-responding facilities may become responding

[1] For more information on the Executive Order see *https://www.whitehouse.gov/the-press-office/2013/08/01/executive-order-improving-chemical-facility-safety-and-security.*

facilities (*i.e.,* develop an emergency response program in accordance with § 68.95).

Additionally, all facilities with Program 2 or 3 processes would be required to conduct notification exercises annually to ensure that their emergency contact information is accurate and complete. This provision is intended to reduce the impact of accidents by ensuring that appropriate mechanisms and processes are in place to notify local responders when an accident occurs. One of the factors that can contribute to the severity of chemical accidents is a lack of effective coordination between a facility and local emergency responders. Increasing such coordination and establishing appropriate emergency response procedures can help reduce the effects of accidents.

This action also proposes to require that all facilities subject to the emergency response program requirements of subpart E of the rule (or ''responding facilities'') conduct a full field exercise at least once every five years and one tabletop exercise annually in the other years. Responding facilities that have an RMP reportable accident would also have to conduct a full field exercise within a year of the accident. The purpose of this provision is to reduce the impact of accidents by ensuring that emergency response personnel understand their roles in the event of an incident, that local responders are familiar with the hazards at a facility, and that the emergency response plan is up-to-date. Improved coordination with emergency response personnel will better prepare responders to respond effectively to an incident and take steps to notify the community of appropriate actions, such as shelter-in-place or evacuation.

c. Enhanced Availability of Information

This action proposes various enhancements to the public availability of chemical hazard information. The proposed rule would require all facilities to provide certain basic information to the public through easily accessible means such as a facility Web site. If no Web site exists, the owner or operator may provide the information at public libraries or government offices, or use other means appropriate for particular locations and facilities. In addition, a subset of facilities would be required, upon request, to provide the Local Emergency Planning Committee (LEPC), Tribal Emergency Planning Committee (TEPC) [2] or other local emergency response agencies with summaries related to: Their activities on compliance audits (facilities with Program 2 and Program 3 processes); emergency response exercises (facilities with Program 2 and Program 3 processes); accident history and investigation reports (all facilities that have had RMP reportable accidents); and any ISTs implemented at the facility (a subset of Program 3 processes). The proposed rule would also require all facilities to hold a public meeting for the local community within a specified timeframe after an RMP reportable accident. This provision will ensure that first responders and members of the community have easier access to appropriate facility chemical hazard information, which can significantly improve emergency preparedness and their understanding of how the facility is addressing potential risks.

In addition to the major provisions described previously in this section, this action proposes revisions to clarify or simplify the RMP submission. These changes are intended to reduce the compliance burden on facilities and increase their understanding of the RMP requirements. We are also proposing technical corrections to various provisions of the rule.

3. Costs and Benefits

a. Summary of Potential Costs

Approximately 12,500 facilities have filed current RMPs with EPA and are potentially affected by the proposed rule changes. These facilities range from petroleum refineries and large chemical manufacturers to water and wastewater treatment systems; chemical and petroleum wholesalers and terminals; food manufacturers, packing plants, and other cold storage facilities with ammonia refrigeration systems; agricultural chemical distributors; midstream gas plants; and a limited number of other sources, including Federal installations, that use RMP-regulated substances.

Table 1 presents the number of facilities according to the latest RMP reporting as of February 2015 by industrial sector and chemical use.

TABLE 1—NUMBER OF AFFECTED FACILITIES BY SECTOR

Sector	NAICS codes	Total facilities	Chemical uses
Administration of environmental quality programs (*i.e.*, governments).	924	1,923	Use chlorine and other chemicals for treatment.
Agricultural chemical distributors/wholesalers	111, 112, 115, 42491	3,667	Store ammonia for sale; some in NAICS 111 and 115 use ammonia as a refrigerant.
Chemical manufacturing	325	1,466	Manufacture, process, store.
Chemical wholesalers	4246	333	Store for sale.
Food and beverage manufacturing	311, 312	1,476	Use—mostly ammonia as a refrigerant.
Oil and gas extraction	211	741	Intermediate processing (mostly regulated flammable substances and flammable mixtures).
Other	44, 45, 48, 54, 56, 61, 72	248	Use chemicals for wastewater treatment, refrigeration, store chemicals for sale.
Other manufacturing	313, 326, 327, 33	384	Use various chemicals in manufacturing process, waste treatment.
Other wholesale	423, 424	302	Use (mostly ammonia as a refrigerant).
Paper manufacturing	322	70	Use various chemicals in pulp and paper manufacturing.
Petroleum and coal products manufacturing	324	156	Manufacture, process, store (mostly regulated flammable substances and flammable mixtures).
Petroleum wholesalers	4247	276	Store for sale (mostly regulated flammable substances and flammable mixtures).

[2] Note for the purposes of this document the term TEPC can be substituted for LEPC, as appropriate.

TABLE 1—NUMBER OF AFFECTED FACILITIES BY SECTOR—Continued

Sector	NAICS codes	Total facilities	Chemical uses
Utilities	221 (except 22131, 22132) ...	343	Use chlorine (mostly for water treatment).
Warehousing and storage	493	1,056	Use mostly ammonia as a refrigerant.
Water/wastewater Treatment Systems	22131, 22132	102	Use chlorine and other chemicals.
Total		12,542	

Table 2 presents a summary of the annualized costs estimated in the regulatory impact analysis.[3] In total, EPA estimates annualized costs of $158.3 million at a 3% discount rate and $161.0 million at a 7% discount rate.

TABLE 2—SUMMARY OF ANNUALIZED COSTS

[Millions, 2014 dollars]

Provision	3 (percent)	7 (percent)
Third-party Audits	$5.0	$5.0
Incident Investigation/Root Cause	0.8	0.8
STAA	34.8	34.8
Coordination	6.3	6.3
New Responders *	33.0	35.6
Notification Exercises	1.4	1.4
Facility Exercises	60.7	60.7
Information Sharing (LEPC)	11.7	11.7
Information Sharing (Public)	4.0	4.0
Public Meeting	0.4	0.4
Rule Familiarization	0.3	0.3
Total Cost +	158.3	161.0

* Reflects costs for some facilities to convert from ''non-responding'' to ''responding'' as a result of improved coordination with local emergency response officials.

+ Totals may not sum due to rounding.

The largest average annual cost of the proposed rule is the exercise costs for current responders ($60.7 million), followed by new responders (facilities that will comply with the emergency response program requirements of § 68.95 as a result of local coordination activities or receiving a written request from the facility's LEPC) ($35.6 million), STAA ($34.8 million), and information sharing (LEPC) ($11.7 million). The remaining provisions impose average annual costs under $10 million each, including coordination ($6.3 million), third-party audits ($5.0 million), information sharing (public) ($4.0 million), notification exercises ($1.4 million), incident investigation/root cause analysis ($0.8 million), public meetings ($0.4 million), and rule familiarization ($0.3 million).

b. Summary of Potential Benefits

EPA anticipates that promulgation and implementation of this rule would result in a reduction of the frequency and magnitude of damages from releases. Accidents and releases from RMP facilities occur every year, causing fires and explosions; damage to property; acute and chronic exposures of workers and nearby residents to hazardous materials, and resulting in serious injuries and death. Although we are unable to quantify what specific reductions may occur as a result of these proposed revisions, we are able to present data on the total damages that currently occur at RMP facilities each year. The data presented is based on a 10-year baseline period, summarizing RMP accident impacts and, when possible, monetizing them. EPA expects that some portion of future damages would be prevented through implementation of a final rule. Table 3 presents a summary of the quantified damages identified in the analysis.

TABLE 3—SUMMARY OF QUANTIFIED DAMAGES

[2014 dollars]

	Unit value	10-Year total	Average/ year	Average/ accident
On-site				
Fatalities	$8,583,113	$497,820,554	$49,782,055	$328,161
Injuries	50,000	105,150,000	10,515,000	69,314
Property Damage	.....	2,054,895,236	205,489,524	1,354,578

[3] A full description of costs and benefits for this proposed rule can be found in the *Regulatory Impact Analysis for Proposed Revisions to the Accidental Release Prevention Requirements: Risk Management Programs Under the Clean Air Act, Section 112(r)(7).* This document is available in the docket for this rulemaking (Docket ID Number EPA–HQ–OEM–2015–0725).

TABLE 3—SUMMARY OF QUANTIFIED DAMAGES—Continued

[2014 dollars]

	Unit value	10-Year total	Average/ year	Average/ accident
On-site Total	.....	2,657,865,790	265,786,579	1,752,053
Offsite				
Fatalities	$8,583,113	$8,583,113	$858,311	$5,658
Hospitalizations	36,000	6,804,000	680,400	4,485
Medical Treatment	1,000	14,807,000	1,480,700	9,761
Evacuations	181	6,992,327	699,233	4,609
Sheltering in Place	91	40,920,849	4,092,085	26,975
Property Damage	.....	11,352,105	1,135,211	7,483
Offsite Total	.....	89,459,394	8,945,939	58,971
Total	.....	2,747,325,184	274,732,518	1,811,024

EPA monetized both on-site and offsite damages. EPA estimated total average annual on-site damages of $265.8 million. The largest monetized average annual on-site damage was on-site property damage, which resulted in average annual damage of approximately $205.5 million. The next largest impact was on-site fatalities ($49.8 million) and injuries ($10.5 million).

EPA estimated total average annual offsite damages of $8.9 million. The largest monetized average annual offsite damage was from sheltering in place ($4.1 million), followed by medical treatment ($1.5 million), property damage ($1.1 million), fatalities ($0.9 million), evacuations ($0.7 million), and hospitalizations ($0.7 million).

In total, EPA estimated monetized damages from RMP facility accidents of $275 million per year. However, the monetized impacts omit many important categories of accident impacts including lost productivity, the costs of emergency response, transaction costs, property value impacts in the surrounding community (that overlap with other benefit categories), and environmental impacts. Also not reflected in the 10-year baseline costs are the impacts of non-RMP accidents at RMP facilities and any potential impacts of rare high consequence catastrophes. A final omission is related to the information provision. Reducing the probability of chemical accidents and the severity of their impacts, and improving information disclosure by chemical facilities, as the proposed provisions intend, would provide benefits to potentially affected members of society.

Table 4 summarizes four broad social benefit categories related to accident prevention and mitigation including prevention of RMP accidents, mitigation of RMP accidents, prevention and mitigation of non-RMP accidents at RMP facilities, and prevention of major catastrophes. The table explains each and identifies ten associated specific benefit categories, ranging from avoided fatalities to avoided emergency response costs. Table 4 also highlights and explains the information disclosure benefit category and identifies two specific benefits associated with it: Improved efficiency of property markets and allocation of emergency resources.

TABLE 4—SUMMARY OF SOCIAL BENEFITS OF PROPOSED RULE PROVISIONS

Broad benefit category	Explanation	Specific benefit categories
Accident Prevention	Prevention of future RMP facility accidents	• Reduced Fatalities.
Accident Mitigation	Mitigation of future RMP facility accidents	• Reduced Injuries.
Non-RMP accident prevention and mitigation	Prevention and mitigation of future non-RMP accidents at RMP facilities	• Reduced Property Damage. • Fewer People Sheltered in Place.
Avoided Catastrophes	Prevention of rare but extremely high consequence events.	• Fewer Evacuations. • Avoided Lost Productivity. • Avoided Emergency Response Costs. • Avoided Transaction Costs. • Avoided Property Value Impacts.* • Avoided Environmental Impacts.
Information Disclosure	Provision of information to the public and LEPCs.	• Improved efficiency of property markets. • Improved resource allocation.

* These impacts partially overlap with several other categories such as reduced health and environmental impacts.

B. Does this action apply to me?

This rule applies to those facilities (referred to as ''stationary sources'' under the CAA) that are subject to the chemical accident prevention requirements at 40 CFR part 68. This includes stationary sources holding more than a threshold quantity (TQ) of a regulated substance in a process. Table 5 below provides industrial sectors and the associated NAICS codes for entities potentially affected by this action. The Agency's goal is to provide a guide for readers to consider regarding entities that potentially could be affected by this action. However, this action may affect other entities not listed in this table. If you have questions regarding the applicability of this action to a particular entity, consult the person(s) listed in the introductory section of this action under the heading entitled **FOR FURTHER INFORMATION CONTACT**.

TABLE 5—INDUSTRIAL SECTORS AND ASSOCIATED NAICS CODES FOR ENTITIES POTENTIALLY AFFECTED BY PROPOSED ACTION

Sector	NAICS Code
Administration of Environmental Quality Programs	924.
Agricultural Chemical Distributors:	
Animal Production and Aquaculture	112.
Crop Production	111.
Farm Supplies Merchant Wholesalers	42491.
Support Activities for Agriculture and Forestry	115.
Beverage Manufacturing	3121.
Food Manufacturing	311.
Chemical and Allied Products Merchant Wholesalers	4246.
Chemical Manufacturing	325.
Oil and Gas Extraction	211.
Other[4]	313, 326, 327, 33, 44, 45, 48, 54, 56, 61, 72.
Other Wholesale:	
Merchant Wholesalers, Durable Goods	423.
Merchant Wholesalers, Nondurable Goods	424.
Paper Manufacturing	322.
Petroleum and Coal Products Manufacturing	324.
Petroleum and Petroleum Products Merchant Wholesalers	4247.
Utilities	221 (except 22131 and 22132 described below).
Warehousing and Storage	493.
Water/Wastewater Treatment Systems:	
Sewage Treatment Facilities	22132.
Water Supply and Irrigation Systems	22131.

II. Background

Recent catastrophic chemical facility incidents in the United States prompted President Obama to issue Executive Order 13650, ''Improving Chemical Facility Safety and Security,'' on August 1, 2013.[5] The purpose of the Executive Order is to enhance the safety and security of chemical facilities and reduce risks associated with hazardous chemicals to owners and operators, workers, and communities. The Executive Order establishes the Chemical Facility Safety and Security Working Group (''Working Group''), co-chaired by the Secretary of Homeland Security, the Administrator of EPA, and the Secretary of Labor or their designated representatives at the Assistant Secretary level or higher, and composed of senior representatives of other Federal departments, agencies, and offices. The Executive Order requires the Working Group to carry out a number of tasks whose overall aim is to prevent chemical accidents, such as the explosion that occurred at the West Fertilizer facility in West, Texas, on April 17, 2013.[6] In addition to the tragedy at the West Fertilizer facility, a number of other incidents have demonstrated a significant risk to the safety of American workers and communities. On March 23, 2005, explosions at the BP Refinery in Texas City, Texas, killed 15 people and injured more than 170 people.[7] On April 2, 2010, an explosion and fire at the Tesoro Refinery in Anacortes, Washington, killed seven people.[8] On August 6, 2012, at the Chevron Refinery in Richmond, California, a fire involving flammable fluids endangered 19 Chevron employees and created a large plume of highly hazardous chemicals that traveled across the Richmond, California, area.[9] Nearly 15,000 residents sought medical treatment due to the release. On June 13, 2013, a fire and explosion at Williams Olefins in Geismar, Louisiana, killed two people and injured many more.[10]

Section 6 of the Executive Order is entitled ''Policy, Regulation, and Standards Modernization.'' This section, among other things, requires certain Federal agencies to consider possible changes to existing chemical safety and security regulations. To solicit comments and information from the public regarding potential changes to EPA's Risk Management Program regulations (40 CFR part 68), on July 31, 2014, EPA published an RFI (79 FR 44604). Information collected through the RFI has informed this proposal. Readers are encouraged to review the RFI, as this action will not reiterate the full discussion of all of its topics.

EPA received a total of 579 public comments on the RFI. Several public comments were the result of various mass mail campaigns and contained numerous copies of letters or petition signatures. Approximately 99,710 letters and signatures were contained in these several comments. Discussion of RFI public comments pertaining to topics included in this proposal can be found below in section IV. Prevention Program Requirements, section V. Emergency Response Preparedness Requirements and section VI. Information Availability Requirements.

EPA seeks comment on the proposed amendments. Any suggestions for alternative options should include an appropriate rationale and supporting data for the Agency to be able to consider it for a final action.

[4] For descriptions of NAICS codes, see *http://www.census.gov/cgi-bin/sssd/naics/naicsrch*.

[5] For more information on the Executive Order see *https://www.whitehouse.gov/the-press-office/2013/08/01/executive-order-improving-chemical-facility-safety-and-security*.

[6] CSB. January 2016. Final Investigation Report, West Fertilizer Company Fire and Explosion, West, TX, April 17, 2013. REPORT 2013–02–I–TX. *http://www.csb.gov/west-fertilizer-explosion-and-fire-/*.

[7] U.S. Chemical Safety and Hazard Investigation Board (CSB). March 2007. Investigation Report: Refinery Explosion and Fire, BP, Texas City, Texas, March 23, 2005. Report No. 2005–04–I–TX. *http://www.csb.gov/assets/1/19/CSBFinalReportBP.pdf*.

[8] CSB. May 2014. Investigation Report: Catastrophic Rupture of Heat Exchanger, Tesoro Anacortes Refinery, Anacortes, Washington, April 2, 2010. Report No. 2010–08–I–WA. *http://www.csb.gov/assets/1/7/Tesoro_Anacortes_2014-May-01.pdf*.

[9] CSB. January 2014. Regulatory Report: Chevron Richmond Refinery Pipe Rupture and Fire, Chevron Richmond Refinery #4 Crude Unit, Richmond, California, August 6, 2012. Report No. 2012–03–I–CA. *http://www.csb.gov/assets/1/19/CSB_Chevron_Richmond_Refinery_Regulatory_Report.pdf*.

[10] CSB. June 27, 2013. Testimony of Rafael Moure-Eraso, Ph.D. Chairperson, CSB Before the U.S. Senate Committee on Environment and Public Works, pg. 8. *http://www.csb.gov/assets/1/19/CSB_Written_Senate_Testimony_6.27.13.pdf*.

A. Overview of EPA's Risk Management Program Regulations

Both EPA's 40 CFR part 68 RMP regulation [11] and Occupational Safety and Health Administration's (OSHA) 29 CFR 1910.119 Process Safety Management (PSM) standard were authorized in the Clean Air Act Amendments of 1990 (1990 CAAA). This was in response to a number of catastrophic chemical accidents occurring worldwide that had resulted in public and worker fatalities and injuries, environmental damage, and other community impacts. OSHA published the PSM standard in 1992 (57 FR 6356, February 24, 1992), as required by section 304 of the 1990 CAAA, using its authority under 29 U.S.C. 653.

The 1990 CAAA added accidental release provisions under section 112(r). The statute required EPA to develop a list of at least 100 regulated substances for accident prevention and related thresholds (CAA section 112(r)(3) through (5)), and authorized EPA to issue accident prevention regulations (CAA section 112(r)(7)(A)). The statute also required EPA to develop ''reasonable regulations'' requiring facilities with over a TQ of a regulated substance to undertake accident prevention steps and submit a ''risk management plan'' to various local, state, and Federal planning entities (CAA section 112(r)(7)(B)).

EPA published the RMP regulation in two stages. The Agency published the list of regulated substances and TQs in 1994 (59 FR 4478, January 31, 1994) (the ''list rule'') [12] and published the RMP final regulation, containing risk management requirements for covered sources, in 1996 (61 FR 31668, June 20, 1996) (the ''RMP rule'').[13] [14] Both the OSHA PSM standard and the EPA RMP rule aim to prevent or minimize the consequences of accidental chemical releases through implementation of management program elements that integrate technologies, procedures, and management practices. In addition to requiring implementation of management program elements, the RMP rule requires covered sources to submit (to EPA) a document summarizing the source's risk management program—called a Risk Management Plan (or RMP). The RMP rule required covered sources to comply with its requirements and submit initial RMPs to EPA by June 21, 1999. Each RMP must be revised and updated at least once every five years from the date the plan was initially submitted.

EPA later revised the list rule and the RMP rule. EPA modified the regulated list of substances by exempting solutions with less than 37% concentrations of hydrochloric acid (62 FR 45130, August 25, 1997). EPA also deleted the category of Department of Transportation Division 1.1 explosives, and exempted flammable substances in gasoline used as fuel and in naturally occurring hydrocarbon mixtures prior to initial processing (63 FR 640, January 6, 1998).

EPA subsequently modified the RMP rule five times. First, in 1999, EPA revised the facility identification data and contact information reported in the RMP (64 FR 964, January 6, 1999). Next, EPA revised assumptions for the worst case scenario analysis for flammable substances and clarified what the Agency means by chemical storage not incidental to transportation (64 FR 28696, May 26, 1999). After the Chemical Safety Information, Site Security and Fuels Regulatory Relief Act (CSISSFRRA) was enacted on August 5, 1999, EPA excluded regulated flammable substances when used as a fuel or held for sale as a fuel at a retail facility (65 FR 13243, March 13, 2000). Later, EPA restricted access to offsite consequence analysis (OCA) data for the public and government officials to minimize the security risks associated with posting the information on the Internet (65 FR 48108, August 4, 2000). Finally, EPA revised the RMP executive summary to remove a requirement to describe the OCA; revised reporting deadlines for RMP reportable accidents and emergency contact changes; and made other minor revisions to RMP facility contact information (69 FR 18819, April 8, 2004).

The RMP rule establishes three ''program levels'' for regulated processes:

Program 1 applies to processes that would not affect the public in the case of a worst-case release and that have had no accidents with specific offsite consequences within the past five years. Program 1 imposes limited hazard assessment requirements, requires coordination with local response agencies, and requires submission of an RMP.

Program 2 applies to processes not eligible for Program 1 or subject to Program 3, and imposes streamlined prevention program requirements, including safety information, hazard review, operating procedures, training, maintenance, compliance audits, and incident investigation elements. Program 2 also imposes additional hazard assessment, management, and emergency response requirements.

Program 3 applies to processes not eligible for Program 1 and either subject to OSHA's PSM standard under Federal or state OSHA programs or classified in one of ten specified industry sectors identified by their 2002 NAICS codes listed at § 68.10(d)(1). These industries were selected because they had a higher frequency of the most serious accidents as compared to other industry sectors. The ten NAICS codes and the industries they represent are 32211 (pulp mills), 32411 (petroleum refineries), 32511 (petrochemical manufacturing), 325181 (alkalies and chlorine manufacturing), 325188 (all other basic inorganic chemical manufacturing), 325192 (cyclic crude and intermediate manufacturing), 325199 (all other basic chemical manufacturing), 325211 (plastics material and resin manufacturing), 325311 (nitrogenous fertilizer manufacturing), or 32532 (pesticide and other agricultural chemicals manufacturing).[15] Program 3 imposes elements nearly identical to those in OSHA's PSM standard as the accident prevention program. The Program 3 prevention program includes requirements relating to process safety information (PSI), PHA, operating procedures, training, mechanical integrity, management of change (MOC), pre-startup review, compliance audits, incident investigations, employee participation, hot work permits, and contractors. Program 3 also imposes the same hazard assessment, management, and emergency response requirements that are required for Program 2.

On July 22, 2015, OSHA issued a revised interpretation to its PSM retail exemption at 29 CFR 119(a)(2)(i).[16] This

[11] 40 CFR part 68 is titled, ''Chemical Accident Prevention Provisions,'' but is more commonly known as the ''RMP regulation,'' the ''RMP rule,'' or the ''Risk Management Program.'' This document uses all three terms to refer to 40 CFR part 68. The term ''RMP'' refers to the document required to be submitted under subpart F of 40 CFR part 68, the Risk Management Plan. See *http://www2.epa.gov/rmp* for more information on the Risk Management Program.

[12] Documents and information related to development of the list rule can be found in the EPA docket for the rulemaking, docket number A–91–74.

[13] Documents and information related to development of the RMP rule can be found in EPA docket number A–91–73.

[14] 40 CFR part 68 applies to owners and operators of stationary sources that have more than a TQ of a regulated substance within a process. The regulations do not apply to chemical hazards other than listed substances held above a TQ within a regulated process.

[15] NAICS codes 325181 and 325188 are now combined and represented as 2012 revised NAICS code 325180 (other basic inorganic chemical manufacturing). NAICS code 325192 is now 2012 revised NAICS code 325194 (cyclic crude, intermediate, and gum and wood chemical manufacturing).

[16] See OSHA PSM Retail Exemption Policy *https://www.osha.gov/pls/oshaweb/owadisp.show_*

Continued

interpretation now only allows facilities in NAICS codes 44 and 45, the retail trade, to be eligible for the retail exemption. As a result of this change, many agricultural chemical distributors who sell bulk anhydrous ammonia and some chemical warehouses, are no longer exempt from the PSM standard. This makes them subject to RMP Program 3 requirements, whereas before most were covered under Program 2.

EPA believes the RMP rule has been effective in preventing and mitigating chemical accidents in the United States and protecting human health and the environment from chemical hazards. However, major incidents, such as the West, Texas, explosion, highlight the importance of reviewing and evaluating current practices and regulatory requirements, and applying lessons learned from other incident investigations to advance process safety where needed.

III. Additional Information

A. What actions are not addressed in this rule?

Under section 6 of Executive Order 13650, ''Improving Chemical Facility Safety and Security,'' the Executive Order Working Group (chaired by EPA, OSHA, and Department of Homeland Security [DHS]) was tasked with enhancing safety at chemical facilities by identifying key improvements to existing risk management practices through guidance, policies, procedures, outreach, and regulations. As part of this task, the Working Group solicited public comment on potential options for improving chemical facility safety. Additionally, EPA gathered information from the public regarding potential changes to EPA's Risk Management Program regulations (40 CFR part 68) via a RFI (79 FR 44604, July 31, 2014). Using the results from these efforts as well as information collected through implementing the Risk Management Program, EPA is proposing revisions to the RMP rule to advance chemical facility safety. However, this proposed rule does not address all of the topics included in the RFI. For example, EPA is not proposing any revisions to the list of regulated substances and is therefore not addressing ammonium nitrate (AN) in this proposed rule. EPA may propose listing additional hazardous substances in a separate action.

Currently AN is not listed as a regulated substance under the RMP rule or the OSHA PSM standard. Required safe handling and storage practices for AN are covered under OSHA's Explosives and Blasting Agents Standard (29 CFR 1910.109) and includes coverage of fertilizer grade AN in section 1910.109(i). Section 1910.109(k)(2) requires that manufacturing of explosives must meet requirements under OSHA's PSM standard (29 CFR 1910.119); this would include any explosive manufacturing process involving AN. OSHA is considering whether AN should be added to the § 1910.119 Appendix A list of chemicals subject to the PSM standard, which could expand the standard's applicability to include processes at fertilizer mixers, distributors and wholesalers who store and handle AN. OSHA is also considering whether to make changes to the AN storage and handling requirements in their Explosives and Blasting Agents standard, which has requirements for AN stored with and without, explosives and blasting agents. DHS is considering potential modifications of its Chemical Facility Anti-Terrorism Standards (CFATS) regulation, including reviewing the applicability and/or modification of screening TQs for chemicals of interest in Appendix A in 6 CFR part 27, which include AN (79 FR 48693, August 18, 2014).[17] We plan to coordinate any potential change to the list of substances 40 CFR part 68 with the actions of these other agencies. Therefore, EPA is not presently proposing that AN be added to the list of substances subject to the RMP rule, but the Agency may elect to propose such a listing at a later date.

B. What is the agency's authority for taking this action?

The statutory authority for this action is provided by section 112(r) of the CAA as amended (42 U.S.C. 7412(r)). Each of the portions of the Risk Management Program rule we propose to modify in this document are based on EPA's rulemaking authority under section 112(r)(7) of the CAA (42 U.S.C. 7412(r)(7)). A more detailed discussion of the underlying statutory authority for the current requirements of the Risk Management Program rule appears in the action that proposed the Risk Management Program (58 FR 54190, 54191–93 [Oct. 20, 1993]). The prevention program provisions discussed below (auditing, incident investigation, and safer technologies alternatives analysis) address the ''prevention and detection of accidental releases.'' The emergency coordination and exercises provisions in this rule modify existing provisions that provide for ''response to such release by the owners or operators of the sources of such releases.'' (CAA 112(r)(7)(B)(i)). This paragraph calls for EPA's regulations to recognize differences in ''size, operations, processes, class and categories of sources.'' In this document, we propose to maintain distinctions in prevention program levels and in response actions authorized by this provision. The information disclosure provisions discussed in this document generally assist in the development of ''procedures and measures for emergency response after an accidental release of a regulated substance in order to protect human health and the environment.'' This information disclosure ensures the emergency plans for impacts on the community are based on more relevant and accurate information than would otherwise be available and ensures that the public can become an informed participant in such emergency planning.

IV. Prevention Program Requirements

A. Incident Investigation and Accident History Requirements

1. Summary of Existing Investigation Requirements

Currently, owners or operators of facilities with processes subject to Program 2 and Program 3 are required to investigate each incident which resulted in, or could reasonably have resulted in a catastrophic release (§§ 68.60 and 68.81). The RMP rule defines a catastrophic release in § 68.3 as a major uncontrolled emission, fire, or explosion, involving one or more regulated substances that presents an imminent and substantial endangerment to public health and the environment. Imminent and substantial endangerment includes offsite consequences such as death, injury, or adverse effects to human health or the environment, or the need for the public to shelter-in-place or be evacuated to avoid such consequences.

Facility owners or operators are required to determine the factors that contributed to the incident and develop recommendations resulting from the investigation. The PHA (§ 68.67 (c)(2)) is required to address previous incidents which had a likely potential for catastrophic consequences. In the preamble to the existing final rule, EPA explained that while most catastrophic releases affect workers first, there are incidents where workers are protected but the public and the environment may be threatened (*e.g.,* emergency relief devices are designed to vent hazardous atmospheres away from the workplace

document?p_table=INTERPRETATIONS&p_id=29528.

[17] CFATS. 79 FR 48693, August 18, 2014. *http://www.regulations.gov/#!documentDetail;D=DHS-2014-0016-0001.*

and into the air where they may be carried downwind). The PHA should recognize and address the potential offsite impact associated with safety measures that protect workers (*e.g.,* by installing a control device on an emergency vent). The RMP rule requires that facility owners and operators consider such possibilities and integrate the protection of workers, the public, and the environment into one program. Thus, RMP facility owners and operators must investigate each significant incident which resulted in, or could reasonably have resulted in a catastrophic release with on- or offsite consequences.

2. Catastrophic Release Definition

In the 1996 final rule (61 FR 31687, June 20, 1996), EPA developed a definition of catastrophic release similar to the definition OSHA used in the PSM standard, with modifications to cover events that presented imminent and substantial endangerment to public health and the environment.[18] This ensured that owners or operators of sources covered by both OSHA and EPA requirements investigated not only accidents that threatened workers, but also those that threatened the public and the environment. Because EPA modified OSHA's definition of catastrophic releases so that offsite impacts were covered, there has been confusion among some owners and operators of facilities subject to the RMP rule; some believe they should not have to investigate accidents involving only workers for the purposes of fulfilling requirements under the RMP rule. EPA recognized that the PHA process must address potential offsite impacts associated with safety measures that also protect workers, and that the final rule would ensure that all sources routinely consider such possibilities and integrate protection of workers, the public and the environment into one program. In similar fashion, EPA believes that incident investigation was not intended to be and should not be limited to only those incidents with offsite impacts.

Learning from accident causes identified from incident investigations involving only workers can also lead to preventing incidents with further impacts to the surrounding community and therefore, findings and recommendations from all incidents, regardless of who is impacted, should be addressed. In the preamble to the 1996 final RMP rule (61 FR 31711, June 20, 1996), EPA emphasized that ''any incident with the potential for catastrophic consequences in the workplace will also have had the potential for catastrophic consequences offsite.'' Thus, facility owners or operators should be investigating incidents even if they only impacted workers, as these could have potentially been an accident impacting the public or the environment.

EPA has not defined or clarified the term ''imminent and substantial endangerment'' but did make revisions in the 1996 final RMP rule in order to better define accidents to be reported under the RMP accident history requirements. To make the requirement less vague and less subject to a wide variety of interpretations, the final rule required that accident history shall include all accidental releases from covered processes ''that resulted in deaths, injuries, or significant property damage on site, or known offsite deaths, injuries, evacuations, sheltering in place, property damage, or environmental damage.'' EPA also provided a definition for ''offsite'' and ''injury.''

EPA is proposing to modify the definition of catastrophic release to be identical to the description of accidental releases required to be reported under the accident history reporting requirements in § 68.42. The proposed definition, in § 68.3, replaces ''that presents imminent and substantial endangerment to public health and the environment'' with impacts that resulted in deaths, injuries, or significant property damage on-site, or known offsite deaths, injuries, evacuations, sheltering in place, property damage, or environmental damage. This better defines the impacts for incidents requiring investigations that caused or could have caused these impacts and clarifies EPA's intent, rather than leaving it open for interpretation. This is consistent with the accident impacts that must be reported under the 5-year accident history, which EPA considered relevant to include in 1996 ''because it may reflect safety practices at the source'' and because ''accidental releases from covered processes which resulted in deaths, injuries, or significant property damage on-site, involve failures of sufficient magnitude that they have the potential to affect offsite areas.'' [19]

As required by section 609(b) of the RFA, the EPA convened a Small Business Advocacy Review (SBAR) Panel to obtain advice and recommendations from small entity representatives (SERs) that would potentially be subject to the rule's requirements. As part of the SBAR Panel process, some SERs indicated that EPA's proposed modification of the definition of catastrophic release would in effect expand that definition, and thereby require investigation of incidents that did not fall under the previous definition. SERs noted that EPA's current definition includes releases that present an imminent and substantial endangerment to public health and the environment, and that such releases represent only ''major'' accidents, and not smaller releases that endanger only workers or on-site property. As noted above, EPA's view is that accidents with only on-site impacts warrant investigation because they have the potential to affect offsite areas. Additionally, since such accidents already clearly fall within the accident history reporting criteria, regulated sources would already need to investigate them, even without the incident investigation provisions, in order to determine the accident history information required under § 68.42, which includes data (*e.g.,* initiating event and contributing factors) that could only be determined through an investigation. Therefore, EPA believes that redefining the term catastrophic release to include the categories of accidents that require reporting under the accident history provisions clarifies, rather than expands, that definition. Nevertheless, EPA seeks comment on the proposed revision to the catastrophic release definition, whether it expands the scope of the current definition instead of clarifying it, and whether the definition should be limited to loss of life; serious injury; significant damage; or loss of offsite property.

3. Root Causes

The cause of an incident is often the result of a series of other problems that need to be addressed to prevent recurrences. For example, an operator's mistake may be the result of poor training, inappropriate procedures, or poor design of control systems; and equipment failure may result from improper maintenance, misuse of equipment (*e.g.,* operating at too high a temperature), or use of incompatible materials. These types of causes are commonly referred to as causal factors (also known as contributing causes, contributory causes, contributing

[18] The OSHA definition of *catastrophic release* is similar to the current definition of the term in the RMP rule. However, OSHA's definition pertains to incidents that present serious danger to employees in the workplace. (see 29 CFR 1910.119(b) for the full definition)

[19] EPA. May 24, 1996. Risk Management Plan Rule, Summary and Response to Comments. Volume 1, pp. 3–11 and 17–4. Docket No. A–91–73, Document No. IX–C–1.

factors, or critical factors). The Center for Chemical Process Safety (CCPS) defines a causal factor as a major unplanned, unintended contributor to the incident (a negative occurrence or undesirable condition), that if eliminated would have either prevented the occurrence, or reduced its severity or frequency.[20] These are factors that facilitate the occurrence of an incident such as physical conditions and management practices. Causal or contributing factors usually have underlying reasons why they occurred, which are known as root causes.

Most root causes are associated with weaknesses, defects or breakdowns in management systems.[21] Identifying root causes provides the mechanism for understanding the interaction and impact of system management failures, so that the root causes can be addressed and the maximum benefit is obtained from an incident investigation. CCPS defines a root cause as a fundamental, underlying, system-related reason why an incident occurred that identifies a correctable failure(s) in management systems. There is typically more than one root cause for a process safety incident. Correcting only the immediate cause of an incident (*e.g.,* operator error) may prevent the identical incident from occurring at the same location, but may not prevent similar incidents. Instead, identifying and addressing incident contributing factors and their root causes helps eliminate or substantially reduce the risk of reoccurrence of the incident and other similar incidents. The current Risk Management Program incident investigation requirements under §§ 68.60 and 68.81 do not explicitly require root causes to be determined and reported, rather they only require ''the factors that contributed to the incident.'' Facility owners and operators that conduct incident investigations that only identify ''factors that contributed to the incident'' may miss identifying the underlying, system-related reason why an incident occurred (which would be revealed in a root cause analysis). Thus EPA is proposing to require a root cause analysis to ensure that facilities determine the underlying causes of an incident to reduce or eliminate the potential for additional accidents resulting from deficiencies of the same process safety management system.

4. Lack of Root Cause Analysis for Prior Incidents

Below are examples of incident investigations that identified similar prior incidents within the same facility or company where root causes for the prior incidents were not analyzed and determined. This resulted in missed opportunities to address the proper causes of the incidents, share the lessons learned and prevent further similar incidents.

On January 21, 1997, at a Tosco refinery, effluent piping on a hydrocracker reactor ruptured, causing an explosion and fire, killing one operator and injuring 46 other Tosco and contractor personnel. The accident was caused by an uncontrolled temperature excursion in the reactor resulting in an excessively high temperature that caused the pipe to rupture.[22] Operators did not follow prescribed emergency depressurizing procedures for extremely high temperature occurrences and attempted to control the temperature by other means. Investigations of prior incidents involving unsafe temperature excursions were inadequate and not all these excursions were documented. Failure to investigate these ''near-misses'' resulted in a missed opportunity to determine why operators were not following prescribed emergency depressurizing procedures and to develop solutions to address the cause. After the 1997 accident, the company designed the depressurizing system to activate automatically when the reactor temperature exceeded safe operating limits.

On September 10, 1997, an explosion occurred in a resins production unit at Georgia-Pacific Resins, Inc. in Columbus, Ohio, causing the death of one worker, four injuries, extensive damage to the plant, and sheltering in place for nearby residents, a vocational school and businesses.[23] Three firefighters received first-degree burns. An accident investigation determined that raw materials and a catalyst were charged too quickly to a reactor, causing a runaway reaction generating too much heat and pressure, which caused the reactor to explode. Prior to the accident, the facility had recently experienced a near miss involving similar circumstances.[24] An operator added chemicals to a batch resin process at too high a rate. Other alert operators noted the procedural deviation and were able to prevent an accident. The company investigated the accident and disciplined the operator, but took no other actions.

An accident on June 22, 1997, at a Shell olefins plant involved a release of flammable gases from a structural failure and drive shaft blowout from a 36 inch diameter failed check (non-return) valve, resulting in a massive explosion and fire causing extensive damage to the facility, damage to nearby residential property, several worker injuries, and sheltering in place for nearby residents. An EPA/OSHA accident investigation determined that these check valves were not appropriately designed and manufactured for the heavy-duty service to which they were subjected in the olefins production unit.[25] Similar problems with the check valves had occurred previously at the facility and at other facilities owned by the company, but the occurrences were not adequately investigated and did not identify all the factors involved in the valves' failure. The other valve failure occurrences did not result in as severe consequences as the 1997 event and were treated as maintenance failures, not incidents or accidents. Thus, the lessons that could have been learned from these prior failures were not adequately identified, shared, and implemented.

On April 8, 1998, at a Morton International chemical plant, a runaway reaction in a process kettle caused an overpressure of the vessel, blew off the top hatch, and spewed a stream of gas and liquid through the roof of the building and down onto the surrounding community. Residents in a 100 city-block area were confined to their homes. Nine workers were injured, two with severe burns. The U.S. Chemical Safety Board (CSB) determined that Morton could have corrected safety problems in the process if they had conducted investigations into any of the eight prior instances when process temperatures exceeded

[20] CCPS. March 2003. Guidelines for Investigating Chemical Process Incidents, 2nd ed., pp.3, 62, 181, 434. CCPS, American Institute of Chemical Engineers, New York, NY. John Wiley and Sons.

[21] EPA recognizes that some root causes could be events that management systems could not have prevented or protected against. The analytic techniques used to identify root causes account for such events.

[22] EPA. November 1998. EPA Chemical Accident Investigation Report, Tosco Avon Refinery, Martinez, CA. EPA 550–R–98–009. *http://nepis.epa.gov/Exe/ZyPDF.cgi/10003A2E.PDF?Dockey=10003A2E.PDF.*

[23] EPA, Office of Solid Waste and Emergency Response. August 1999. How to Prevent Runaway Reactions, Case Study: Phenol-Formaldehyde Reaction Hazards. EPA 550–F99–004. *http://archive.epa.gov/emergencies/docs/chem/web/pdf/gpcasstd.pdf.*

[24] Belke, James C (EPA). 1997. Recurring Causes of Recent Chemical Accidents. *http://psc.che.tamu.edu/wp-content/uploads/recurring-causes-of-recent-chemical-accidents.pdf.*

[25] EPA and OSHA. June 1998. EPA/OSHA Joint Chemical Accident Investigation Report, Shell Chemical Company, Deer Park, TX. EPA 550–R–98–005. *http://nepis.epa.gov/Exe/ZyPDF.cgi/100039YA.PDF?Dockey=100039YA.PDF.*

the normal range.[26] Process and design changes resulting from such investigations could have prevented the 1998 explosion.

On April 23, 2004, an explosion and fire at the Formosa Plastics Corporation (FPC USA), Illiopolis, Illinois, (Formosa-IL) polyvinyl chloride (PVC) manufacturing facility killed five and severely injured three workers. The explosion and fire destroyed most of the reactor facility and adjacent warehouse and ignited PVC resins stored in the warehouse. Smoke from the smoldering fire drifted over the local community, and as a precaution, local authorities ordered an evacuation of the community for two days. CSB determined that this incident occurred when an operator drained a full, heated, and pressurized PVC reactor and bypassed a pressure interlock.[27] The safeguards to prevent bypassing the interlock were insufficient for the high risk associated with this activity. Two similar incidents at FPC USA PVC manufacturing facilities highlighted problems with safeguards designed to prevent inadvertent discharge of an operating reactor. The FPC USA Environmental Health & Safety group had received reports of both incidents, but did not recognize a key similarity: Operators could mistakenly go to the wrong reactor and bypass safeguards to open a reactor bottom valve.

On March 23, 2005, at the BP Texas City Refinery in Texas City, Texas, explosions and fires killed 15 people and injured another 180, required shelter-in-place for 43,000 people, damaged nearby houses, and resulted in financial losses exceeding $1.5 billion. The incident occurred during the startup of an isomerization (ISOM) unit when a raffinate splitter tower was overfilled and pressure relief devices opened, resulting in a flammable liquid geyser from a blowdown stack that was not equipped with a flare. The release of flammables led to an explosion and fire. All of the fatalities occurred in or near office trailers located close to the blowdown drum. A CSB investigation found that in the years prior to the incident, eight serious releases of flammable material from the ISOM blowdown stack had occurred, and most ISOM startups experienced high liquid levels in the splitter tower.[28] The investigation identified root causes of the accident involving senior leadership failures including:

- Ineffective safety culture leadership and oversight;
- ineffective evaluation of safety implications or organization, personnel, and policy changes; and
- inadequate resources to prevent major accidents.

Root causes identified involving plant management failures included:

- Lack of an effective reporting and learning culture (incidents were often ineffectively investigated);
- use of outdated plant policies and procedures;
- poor design of the ISOM unit;
- inadequate supervision of operators;
- inadequate training of operators; and
- ineffective consideration of human factors regarding training, staffing, and work schedules for operators.

The ineffective investigation of previous incidents resulted in a failure to identify, or act upon, lessons from incidents and near-misses. This includes a failure to incorporate relevant safety lessons from a British government investigation [29] of incidents at BP's Grangemouth, Scotland, refinery, which were relevant to the Texas City refinery.

On August 23, 2010, the Millard Refrigerated Service warehouse in Theodore, Alabama, had a release of approximately 32,000 pounds of anhydrous ammonia from a cracked pipe, when refrigeration equipment malfunctioned. The ammonia travelled directly over a shipyard in Mobile, Alabama, where more than 800 people were working, causing 152 people to be treated at hospitals, four of whom were admitted into intensive care units. An EPA investigation of the incident revealed that Millard failed to adequately address a well-known risk for ammonia production systems called hydraulic shock, which can cause catastrophic equipment failures.[30] EPA also discovered that Millard had two prior smaller ammonia releases in April 2007 and January 2010 caused by hydraulic shock. Company investigations of those incidents failed to identify and correct this problem, which could have prevented the catastrophic release that occurred in August 2010.

5. Current Use of Root Cause Analysis

Root cause analysis of accidents is an accepted safe management practice used by many industries. The American Chemistry Council (ACC) noted that root cause analysis is conducted routinely under a number of voluntary programs, including Responsible Care.[31] The Texas Pipeline Association (TPA) stated that a requirement to perform a root cause analysis was not needed because it is a common industry practice.[32] However, the Compressed Gas Association (CGA) stated that they supported modifying current regulations to include a requirement that root cause analyses be conducted for incidents but not for near misses or process upsets because defining a ''near miss'' or ''process upset'' is extremely difficult and will likely vary by industry, process, locations and the like.[33] EPA addresses the difficulty of defining the term ''near miss'', in section IV.A.7. Near Misses.

ACC also notes that there are a number of recognized industry resources to aid incident investigations of root causes. For example, CCPS offers several resources, including the ''Guidelines for Investigating Chemical Process Incidents,'' 2nd edition, which provides valuable, practical reference tools, and focuses on process-related incidents with real or potential catastrophic consequences.[34] ACC further notes that there are a number of companies that provide excellent root cause failure analysis training.

California's Contra Costa County Health Services (CCHS) and the city of Richmond, California, each have incident investigation regulations in their Industrial Safety Ordinances (ISO) similar to those in § 68.81 and, in

[26] CSB. 2000. Investigation Digest: Morton International Explosion, Paterson, NJ, April 8, 1998. *http://www.csb.gov/assets/1/19/Morton_Digest.pdf.*

[27] CSB. March 2007. Investigation Report: VCM Explosion, Formosa Plastics Corp., Illiopolis, Illinois, April 23, 2004. Report No. 2004–10–I–IL. *http://www.csb.gov/assets/1/19/Formosa_IL_Report.pdf.*

[28] CSB. March 2007. Investigation Report: Refinery Explosion and Fire, BP, Texas City, Texas, March 23, 2005. Report No. 2005–04–I–TX. *http://www.csb.gov/assets/1/19/CSBFinalReportBP.pdf.*

[29] Health and Safety Executive (United Kingdom) and Scottish Environment Protection Agency. August 18, 2003. Major Incident Investigation Report—BP Grangemouth Scotland, 29th June–10th May, 2000. A Public Report Prepared on Behalf of the Competent Authority. *http://www.hse.gov.uk/comah/bpgrange/images/bprgrangemouth.pdf.*

[30] EPA. May 29, 2015. *USA* vs. *Millard Refrigerated Services, LLC,* U.S. District Court for the Southern District of Alabama, Civil Action No. 15–186. pp. 9–11, and 19–20. Case 1:15–cv–00186–WS–M Document 5. *http://www2.epa.gov/sites/production/files/2015-06/documents/millard-cp.pdf.* See also *http://www2.epa.gov/enforcement/millard-refrigerated-services-llc-clean-air-act-caa-settlement.*

[31] ACC. October 29, 2014. Comment No. EPA–HQ–OEM–2014–0328–0694 on Risk Management Program RFI, p. 43 of 189.

[32] TPA. October 29, 2014. Comment No. EPA–HQ–OEM–2014–0328–0617 on Risk Management Program RFI, p. 8.

[33] CGA. October 29, 2014. Comment No. EPA–HQ–OEM–2014–0328–0633 on Risk Management Program RFI, p. 6

[34] CCPS 2003. Center for Chemical Process Safety, Guidelines for Investigating Chemical Process Incidents, 2nd Edition, NY: AIChE.

addition, require a root cause analysis for each major chemical accident.[35] [36]

New Jersey's Toxic Catastrophe Prevention Act (TCPA) requires investigation of all extraordinarily hazardous substance accidents or potential catastrophic events. The TCPA requirements have the same incident investigation requirements found in § 68.81, but the TCPA investigation report requires additional information beyond the requirements in § 68.81.[37] The TCPA investigation report must include:

- Time and location of the chemical accident or potential catastrophic event;
- A description of the chemical accident or potential catastrophic event in chronological order, providing all the relevant facts;
- The identity, amount, and duration of the chemical release if these facts can be reasonably determined based on the information obtained through the investigation;
- The consequences, if any, of the chemical accident or potential catastrophic event, including the number of evacuees, injured, and fatalities, and the impact on the community;
- The factors that contributed to the chemical accident or potential catastrophic event that includes an identification of basic and contributory causes, either direct or indirect; and
- The names and position titles of the investigators.

Once the incident scenario is understood and contributory causes identified, this information may be used to determine the incident's root causes which are the underlying systemic reasons related to a failure in a management system.

EPA believes that providing the following information is vital for understanding the nature of the incident and should be included in the incident investigation report:

- The chronological order of details of the incidents,
- the chemical identity,
- amount and duration of the release,
- the impacts of the release, and
- basic and contributory causes, either direct or indirect.

Some facility owners or operators may already include this information in incident investigation reports prepared to comply with the RMP rule; however, EPA is proposing that §§ 68.60 and 68.81 be revised to require this information to ensure clarity and consistency among reports.

To better address causes of incidents and further reduce the occurrence of catastrophic releases, EPA is proposing to require that for all Program 2 and Program 3 process incidents that resulted in, or could reasonably have resulted in, a catastrophic release, the owner or operator determine and identify the factors that contributed to the incident, including immediate and contributory causes, either direct or indirect, and root causes. EPA is proposing to define ''root cause'' (see § 68.3 for the proposed definition).

Root causes shall be determined by conducting a root cause analysis for each incident using a recognized method or approach. CCPS' ''Guidelines for Investigating Chemical Process Incidents'' discusses incident investigation approaches and techniques and root cause analysis methods.[38] OSHA plans to develop a fact sheet on existing resources that explain how to conduct root cause analyses so the regulated community can better understand the causes of incidents and can increase its capability to effectively prevent future occurrences.[39]

In order that lessons learned from incident investigations be applied, EPA is proposing to modify the hazard review requirement in § 68.50(a)(2) and the PHA requirement in § 68.67(c)(2) to require the owner or operator to address findings from all incident investigations required under §§ 68.60 and 68.81, respectively. EPA is also proposing to require that for incident investigations conducted by Program 2 sources, an incident investigation team be established and consist of at least one person knowledgeable in the process involved and other persons with appropriate knowledge and experience to thoroughly investigate and analyze the incident. This requirement is already part of Program 3 incident investigation requirements, and is a necessary component for investigations that would include analysis of root causes.

EPA seeks comment on the proposed amendments of the incident investigation requirements to require root cause investigations for each incident which resulted in, or could reasonably have resulted in, a catastrophic release and on the proposed definition for root cause. EPA seeks comment on whether a root cause analysis is appropriate for every RMP reportable accident and near miss. Should EPA eliminate the root cause analysis, or revise to limit or increase the scope or applicability of the root cause analysis requirement? If so, how should EPA revise the scope or applicability of this proposed requirement? EPA also seeks comment on proposed amendments to require consideration of incident investigation findings, in the hazard review (§ 68.50) and PHA (§ 68.67) requirements. Finally, EPA seeks comment on the proposed additional requirement in § 68.60 to require personnel with appropriate knowledge of the facility process and knowledge and experience in incident investigation techniques to participate on an incident investigation team.

6. Decommissioned Processes

EPA has encountered some cases where a facility chose not to conduct an incident investigation because the owner or operator elected to decommission the process involved, or because the process was destroyed in the incident. While an investigation would have no impact on a decommissioned or destroyed process, other similar processes or operations at the facility, or at similar facilities, could potentially benefit from its findings.

CCHS and two industry associations commented that there are lessons that can be learned from requiring investigations to be performed, even in cases where the owner or operator elects to decommission the process involved or where the process is destroyed in the incident.[40] [41] Therefore, EPA is proposing to revise §§ 68.60 and 68.81 to clarify that incident investigations are required even if the process involving the regulated substance is destroyed or decommissioned following or as the result of an incident. EPA is also proposing to revise § 68.190, which addresses updates to the RMP, to

[35] Contra Costa County Board of Supervisors. 2006. California's Contra Costa County ISO, pp. 5, 12–13, 17–19. *http://cchealth.org/hazmat/pdf/iso/Chapter-450-8-RISK-MANAGEMENT.pdf.*

[36] A major chemical accident is defined in the ISO as one meeting a level 2 or 3 incident classification as determined by the county or one resulting in: One or more fatalities; at least three persons hospitalized for at 24 hours; on- and/or offsite property damage (including clean-up and restoration activities) initially estimated at $500,000 or more; or a vapor cloud of flammables and/or combustibles that is more than 5,000 pounds.

[37] New Jersey Department of Environmental Protection (NJDEP) TCPA. March 29, 2012. NJDEP. Title 7, Chapter 31 TCPA Program Consolidated Rule Document, p. 62. *http://www.state.nj.us/dep/rpp/brp/tcpa/downloads/conrulerev9_fonts.pdf.*

[38] CCPS. March 2003. Guidelines for Investigating Chemical Process Incidents, 2nd ed.

[39] Chemical Facility Safety and Security Working Group. May 2014. Executive Order 13650 Report to the President—Actions to Improve Chemical Facility Safety and Security—A Shared Commitment, p. 47. *https://www.osha.gov/chemicalexecutiveorder/final_chemical_eo_status_report.pdf.*

[40] CCHS. October 28, 2014. Comment No. EPA–HQ–OEM–2014–0328–0546 on Risk Management Program RFI, p. 12.

[41] Independent Petroleum Association of America (IPAA) AXPC. October 29, 2014. Comment No. EPA–HQ–OEM–2014–0328–0584 on Risk Management Program RFI, p. 33.

require that prior to any de-registration of a process or stationary source that is no longer subject to the Risk Management Program rule, the owner or operator must report any accidents subject to the requirements of § 68.42 and conduct incident investigations as required under §§ 68.60 and/or 68.81. EPA seeks comment on the proposed revisions to require an owner or operator to meet applicable reporting and incident investigation requirements prior to de-registering a process.

7. Near Misses

The current incident investigation provisions require facilities with Program 2 and/or 3 processes to investigate incidents that could reasonably have resulted in a catastrophic release. These types of incidents are sometimes characterized as ''near misses'' but there is confusion about what this term means. Several commenters on the Risk Management Program RFI, including the Society of Chemical Manufacturers and Affiliates (SOCMA),[42] American Petroleum Institute (API),[43] Gas Processors Association (GPA),[44] National Oilseed Processors Association (NOPA), & Corn Refiners Association (CRA),[45] and American Fuel & Petrochemical Manufacturers (AFPM),[46] stated that they interpret the current requirements as including near misses. Other commenters (ACC,[47] TPA,[48] CGA,[49] DPC Industries, Inc.,[50] and Allied Universal Corp [AUC]) [51] urged EPA to not require investigations of near misses because the term is vague, inherently situation-specific and not reducible to a singular definition. CCPS defines a near miss as an event in which an accident causing injury, death, property damage, or environmental impact, could have plausibly resulted if circumstances had been slightly different.[52]

EPA itself may have contributed to the confusion over the meaning of the term ''near miss.'' In the 1993 proposed RMP rule (58 FR 54200, October 20 1993), EPA indicated that investigation of near misses could provide facilities with important information on problems that should be addressed before a significant accidental release occurs. EPA considered a near miss as a mishap that did not result in a release for some reason, such as employee actions or luck. However, in the primary interpretive guidance document for the RMP rule, ''General Guidance on Risk Management Programs for Chemical Accident Prevention (40 CFR part 68)'' (RMP Guidance), originally published in 1999, EPA indicated that while the owner or operator ''must investigate each incident which resulted in, or could have resulted in, a catastrophic release of a regulated substance,'' the owner or operator was not required to investigate ''minor accidents or near misses:''

> You should also consider investigating minor accidents or near misses because they may help you identify problems that could lead to more serious accidents; however, you are not required to do so under part 68.[53]

Here, EPA intended to differentiate between incidents, which ''could have resulted in a catastrophic release,'' and ''minor accidents and [minor] near misses,'' which are unlikely to have led to a catastrophic release.

EPA's experiences with RMP facility inspections and incident investigations show there have been incidents that were not investigated, even though under slightly different circumstances, the incident could have resulted in a catastrophic release. While these events did not result in deaths, injuries, adverse health or environmental effects, or sheltering-in-place, if circumstances had been slightly different, a catastrophic release could have occurred. For example, a runaway reaction that is brought under control by operators is a near miss that may need to be investigated to determine why the problem occurred, even if it does not directly involve a covered process both because it may have led to a release from a nearby covered process or because it may indicate a safety management failure that applies to a covered process at the facility. Similarly, fires and explosions near or within a covered process, any unanticipated release of a regulated substance, and some process upsets could potentially lead to a catastrophic release.

Facilities regulated under New Jersey's TCPA program are required to investigate each regulated chemical (''extraordinarily hazardous substance''), involved in an accident or potential catastrophic event.[54] The NJDEP notes that ''potential catastrophic event'' means an incident that could have reasonably resulted in a catastrophic release of a regulated chemical which includes incidents in which no regulated chemical was released or no regulated chemical was released beyond a permitted level, or in other words, a near miss. Facilities report accidents and potential catastrophic events annually to New Jersey. NJDEP notes that each year, less than fifty percent of the facilities reported that they had one or more incidents.[55] Most of the incidents reported involved the release of a regulated chemical. The number of near misses reported averaged less than 1 per facility.

In its comments on the Risk Management Program RFI, GPA reasoned that requiring a root cause analysis for minor near misses would be burdensome and costly and would discourage employees and contractors from reporting near misses because of the burden of conducting a rigorous investigation.[56] Similarly, some commenters, such as API thought that process upsets should not be included in incident investigation requirements because there is no standard definition; process upsets vary across a wide range from product quality/efficiency issues to ones that represent near-miss situations; and learning from process upset events that do potentially challenge process safety systems can be accomplished via other means. According to API, including all process upsets would overburden the root cause analysis/

[42] SOCMA. October 29, 2014. Comment No. EPA–HQ–OEM–2014–0328–0560 on Risk Management Program RFI, p. 9.

[43] API. October 29, 2014. Comment No. EPA–HQ–OEM–2014–0328–0624 on Risk Management Program RFI, p. 32.

[44] GPA. October 29, 2014. Comment No. EPA–HQ–OEM–2014–0328–0626 on Risk Management Program RFI, p. 12.

[45] NOPA & CRA. October 29, 2014. Comment No. EPA–HQ–OEM–2014–0328–0328 on Risk Management Program RFI, pp. 30–31.

[46] AFPM. October 29, 2014. Comment No. EPA–HQ–OEM–2014–0328–0665 on Risk Management Program RFI, pp. 46–47.

[47] ACC. October 29, 2014. Comment No. EPA–HQ–OEM–2014–0328–0694 on Risk Management Program RFI, PDF pp. 44–45 of 189.

[48] TPA. October 29, 2014. Comment No. EPA–HQ–OEM–2014–0328–0617 on Risk Management Program RFI, pp. 7–8.

[49] CGA. October 29, 2014. Comment No. EPA–HQ–OEM–2014–0328–0633 on Risk Management Program RFI, p. 6.

[50] DPC Industries, Inc. October 29, 2014. Comment No. EPA–HQ–OEM–2014–0328–0649 on Risk Management Program RFI, p. 4.

[51] AUC. October 29, 2014. Comment No. EPA–HQ–OEM–2014–0328–0646 on Risk Management Program RFI, p. 3.

[52] CCPS. March 2003. Guidelines for Investigating Chemical Process Incidents, 2nd ed., p. 61.

[53] See General Guidance on Risk Management Programs for Chemical Accident Prevention (40 CFR part 68), EPA–550–B–04–001, April 2004, page 6–26. *http://www2.epa.gov/rmp/guidance-facilities-risk-management-programs-rmp#general.*

[54] NJDEP TCPA. March 29, 2012. NJ Title 7, Chapter 31 TCPA Program Consolidated Rule Document, p. 2. *http://www.state.nj.us/dep/rpp/brp/tcpa/downloads/conrulerev9_fonts.pdf.*

[55] NJDEP. October 21, 2014. Comment No. EPA–HQ–OEM–2014–0328–0338 on Risk Management Program RFI, p. 16.

[56] GPA. October 29, 2014. Comment No. EPA–HQ–OEM–2014–0328–0626 on Risk Management Program RFI, p. 14.

investigation resources within a facility.[57]

CCPS's ''Process Safety Leading and Lagging Metrics—You Don't Improve What You Don't Measure'' explains that a near miss has three essential elements.[58] These include:

- An event occurs, or a potentially unsafe situation is discovered;
- the event or unsafe situation had reasonable potential to escalate, and
- the potential escalation would have led to adverse impacts.

The CCPS document and the CCPS ''Guidelines for Investigating Chemical Process Incidents'' contain many examples of near misses, which can be an actual event or discovery of a potentially unsafe situation.[59] Examples of incidents that should be investigated include some process upsets, such as: Excursions of process parameters beyond pre-established critical control limits; activation of layers of protection such as relief valves, interlocks, rupture discs, blowdown systems, halon systems, vapor release alarms, and fixed vapor spray systems; and activation of emergency shutdowns.

Near misses should also include any incidents at nearby processes or equipment outside of a regulated process if the incident had the potential to cause a catastrophic release from a nearby regulated process. An example would be a transformer explosion that could have impacted nearby regulated process equipment causing it to lose containment of a regulated substance. Near misses could also include process upsets such as activation of relief valves, interlocks, blowdown systems or rupture disks.

Because it is difficult to prescribe the various types of incidents that may occur in RMP-regulated sectors that should be considered near misses, and therefore be investigated, EPA is not proposing a regulatory definition. Instead, EPA will rely on facility owners or operators to decide which incidents to investigate, based on the seriousness of the incident, the process(es) involved, and the specific conditions and circumstances involved. In the 1996 Response to Comments on the final rule, EPA acknowledged that

the range of incidents that reasonably could have resulted in a catastrophic release is very broad and cannot be specifically defined.[60] EPA decided to leave it up to the discretion of the owner or operator to determine whether an incident could reasonably have resulted in a catastrophic release and to investigate such incidents.

The intent is not to include every minor incident or leak, but focus on serious incidents that could have resulted in a catastrophic release, although EPA acknowledges this will require subjective judgment.

Finally, EPA expects that lessons learned from near miss incident investigations be considered when conducting a hazard review or PHA. Therefore, the proposed amendments to §§ 68.50(a)(2) and 68.67(c)(2) would require the hazard review and the PHA to include findings from all incident investigations required under §§ 68.60 and 68.81. This includes incidents that could reasonably have resulted in a catastrophic release (*i.e.,* a near miss).

EPA seeks comment on the guidance and examples provided of a near miss. Is further clarification needed in this instance? Should EPA consider limiting root cause analyses only for incidents that resulted in a catastrophic release?

8. Investigation Timeframe

EPA believes incident investigations will result in improved process safety through the dissemination of lessons learned and the implementation of recommended corrective actions. Conducting these investigations as soon as possible after an incident may yield better quality data and information, although it may take time to collect, validate, and integrate data from a range of sources. EPA has discovered situations where owners or operators of regulated facilities indefinitely delayed completing incident investigations. Therefore, in the Risk Management Program RFI, EPA considered whether incident investigations should be required to be completed within a certain amount of time. In their comments on the RFI, Mary Kay O'Connor Process Safety Center (MKOPSC)[61] stated that the timeframe requirement for an incident investigation to be completed should be based on the following factors: The consequence, the complexity of the incident, the process, the substance, and the investigation team's experience, knowledge and members. ACC[62] and API[63] noted that the time to complete an investigation is highly dependent on the complexity of the accident and the process and can require assistance from outside process experts that may not immediately be available. CCHS commented that a specific timeframe for incident investigations to be completed would benefit overall safety and noted that most incidents can be investigated within six months.[64] However, CCHS stated that it may be appropriate that a specific time be required that could be changed by documented justification. As to timeframes, some of the refineries in Contra Costa County, California, have corporate requirements to complete all investigations within 30 to 60 days. Exceptions can be granted for large events. CCHS noted that there are challenges and limitations to completing an incident investigation within a specified timeframe. Other RFI commenters, such as TPA,[65] GPA,[66] and JR Simplot,[67] noted that having a specific timeline to complete an investigation could cause facilities to focus more on complying with a deadline at the expense of using the appropriate level of rigor and getting the right answer. EPA's own experience with accident investigation has shown that a major accident investigation can take up to a year or more. Taking into consideration the need for completion of an investigation while allowing the proper time to determine the correct root causes, EPA is proposing to require that facility owners or operators complete an incident investigation report within 12 months of an incident that resulted in, or could reasonably have resulted in, a catastrophic release. For very complex incident investigations that cannot be completed within 12 months, EPA is allowing an extension of time if the implementing agency approves, in writing. EPA believes that 12 months is long enough to complete most complex accident investigations but will allow facilities more time if they consult with their

[57] API. October 29, 2014. Comment No. EPA–HQ–OEM–2014–0328–0624 on Risk Management Program RFI, p. 32.

[58] CCPS. January 2011. Process Safety Leading and Lagging Metrics—You Don't Improve What You Don't Measure, p. 36. CCPS, American Institute of Chemical Engineers, New York, NY. John Wiley and Sons. *http://www.aiche.org/sites/default/files/docs/pages/CCPS_ProcessSafety_Lagging_2011_2–24.pdf.*

[59] CCPS. March 2003. Guidelines for Investigating Chemical Process Incidents, 2nd ed., p. 68.

[60] EPA. May 24, 1996. Risk Management Plan Rule, Summary and Response to Comments. Volume 1, p. 16–4. Docket No. A–91–73, Document No. IX–C–1.

[61] MKOPSC. October 29, 2014. Comment No. EPA–HQ–OEM–2014–0328–0543 on Risk Management Program RFI, p. 144.

[62] ACC. October 29, 2014. Comment No. EPA–HQ–OEM–2014–0328–0694 on Risk Management Program RFI, p. 44.

[63] API. October 29, 2014. Comment No. EPA–HQ–OEM–2014–0328–0624 on Risk Management Program RFI, p. 32.

[64] CCHS. October 28, 2014. Comment No. EPA–HQ–OEM–2014–0328–0546 on Risk Management Program RFI, p. 12.

[65] TPA. October 29, 2014. Comment No. EPA–HQ–OEM–2014–0328–0617 on Risk Management Program RFI, p. 9.

[66] GPA. October 29, 2014. Comment No. EPA–HQ–OEM–2014–0328–0626 on Risk Management Program RFI, p. 13.

[67] JR Simplot. October 29, 2014. Comment No. EPA–HQ–OEM–2014–0328–0667 on Risk Management Program RFI, p. 31.

implementing agency and receive approval for an extension of time.

EPA notes that the Agency's own requirements under the Petroleum Refinery maximum achievable control technology (MACT) and New Source Performance Standards (NSPS) regulations already require root cause and corrective action analyses for certain release events (see 40 CFR parts 63.648(j)(6) and (j)(7)), and 60.103a(d)) with a more stringent timeframe (*i.e.,* 45 days) for completing these analyses than the 12 months specified in this proposed rule. RMP-regulated facilities that are also required to meet the MACT and NSPS root cause analysis requirements must continue to meet the timeframes specified under those rules as applicable. However, root cause analyses conducted to meet those requirements may also be used to comply with the root cause analysis requirements proposed herein, provided the analysis meets the requirements of § 68.60 or § 68.81, as applicable.

EPA seeks comment on the appropriateness of establishing a specific timeframe for incident investigations to be completed and what that timeframe should be. As an alternative, EPA considered whether the incident investigation should be completed prior to restart of the affected process, if the incident resulted in a process shutdown, to ensure that the causes of an incident have been addressed. EPA seeks comment on whether to add this condition to the incident investigation requirements or whether there are other options to ensure that unsafe conditions that led to the incident are addressed before a process is re-started. EPA also seeks comment on whether the different root cause analysis timeframes specified under the MACT and NSPS and proposed herein will cause any difficulties for sources covered under both rules, and if so, what approach EPA should take to resolve this issue.

9. Accident History Reporting

Thorough investigations and reporting may help facilities identify and address root causes. Accident history reporting provides an avenue to disseminate lessons learned. Local communities are interested in whether facilities are investigating incidents and taking steps to prevent future accidents. EPA believes it is important to determine and report results of root cause analysis for accidents with reportable impacts in the RMP accident history. Therefore, EPA has proposed that information on root causes analyzed as part of an incident investigation be included in the RMP accident history in § 68.42. Because there can be numerous potential incident root causes identified for a single incident, and in order to simplify reporting for the RMP accident history, EPA believes that the root cause information should be reported as root cause categories.

Various methods for identifying root causes have been published. Some methods involve the use of root cause trees which show root cause categories for different PSM systems, where each category can be associated with many specific root cause deficiencies.[68] [69] One root cause system uses the following list of root cause categories: Procedures; Training; Communications; Administrative/Management System; Personal Performance; Human Factors Engineering; Immediate Supervision; Equipment Design; Equipment/Records; Equipment Reliability/Maintenance; and Equipment Installation/Fabrication. Another uses a slightly different list: Procedures, Training, Quality Control, Communications, Management System, Human Engineering and Immediate Supervision. EPA will modify its on-line reporting system for RMPs (RMP*eSubmit) to incorporate an appropriate list of root cause categories for RMP facility incident investigations of RMP reportable accidents based on these categories.

Because EPA is proposing that the incident investigation be required to be completed within 12 months, root causes may not be known until 12 months after an accidental release. Section 68.195(a) currently requires that the accident history information in § 68.42 be submitted within six months of the release. Because EPA is proposing to add accident root cause categories to § 68.42, EPA is also proposing in § 68.195(a)(2) that the root cause categories be submitted in the RMP within 12 months of the release.

EPA seeks comment on the appropriateness of requiring root cause reporting as part of the accident history requirements of § 68.42, as well as the categories that should be considered and the timeframe within which the root cause information must be submitted.

[68] Paradies, Mark, Unger, Linda and Busch, David. 1996. TapRooT® Root Cause Tree™ & User's Manual, Rev. 4. Systems Improvements, Inc., Knoxville, TN.

[69] ABS Group Inc. 1999. Root Cause Map™ and Root Cause Analysis Handbook, A Guide to Effective Incident Investigation. ABS Group, Inc., Risk & Reliability Division, Knoxville, TN.

10. Proposed Revisions to Regulatory Text

a. Definitions (§ 68.3)

EPA is proposing to add a definition of ''root cause'' and modify the definition of ''catastrophic release'' in § 68.3.

b. Five-Year Accident History (§ 68.42)

EPA is proposing to amend paragraph (b) by adding a new subparagraph (b)(10) to require of incident investigation root cause categories to be reported. Current subparagraphs (b)(10) and (b)(11) will become subparagraphs (b)(11) and (b)(12), respectively.

c. Hazard Review (§ 68.50)

EPA is proposing to amend subparagraph (a)(2) by adding a phrase at the end to require the owner or operator to consider findings from incident investigations. This is similar to the revision proposed for Program 3 facilities in § 68.67(c)(2).

d. Incident Investigation (§§ 68.60 and 68.81)

EPA is proposing to revise § 68.60, which is applicable to Program 2 processes, and § 68.81, which is applicable to Program 3 processes, by revising paragraph (a) to add subparagraphs (a)(1) and (a)(2) to better clarify the scope of incidents that must be investigated. Subparagraph (a)(1) applies to an incident that resulted in a catastrophic release and clarifies that the owner or operator must investigate the incident even if the process involving the regulated substance is destroyed or decommissioned. Subparagraph (a)(2) applies to a near-miss, which is an incident that could reasonably have resulted in a catastrophic release. EPA is also removing the phrase ''of a regulated substance'' from paragraph (a) because it is duplicative. The definition of catastrophic release refers to releases of regulated substances.

EPA is also proposing to add a new paragraph (c) to § 68.60 requiring that an incident investigation team be established and consist of at least one person knowledgeable in the process involved and other persons with appropriate knowledge and experience to thoroughly investigate and analyze the incident. This is similar to the requirement in § 68.81(c) for Program 3 processes. Current paragraphs (c) through (f) would become paragraph (d) through (g).

EPA is also proposing to make changes to the new paragraph (d) in § 68.60 and current paragraph (d) in § 68.81 to revise the incident

investigation report requirements. EPA is proposing to change the word ''summary'' to ''report'' and require facility owners or operators to complete incident investigation reports within 12 months unless the implementing agency approves, in writing, an extension of time.

Furthermore, EPA is proposing to amend and add new subparagraphs in the new paragraph (d) in § 68.60 and current paragraph (d) in § 68.81 requiring additional elements in an incident investigation report. EPA is proposing to:

- Revise paragraph (d)(1) to require the time and location of the incident in the investigation report;
- Revise paragraph (d)(3) to specify that the description of the incident be in chronological order and provide all relevant facts;
- Add new paragraph (d)(4) to require that the investigation report include the name and amount of the regulated substance involved in the release or near miss and the duration of the event;
- Add paragraph (d)(5) to require a description of the consequences, if any, of the incident;
- Add paragraph (d)(6) to require a description of emergency response actions taken;
- Renumber current paragraph (d)(4) to (d)(7) and require additional criteria related to the factors contributing to the incident, including the initiating event, direct and indirect contributing factors, and root causes. Add language to new paragraph (d)(7) to require that root causes must be determined through the use of a recognized method.
- Renumber the current paragraph (d)(5) to (d)(8) and add language to require a schedule for addressing recommendations resulting from the investigation to be included in the investigation report.

Finally, EPA is proposing to amend the current paragraph (f) which would be the new paragraph (g) to add the word incident before investigation and change ''summaries'' to ''reports'' for consistency.

e. Process Hazard Analysis (PHA) (§ 68.67)

EPA is proposing to add subparagraph (c)(2) to require the owner or operator to address findings from incident investigations, as well as any other potential failure scenarios (*e.g.,* incidents that occurred at other similar facilities and or processes, failure mechanisms discovered in literature or from other sources of information). This is similar to the revision for Program 2 facilities in § 68.50(a)(2).

f. Updates (§ 68.190)

EPA is proposing to amend paragraph (c) to require that the owner or operator report any accidents covered by § 68.42 and conduct incident investigations required under §§ 68.60 and/or 68.81 prior to de-registering a process or stationary source that is no longer subject to the RMP rule.

11. Alternative Options

EPA considered limiting these requirements to the original universe of Program 3 processes that existed before OSHA changed its PSM retail exemption. Accidents occur at a higher frequency in these processes as compared to processes covered in Program 2. However, with the shift of many Program 2 processes into Program 3 due to OSHA's revised policy on the PSM retail facility exemption, most of the accidents at remaining Program 2 processes occur at publicly owned water and wastewater treatment facilities that are not in Program 3 because they are not subject to OSHA PSM. State and local government employees at facilities in states under Federal OSHA authority are not covered by the OSHA PSM standard unlike state and local government employees at facilities in states with OSHA approved State Plans. These processes pose the same risk as the publicly owned water/wastewater treatment processes that are in Program 3. EPA decided that there was little justification for limiting the proposed requirements to the changed universe of Program 3 processes after the OSHA retail exemption change; there are fewer than six RMP reportable accidents a year at remaining Program 2 processes. Although the alternative would be slightly less burdensome on the regulated community, it would also likely prevent fewer accidents than the proposed approach. EPA seeks comment on the alternative approach and whether there are any other alternative options that EPA should consider prior to issuing a final action.

B. Third-Party Compliance Audits

In addition to strengthening the incident investigation requirements, EPA is proposing to strengthen the RMP rule's compliance audit provisions to require independent third-party compliance audits after an accident or findings of significant non-compliance by an implementing agency for stationary sources with Program 2 and/or Program 3 processes. Incident investigations often reveal that these facilities have deficiencies in some prevention program requirements related to that process. Compliance audits entail a systematic evaluation of the full prevention program for all covered processes. As described below, in some cases, self-auditing may be insufficient to prevent accidents, determine compliance with the RMP rule's prevention program requirements, and ensure safe operation. Stationary sources that have had accidents and/or substantial non-compliance with Risk Management Program requirements pose a greater risk to the surrounding communities. EPA therefore believes it is appropriate to require such stationary sources to undergo objective auditing by competent and independent third-party auditors. Such independent third-party auditing can assist the owners and operators, EPA (or the implementing agency), and the public to better determine whether the procedures and practices developed by the owner and/or operator under subparts C and/or D of the RMP rule (*i.e.,* the prevention program requirements) are adequate and being followed.

EPA and the CSB have cited poor compliance audits as a contributing factor to the severity of past chemical accidents. The CSB identified a lack of rigorous compliance audits as a contributing factor behind the March 23, 2005 explosion and fire at the BP Texas City Refinery in Texas City, Texas.[70] This explosion and fire killed 15 people, injured another 180, led to a shelter-in-place order that required 43,000 people to remain indoors, and damaged houses as far away as three-quarters of a mile from the refinery.

A CSB investigation of the July 2009 fire and explosion at the Citgo Corpus Christi Refinery found that Citgo had never conducted a safety audit of hydrofluoric acid (HF) alkylation operations at either of its U.S. refineries equipped with HF alkylation units pursuant to recommendations in API Recommended Practice 751, Safe Operation of HF Alkylation Units.[71] The CSB recommended that within 60 days, Citgo complete a third-party audit of all Citgo HF alkylation unit operations in the United States (Corpus Christi, Texas and Lemont, Illinois) in accordance with API Recommended Practice 751. The CSB also specified qualifications for the selected lead auditor including extensive knowledge of HF hazards, HF alkylation units, and API 751.

The CSB found that facility PSM audits failed to detect PSI and operating procedure deficiencies that contributed to the November 2003 chlorine release at DPC Enterprises, L.P. in Glendale,

[70] CSB. March 2007. Investigation Report: Refinery Explosion and Fire, BP, Texas City, Texas, March 23, 2005. Report No. 2005–04–I–TX. *http://www.csb.gov/assets/1/19/CSBFinalReportBP.pdf.*

[71] CSB. December 9, 2009. Urgent Recommendations to Citgo. *http://www.csb.gov/csb-issues-urgent-recommendations-to-citgo-finds-inadequate-hydrogen-fluoride-water-mitigation-system-during-corpus-christi-refinery-fire-last-july/.*

Arizona.[72] The CSB recommended that DPC use a qualified, independent auditor to evaluate DPC's PSM and Risk Management Programs against best practices and implement audit recommendations in a timely manner at all DPC chlorine repackaging sites.

The CSB also found numerous auditing deficiencies following the January 2008 explosion at Bayer CropScience, LP, in Institute, West Virginia.[73] The CSB recommended that Bayer commission an independent human factors and ergonomics study of all Institute site PSM and Risk Management Program covered process control rooms to evaluate the human-control system interface, operator fatigue, and control system familiarity and training.

EPA has required third-party audits in enforcement settlement agreements. For example, EPA found multiple occasions of noncompliance with the Risk Management Program requirements at Tyson Foods, Inc. facilities through a series of inspections and information requests. Dating back to October 2006, violations included failures to follow the general industry standards to test or replace safety relief valves, improperly co-located gas-fired boilers and ammonia machinery, as well as failures to abide by the RMP rule's prevention program and reporting requirements. As part of a 2014 consent decree, Tyson Foods, Inc. agreed, in addition to paying a penalty of $3.95 million, to conduct pipe-testing and third-party audits of its ammonia refrigeration systems to improve compliance with Risk Management Program requirements at all 23 of the company's facilities in four Midwestern states.[74]

In March 2015, EPA Region 1 issued an administrative order on consent to Mann Distribution LLC and 3134 Post Road LLC (Respondents) regarding Resource Conservation and Recovery Act (RCRA) and CAA 112(r)(1) (the ''general duty clause'') violations found during an April 4, 2013 inspection at a chemical distribution facility in Warwick, Rhode Island.[75] Like the Risk Management Program requirements, section 112(r)(1) of the CAA addresses safe operation and prevention of accidental releases. Unsafe conditions found during the inspection included, among other things, failure to have a fire suppression system, failure to inspect a fire alarm, co-location of incompatible chemicals, and many RCRA generator violations. The facility also had a prior history of non-compliance. The order requires Respondents to implement an independent third-party inspection program, in addition to imposing other compliance requirements.

The proposed independent third-party compliance audit requirements include a definition of ''third-party audit'' in § 68.3; modifications to existing §§ 68.58 and 68.79 to specify when a third-party audit must be performed; and the requirements for third-party auditors and third-party audits in new §§ 68.59 and 68.80. EPA is proposing to require third-party compliance audits to be conducted at stationary sources following an accident meeting the five-year accident history criteria in § 68.42(a). EPA is also proposing a provision to allow an implementing agency to require a third-party audit be performed at a facility under certain circumstances that suggest a heightened risk for an accident. These circumstances are: Non-compliance with the Prevention Program requirements of subpart C (Program 2) or subpart D (Program 3), including non-compliance with the competency, independence, or impartiality criteria of § 68.59(b) or § 68.80(b) regarding a previous third-party audit. All other stationary sources with Program 2 and Program 3 processes will continue to follow the current compliance audit requirements of §§ 68.58 and 68.79.

Sections 68.58 and 68.79 of the RMP regulation (Program 2 and Program 3 Compliance Audits) require owners or operators of stationary sources with processes subject to Program 2 or Program 3 requirements to audit compliance with the provisions of subpart C (Program 2 Prevention Program requirements) or subpart D (Program 3 Prevention Program requirements) at least every three years. The purpose of the compliance audits is to verify that the procedures and practices developed under subparts C and D of the RMP rule are adequate and being followed. These compliance audit provisions are similar to language to that is found in 29 CFR 1910.119(o) of the OSHA PSM standard. Sections 68.58 and 68.79 of the RMP regulation and 1910.119(o) of the OSHA PSM standard require that the compliance audit be conducted by at least one person knowledgeable in the process, that audit findings be addressed promptly, and that a report be generated documenting the findings of the audit.

Currently, neither EPA nor OSHA requires employers to use independent third-parties in conducting compliance audits. However, third-party compliance auditors exist, both the RMP rule and the PSM standard permit their use, and they are utilized by some of the Risk Management Program and PSM regulated community, both voluntarily, and pursuant to enforcement settlement agreements.

EPA discussed the potential to use independent third-party auditors for Risk Management Program compliance audits, in the preamble of the 1996 final RMP rule, as an issue for further consideration.[76] The preamble endorsed the concept of using third parties, citing the following reasons: To assist in rule compliance and oversight, provided that any third-party proposal not weaken the compliance responsibilities of facility owners or operators; offer cost savings and benefits to the industry, community, and implementing agencies that significantly exceed the cost of implementing the approach; lead to a net increase in process safety, particularly for smaller, less technically sophisticated facilities; and promote cost-effective Agency prioritization of oversight resources. At the time, EPA did not require the use of third-party auditors because the Agency believed that several key issues, including qualification criteria, certification procedures, liability, and others, needed to be investigated. Based on EPA's research of other third-party audit programs as well as the Agency's own experience with third-party auditors in the context of enforcement settlements, the Agency is proposing third-party audit requirements for the rule's accident prevention program.

Third-party audits are required by other Federal programs in appropriate existing rules, and rules currently in development, to ensure safe operations. The Administrative Conference of the United States (ACUS) ''Third-Party Programs Final Report'' (October 22, 2012) describes a variety of third-party programs in Food and Drug Administration (FDA), Consumer Product Safety Commission, and Federal Communications Commission

[72] CSB. February 2007. Investigation Report: Chlorine Release, DPC Enterprises, L.P., Glendale, Arizona, November 17, 2003. Report No. 2004–02–I–AZ. *http://www.csb.gov/assets/1/19/DPC_Report.pdf.*

[73] CSB. January 2011. Investigation Report: Pesticide Chemical Runaway Reaction Pressure Vessel Explosion, Bayer CropScience LP, Institute, West Virginia, August 28, 2008. Report No. 2008–08–I–WV. *http://www.csb.gov/assets/1/19/Bayer_Report_Final.pdf.*

[74] Consent Decree, *United States* v. *Tyson Foods, Inc., et al.,* E.D. Miss., April 4, 2013. *http://www2.epa.gov/enforcement/tyson-foods-inc.*

[75] Finding of Violation and Administrative Order on Consent, In the Matter of Mann Distribution LLC and 3134 Post LLC, Docket Nos. RCRA–01–2015–0028 and CAA–01–2015–0029, March 17, 2015.

[76] Accidental Release Prevention Requirements: Risk Management Programs Under CAA Section 112(r)(7), 61 FR 31705, June 20, 1996. *http://www.gpo.gov/fdsys/pkg/FR-1996-06-20/pdf/96-14597.pdf.*

regulations.[77] Further examples follow. The Bureau of Safety and Environmental Enforcement (BSEE) promulgated revisions to their Safety and Environmental Management Systems (SEMS II) requirements (78 FR 20423, April 5, 2013) to help ensure the safe operations of offshore oil and natural gas drilling and production facilities. BSEE's SEMS standard, 30 CFR part 250, subpart S, requires audits conducted by an independent third-party, subject to approval by BSEE, or by designated and qualified personnel if the employer implements procedures to avoid conflicts of interest. BSEE's SEMS II revisions to the standard require that, by June 4, 2015, the team lead for compliance audits must be independent and represent an accredited audit service provider. In the preamble to its SEMS II final rule, BSEE discussed its third-party-auditing requirements as follows:

> Consistent audits performed by well trained and experienced auditors are critical to ensuring that SEMS programs are successfully implemented and maintained on the [Outer Continental Shelf] OCS. As a result, we are adopting industry best practices related to SEMS audits and auditor qualifications. Industry is already voluntarily adopting these practices in many deepwater operations. We believe that the application of these requirements to all OCS operations will result in more robust and consistent SEMS audits. (78 FR 20430, April 5, 2013.)

Independent third-party audits or other forms of compliance verification are also required by a variety of EPA rules to promote compliance with regulatory standards. One example of an EPA regulatory program with built-in third-party verification is the EPA CAA wood stoves rule.[78] Additionally, EPA is developing a rule for a third-party certification framework for the formaldehyde standards for composite wood products in accordance with the Formaldehyde Standards for Composite Wood Products Act in which Congress mandated that EPA promulgate rules that include a third-party testing and certification program.[79]

Third-party verification and certification approaches are also employed in a variety of state regulatory settings. Examples include the CAA Title II vehicle inspection, maintenance, and emissions programs in authorized states,[80] California's mandatory greenhouse gas (GHG) reporting program,[81] and Massachusetts Underground Storage Tank (UST) third-party inspection program.[82]

There are advantages to third-party auditing, particularly with strong auditor competence and independence criteria. According to the CCPS, ''Third-party auditors (typically, consulting companies who can provide experienced auditors) potentially provide the highest degree of objectivity.'' [83] ACUS, in its ''Recommendation on Agency Use of Third-Party Programs to Assess Regulatory Compliance'' (December 6, 2012) (Recommendation), found that, when well-designed and implemented per the Recommendation, ''[s]everal broad reasons support the growing use of third-party programs in Federal regulation.'' Specifically, ACUS found that

> . . . Federal regulatory agencies are faced with assuring the compliance of an increasing number of entities and products without a corresponding growth in agency resources. Third-party programs may leverage private resources and expertise in ways that make regulation more effective and less costly. In comparison with other regulatory approaches, third-party programs may also enable more frequent compliance assessment and more complete and reliable compliance data.

A leading scholar on regulatory third-party programs likewise found that, when well-designed and implemented, ''third-party verification could furnish more and better data about regulatory compliance'' while providing additional compliance and resource savings benefits.[84]

An ''independent third-party'' is a private auditor, inspector, or other type of verifier external to the facility. ''Independent third-party'' excludes the regulated entity, which is the first party (*e.g.,* the stationary source and its parent company and subsidiaries), second parties within the firm's industry or business community with whom the regulated entity has a supply-chain relationship, and third parties that are not independent of the first party, which may include contractors, consultants, or purchasers of the facility's goods or services.[85] An independent third-party program should not be confused with a second party program in which a regulated source employs a contractor or consultant, even when the contractor is a separate legal entity from the regulated facility and highly qualified. If a regulated source provides direct or indirect control over the contractor or consultant preparing the audit report, including controlling the report's scope or findings, or has other non-audit relationships with the auditor, then the auditor is not a true independent third-party. This is important because when developing a third-party audit program, auditor independence can be critical to the success of the program.

Third-party compliance audit programs should also establish criteria and standards for auditor independence. As documented in the ACUS Recommendation on Agency Use of Third-Party Programs to Assess Regulatory Compliance (December 6, 2012),[86] the ACUS Third-Party Programs Final Report (October 22, 2012), and the McAllister law review article, auditor independence is critical to ensuring accurate and reliable independent third-party auditing.[87]

The literature on designing independent third-party programs includes peer-reviewed empirical studies emphasizing the importance of

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[77] McCallister, Lesley. October 22, 2012. Third-Party Programs Final Report (2012). *http://www.acus.gov/report/third-party-programs-final-report.*

[78] Standards of Performance for New Residential Wood Heaters, New Residential Hydronic Heaters and Forced-Air Furnaces, 80 FR 13671, March 16, 2015. *http://www.gpo.gov/fdsys/pkg/FR-2015-03-16/pdf/2015-03733.pdf.*

[79] Formaldehyde; Third-Party Certification Framework for the Formaldehyde Standards for Composite Wood Products, 78 FR 34796, June 10, 2013. *http://www.gpo.gov/fdsys/pkg/FR-2013-06-10/pdf/2013-13254.pdf.* See also the Formaldehyde Standards for Composite Wood Products Act *https://www.gpo.gov/fdsys/pkg/BILLS-111s1660enr/pdf/BILLS-111s1660enr.pdf.*

[80] *See, e.g.,* Missouri Dept. of Nat. Resources and Missouri State Highway Patrol, First Annual Oversight Report of the Decentralized Gateway Vehicle Inspection Program (2008). *http://www.dnr.mo.gov/gatewayvip/docs/enforcementrpt.pdf.*

[81] Cal. Code of Regs. Accreditation Requirements for Verification Bodies, Lead Verifiers, and Verifiers of Emissions Data Reports and Offset Project Data Reports. tit. 17 § 95132(b)(4) (2010); *see also* Cal. Code of Regs. tit. 17 § 95132(b)(1) (describing the firm requirement of having a lead verifier); Cal. Code of Regs. tit. 17 § 95132(b)(2) (2010) (describing the lead verifier requirements) and Cal. Code of Regs. tit. 17 § 95132(b)(1). *https://govt.westlaw.com/calregs/Document/I047B3A909A3011E4A28EDDF568E2F8A2?viewType=FullText&originationContext=documenttoc&transitionType=CategoryPageItem&contextData=%28sc.Default%29.*

[82] MassDEP. 2015. UST Inspection Program. *http://www.mass.gov/eea/agencies/massdep/toxics/ust/third-party-ust-inspection-program.html.*

[83] CCPS. March 2007. Guidelines for Risk Based Process Safety. *http://www.aiche.org/ccps/resources/publications/books/guidelines-risk-based-process-safety.*

[84] Lesley K. McAllister. Jan. 2012. Regulation by Third-Party Verification. 53 B.C. L. Rev. 1, 21–26. *http://lawdigitalcommons.bc.edu/bclr/vol53/iss1/1/.*

[85] Lesley K. McAllister. Jan. 2012. Regulation by Third-Party Verification. 53 B.C. L. Rev. 1, 22–23 at p. 37.

[86] ACUS; Administrative Conference Recommendation 2012–7; Agency Use of Third-Party Programs to Assess Regulatory Compliance (Adopted December 6, 2012) at 3–4. *https://www.acus.gov/recommendation/agency-use-third-party-programs-assess-regulatory-compliance.*

[87] See, *e.g.,* Lesley K. McAllister. Jan. 2012. Regulation by Third-Party Verification. 53 B.C. L. Rev. 1, pp. 3, 39–40.

establishing criteria and features for auditor independence to promote accurate audit reports, including those summarized briefly below. While it is not necessary that all audits be conducted only by independent third parties, when independent third-party auditing is necessary and appropriate, the literature indicates that, without sufficient safeguards to ensure auditor independence, auditors are more likely to provide lenient or biased audit reports that can fail to accurately identify problems and violations by the regulated entity.

One such study is a randomized control design field experiment in the State of Gujarat in India.[88] This study revealed weaknesses in the existing third-party regulatory audit system and the potential for a series of market-based alterations to dramatically improve auditor accuracy. In India, Gujarat Pollution Control Board regulates more than 20,000 industrial plants. From the universe of audit-eligible plants located in two populous and heavily polluted industrial regions, the researchers identified a study sample of 473 randomly-selected plants, stratified by region. Half of the plants were randomly assigned into a control group. The other half of the plants, also randomly assigned, were informed by the State of changes to their audit regulation that included the following: Plants would be randomly assigned auditors they were required to use (*i.e.,* they could no longer choose their own auditors); auditors would be paid from a central pool rather than by the plant for which they worked; auditor fees were set in advance at a flat rate (high enough to cover pollution measurement and give the auditor a modest profit); a random sample of each auditor's pollution readings would be verified with follow-up visits to the audited plants by an independent technical agency; in year two of the experiment, the third-party auditors were informed that their pay would be linked to their reporting accuracy as measured by the technical agency's follow-up visits. The researchers found that, under the status quo system, the third-party auditors systematically reported false pollution levels just below the applicable regulatory standard (also known as strategic misreporting) but the experimental changes significantly improved the truthfulness of the third-party auditors' reports, even for auditors operating in both markets who audited firms in both the control and treatment groups. Also, and importantly, once the plants understood that their auditors would henceforth be reporting more accurately to the State, they reduced their actual pollution emissions.

A pair of 2013 studies of independent third-party vehicle emission testing in New York also considered factors impacting third-party independence. This research was based on millions of emission test results from thousands of test facilities.[89] The authors' findings include that there is a relationship between testing facilities' opportunities to ''cross sell'' other products and services to car owners and the test results. The researchers found that, in pursuit of customer loyalty, facilities with more cross-selling opportunities were incentivized to ''pass'' cars that facilities with fewer cross-selling opportunities would not.[90]

Further evidence suggests that many, if not most, of some types of financial audits are flawed due to insufficient auditor competence, independence, and/or lack of public transparency. Third-party auditing is a linchpin of financial reporting. But when the Public Company Accounting Oversight Board (PCAOB) released its third annual report on audits of broker-dealers registered with the Securities and Exchange Commission (SEC), the PCAOB found audit deficiencies in portions of 70 of the 90 audits. Independence problems were found in 21 on the 90 audits where, contrary to SEC rules, firms helped with the bookkeeping or preparation of the financial statements they audited.[91]

In 2014, the New York State Department of Financial Services (NYDFS) fined PricewaterhouseCoopers (''PwC'') Regulatory Advisory Services $25 million, suspended it for 24 months from accepting consulting engagements at regulated financial institutions, and required it to implement a series of reforms after PwC improperly altered a report submitted to regulators on sanctions and anti-money laundering compliance at Bank of Tokyo Mitsubishi (BTMU). Under pressure from BTMU executives who received an advance draft of its report to review, PwC edited the report, and in the final version of the report which was sent to regulators, a number of key provisions were deleted or otherwise significantly edited.[92]

These recommendations, studies, and reports emphasize the importance of designing independent third-party programs to embody auditor independence by building in appropriate criteria and processes for third-party independence. They identify a range of available design elements to promote such independence. EPA consulted this literature in developing today's proposed independent third-party compliance auditing program.

Industry recognizes the benefits of third-party auditing programs and have established programs and standards for third-party audits for some types of operations, many of which are also subject to the RMP rule.[93] These programs also demonstrate industry's understanding that, in appropriate circumstances, third-party auditing can provide benefits and results above those available through self-auditing alone. In addition, these programs and standards illustrate the range and variety of structural design elements that can be, and are, employed in third-party programs to address auditor competence and independence, auditor certification, the audit process, auditor reporting, recordkeeping, and the public disclosure of audit results and associated information.

Some industry groups, such as SOCMA and the Center for Offshore Safety (COS), require certain types of third-party audits for their members. SOCMA members are U.S. companies engaging in the manufacturing or handling of synthetic and organic chemicals. Active members have a mandatory requirement to participate in ChemStewards®, a program intended to promote continuous performance improvement in batch chemical manufacturing. The program offers a three-tiered approach to participation. Each tier includes a third-party verified

[88] Esther Duflo et al., *Truth-Telling By Third-Party Auditors And The Response of Polluting Firms: Experimental Evidence From India,* 128 Q. J. of Econ. 4 at 1499–1545 (2013).

[89] Victor Manuel Bennett, et al. August 2013. Customer-Driven Misconduct How Competition Corrupts Business Practices. Management Science Vol. 59, No. 8, pp. 1725–1742. *http://www.hbs.edu/faculty/Pages/item.aspx?num=43347* and Lamar Pierce and Michael W. Toffel. Sept.–Oct. 2013. The Role of Organizational Scope and Governance in Strengthening Private Monitoring. Organization Science Vol. 24, No. 5, pp. 1558–1584.

[90] Lamar Pierce and Michael W. Toffel. Sept.-Oct. 2013. The Role of Organizational Scope and Governance in Strengthening Private Monitoring. Organization Science Vol. 24, No. 5, at 1575. *http://www.hbs.edu/faculty/Publication%20Files/11-004.pdf.*

[91] PCAOB. Aug. 18, 2014. Third Progress Report on PCAOB Inspections of Broker and Dealer Auditors Shows Continued High Number of Findings. *http://pcaobus.org/Inspections/Documents/BD_Interim_Inspection_Program_2014.pdf.*

[92] Press Release: NYDFS Announces PwC Regulatory Advisory Services Will Face 24-Month Consulting Suspension; Pay $25 Million; Implement Reforms After Misconduct During Work At BTMU. Aug. 18, 2014. *http://www.dfs.ny.gov/about/press/pr1408181.htm.*

[93] EPA has not formally evaluated these programs and standards or their outcomes. This discussion is not a formal Agency review or endorsement of them.

management system.[94] The COS strategy for promoting safety and protection of the environment includes third-party auditing and certification of the COS member company's SEMS and accreditation of the organizations (Audit Service Providers) providing the audit services. The third-party audits are intended to ensure that COS member companies are implementing and maintaining SEMS throughout their deepwater operations.[95]

ACC members are required to participate in a Responsible Care management system described by ACC as including, identifying, and acting to address potential hazards and risks associated with their products, processes, distribution and other operations. One of Responsible Care's program elements is a product safety code consisting of eleven management practices through which chemical manufacturers are encouraged to evaluate, demonstrate and continuously improve their product safety performance while making information about chemical products available to the public.[96] Responsible Care also has a process safety code consisting of seven management practices through which chemical manufacturers commit to safe operation of their chemical processes. According to ACC,

> the Responsible Care Process Safety Code differs from regulatory standards that, by necessity, focus on process safety at an individual facility. ACC contends that the Process Safety Code is more universal—it addresses issues across a division or corporation, and includes a company commitment to set process safety expectations, define accountability for process safety performance and allocate adequate resources to achieve performance expectations.[97]

> The Responsible Care management system process includes mandatory certification, by auditors described by ACC as accredited and independent, to ensure the program participants have a structure and system in place to measure, manage and verify performance.[98]

The API, in collaboration with industry partners, has developed a Process Safety Site Assessment Program (PSSAP). According to API, the program is intended to provide for the assessment of API member sites' process safety systems by third-party teams of independent, industry-qualified process safety expert assessors. Using industry-developed protocols, API describes the process safety site assessments as evaluating the quality of written programs and effectiveness of field implementation for the following process safety areas that will be evaluated: Process Safety Leadership; MOC; Mechanical Integrity (focused on fixed equipment); Safe Work Practices; Operating Practices; Facility Siting; Process Safety Hazards; and HF Alkylation/RP 751. The assessment teams produce reports that identify observations that site personnel should consider further but do not provide written recommendations.[99]

1. Applicability of Third-Party Audit Requirements

Currently, there are approximately 12,000 stationary sources with Program 2 and/or Program 3 processes. The proposed rule would not require all of these RMP facilities to use third-party auditors when conducting compliance audits under subpart C or D. Instead, EPA is proposing that owners or operators be required to perform third-party compliance audits at their facilities only under the following two conditions.

Under the first condition, a third-party compliance audit would be required in lieu of an internal compliance audit if there has been an accidental release from an RMP facility meeting the five-year accident history criteria as described in § 68.42(a). The existing five-year accident history criteria include accidental releases from covered processes that resulted in deaths, injuries, or significant property damage on-site; or deaths, injuries, property damage, evacuations, sheltering in place, or environmental damage offsite. EPA and other implementing agencies would learn about accidents meeting the five-year accident history criteria because such accidents must be included within a facility's RMP within six months of the accident, in accordance with § 68.195(a). Following such an accident, the RMP facility's owner or operator would be required to engage a third-party auditor to conduct a compliance audit for the source. Pursuant to §§ 68.58(h) and 68.79(h), the third-party audit and associated report shall be completed, and submitted to the implementing agency pursuant to § 68.59(c)(3) or § 68.80(c)(3) as follows, unless a different timeframe is specified by the implementing agency: within 12 months of when the third-party audit is required pursuant to § 68.58(f) and/or (g) or § 68.79(f) and/or (g); or within three years of completion of the previous compliance audit, whichever is sooner.

The second condition is if an implementing agency has made a determination that a third-party audit at an RMP facility is necessary, based on information about the facility or a prior third-party audit at the facility. Information about an RMP facility that would lead to such a determination could be obtained from sources including an inspection of a facility by the implementing agency's representatives. Relevant information to support the determination may include evidence of significant non-compliance with the prevention program requirements of subpart C or D of part 68. Significant non-compliance includes deficiencies relating to a previous third-party audit (*i.e.,* failure to meet the competency, independence, or impartiality criteria of § 68.59(b) or § 68.80(b)).

If such a determination is made, the implementing agency must provide a written notice to the owner or operator of the facility stating the reasons for the determination that a third-party audit must be performed. The proposed rule provides for an opportunity for the owner or operator to provide information and data to the implementing agency and to consult with the implementing agency about the need to perform a third-party audit at the facility source before the implementing agency representatives make a final determination. EPA seeks comment on these proposed third-party audit applicability requirements.

2. Alternative Options for Third-Party Audit Applicability Criteria

EPA considered requiring third-party compliance audits for a larger universe of regulated facilities. We considered whether to require third-party

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[94] SOCMA. 2015. *See http://www.socma.com/ChemStewards/.*

[95] COS. 2013. *See http://www.centerforoffshoresafety.org/auditInfo.html.*

[96] ACC. 2013. Responsible Care Product Safety Code. *http://responsiblecare.americanchemistry.com/Responsible-Care-Program-Elements/Product-Safety-Code.*

[97] ACC. 2013. Responsible Care Process Safety Code. *http://responsiblecare.americanchemistry.com/Responsible-Care-Program-Elements/Process-Safety-Code.*

[98] Certification must be renewed every three years, and companies can choose one of two certification options. RCMS® certification in intended to verify that a company has implemented the Responsible Care Management System. RC14001® certification combines Responsible Care and ISO 14001 certification. See *http://responsiblecare.americanchemistry.com/Responsible-Care-Program-Elements/Management-System-and-Certification* and *http://responsiblecare.americanchemistry.com/Responsible-Care-Program-Elements/Process-Safety-Code/Responsible-Care-Process-Safety-Code-PDF.pdf.*

[99] API. 2015. PSSAP. *http://www.api.org/certification-programs/process-safety-site-assessment-programs.*

compliance audits for all facilities with processes subject to Program 3 requirements at least every three years. We also considered whether to require third-party compliance audits for all facilities with processes subject to Program 2 or Program 3 requirements every three years. However, because EPA views facilities that have had accidents or significant non-compliance as presenting higher risks to surrounding communities, the Agency is proposing to limit the applicability of this provision to these facilities.

EPA seeks comments and suggestions on the proposed third-party audit applicability requirements and whether to eliminate or further limit applicability of this provision. For example, EPA could consider limiting the provision to only Program 3 facilities that have had accidents or to only facilities that have had major accidents with offsite impacts. EPA seeks comments on this alternative approach and to define and characterize ''major accidents with offsite impacts.'' Alternatively, EPA could revise this provision to reduce its impact on small businesses. When providing suggested alternatives, please include suggestions for how to improve compliance with auditing provisions.

EPA also seeks comment on whether there are other criteria that could require RMP facilities to perform third-party compliance audits. For example, a third-party audit could be required if an owner or operator of a facility were to learn or know of a condition or conditions at its facility suggesting a concern for, or potential risk of, future accidents. Such conditions would need to be objective and reasonably ascertainable by the facility owners or operators, the implementing agency, and the public.

EPA also seeks comment on the benefits and costs of proposing additional requirements for third-party compliance audits and recommendations for appropriate conditions suggesting a concern for, or potential risk of, future accidents.

3. Proposed Third-Party Audit Requirements

a. Compliance Audit (§§ 68.58 and 68.79)

In order to prevent accidents and ensure compliance with part 68 requirements, EPA is proposing to require certain RMP facilities to perform third-party audits. The proposed changes to §§ 68.58 and 68.79 would add this requirement for both Program 2 and Program 3 processes, under certain conditions.

EPA proposes new paragraphs §§ 68.58(f) and 68.79(f) which describe when a third-party audit is required. Pursuant to these paragraphs, the next required compliance audit for an RMP facility shall be a third-party audit when one of the following conditions apply: (1) An accidental release, meeting the criteria in § 68.42(a), from a covered process has occurred; or (2) an implementing agency requires a third-party audit based on non-compliance with the requirements of this subpart, including when a previous third-party audit failed to meet the competency, independence, or impartiality criteria of § 68.59(b) or § 68.80(b). The purpose is to help reduce the risk of future accidents by requiring an objective auditing process to determine whether the owner or operator of the facility is effectively complying with the prevention program requirements of part 68.

EPA proposes new paragraphs §§ 68.58(g) and 68.79(g), Implementing agency notification and appeals, which describe the procedure for when a third-party audit is required by an implementing agency. Pursuant to these paragraphs, if an implementing agency makes a preliminary determination that a third-party audit is necessary, the implementing agency will provide written notice to the facility owner or operator stating the reasons for the implementing agency's determination. The owner or operator has an opportunity to provide information to, and to consult with, the implementing agency. The implementing agency then provides a final determination to the owner or operator. If the final determination requires a third-party audit, the owner or operator shall comply with the requirements of § 68.59 and/or § 68.80, but also may choose to appeal the final determination. After the appeal is considered, the implementing agency will provide a written, final decision on the appeal to the owner or operator.

EPA proposes new paragraphs §§ 68.58(h) and 68.79(h), which describe the schedule for conducting third-party audits. The audit and associated report shall be completed, and submitted to the implementing agency as follows, unless a different timeframe is specified by the implementing agency: (1) Within 12 months of when any third-party audit is required; or (2) within three years of completion of the previous compliance audit, whichever is sooner.

b. Third-Party Audits (§§ 68.59 and 68.80)

EPA is proposing new §§ 68.59 and 68.80, which include the requirements for both third-party audits, and third-party auditors.

Sections 68.59(a) and 68.80(a) state that owners or operators shall engage a third-party auditor to evaluate compliance with the provisions of this subpart in accordance with the requirements of this section when the criteria of § 68.58(f) or § 68.79(f) are met.

EPA is proposing, in §§ 68.59(b) and 68.80(b), that owners and operators of RMP facilities subject to these requirements determine and document the competency, independence, and impartiality of their auditors. These sections require that the facility owners or operators be responsible for self-determining and documenting that their third-party auditors are competent and independent pursuant to the criteria listed in § 68.59(b)(1) through (3) or § 68.80(b)(1) through (3), by requiring specific provisions and safeguards in their contracts and relationships with their third-party auditors.

EPA seeks comment as to whether the requirement that owners and operators of RMP facilities be responsible for determining and documenting the competency, independence, and impartiality of their auditors is appropriate.

Alternative Option for Third-Party Auditor Selection and Accreditation

EPA also considered an alternative approach, such as requiring auditors to have accreditation from a recognized auditing body or EPA. Most independent third-party regulatory compliance verification programs require the qualifying third-parties to apply for and receive accreditation from a qualified external party to ensure competency and independence. Such an external accreditation approach can add rigor to the process of confirming the competence and independence of the auditors but it also adds procedures and costs. Therefore, while EPA is not proposing that the Agency itself will accredit third-party auditors, EPA seeks comment on whether to require additional accreditation criteria and how to best establish and structure an accreditation program within the context of the RMP rule.

Auditor Competence

Third-party compliance verification programs should establish criteria and standards for auditor competence. Typically, such criteria and standards combine specified minimum levels of education, knowledge, experience, and training. EPA is proposing to require in proposed §§ 68.59(b)(1)(i) through (iv) and 68.80(b)(1) (i) through (iv) that third-party auditors be:

- Knowledgeable with the requirements of part 68;
- experienced with the facility type and processes being audited and the applicable recognized and generally accepted good engineering practices (RAGAGEP);
- trained or certified in proper auditing techniques; and
- be a licensed Professional Engineer (PE), or include a licensed PE on the audit team.

EPA is proposing to require a PE as part of the audit team in an attempt to identify competent auditors that also have an ethical obligation to perform unbiased work. EPA seeks comment on whether these criteria are appropriate and sufficient to ensure third-party auditors are competent to perform high-quality compliance audits. EPA also seeks comment on whether the proposal to require that a third-party auditor, or a member of the audit team, be a licensed PE is appropriate and whether there are enough licensed PEs to conduct third-party audits for the universe of facilities that may become subject to these requirements. Are there other qualifications who might be appropriate for RMP auditors in lieu of a PE?

As part of the SBAR Panel process, SERs suggested to the SBAR Panel that EPA consider substituting other qualified personnel such as: degreed chemists, degreed chemical engineers, Certified Safety Professionals (CSP), Certified Industrial Hygienists (CIH), Certified Fire Protection Specialists (CFPS), Certified Hazardous Materials Managers (CHMM), Certified Professional Environmental Auditors (CPEA) or Certified Process Safety Auditors (CPSA). SERs indicated that these credentials also include ethical obligations to provide sound independent advice. EPA also seeks comment regarding potentially relevant and applicable consensus standards and protocols that might apply to the audits and be built and/or incorporated by reference into the rules. These may include relevant and applicable American National Standards Institute, American Society for Testing and Materials International, European Committee for Standardization, International Organization for Standardization (ISO), and National Institute of Standards and Technology (NIST) standards.

Auditor Independence and Impartiality

Proposed §§ 68.59(b)(2)(i) through (vi) and 68.80(b) (2)(i) through (vi) set forth the independence and impartiality requirements for third-party auditors and audit teams. These include that third-party auditors:

- Act impartially when performing all third-party audit activities;
- receive no financial benefit from the outcome of the audit, apart from payment for the auditing services;
- not have conducted past research, development, design, construction services, or consulting for the owner or operator within the last 3 years; [100]
- not provide other business or consulting services to the owner or operator, including advice or assistance to implement the findings or recommendations in an audit report, for a period of at least 3 years following submission of the final audit report;
- Ensure all personnel involved in the audit sign and date a conflict of interest statement; and
- ensure all personnel involved in the audit do not accept future employment with the owner or operator of the facility for a period of at least 3 years following submission of the final audit report. For purposes of this requirement, employment does not include performing or participating in third-party audits pursuant to § 68.59 or § 68.80.

As part of the SBAR Panel process, SERs raised concerns about the extent of the independence criteria and suggested this might limit the availability of qualified auditors. Specifically, SERs asked how to apply the independence criteria to a company that employs personnel who previously worked for or otherwise engaged in consulting services with the facility. Audit firms with personnel who, before working for the firm, performed services for the owner or operator as an employee, contractor or consultant, meet the rule's independence criteria when such personnel do not participate on, manage, or advise the audit teams. Additionally, employees of an auditing firm are not prohibited from accepting future employment with the owner/operator as long as they were not directly involved in performing or managing the audit.

Another concern raised by SERs is ensuring that third-party auditors do not pose a terrorism concern or release information that could compromise facility security or CBI. EPA agrees that chemical facility security is a priority and seeks comments on the impacts a third-party auditor may have on a facility's security and whether there is a need to specify security protections or whether existing non-disclosure and contractual agreements should handle this independently.

EPA seeks comment on whether the proposed auditor independence criteria are appropriate and sufficient. If not, we seek comment on how best to adjust the criteria for maximum auditing effectiveness and efficiency, including comments or suggestions on how to provide more flexibility in the auditor independence criteria, or whether to eliminate the requirement for independence. EPA also seeks comments on whether the proposed 3-year timeframe to separate the audit from other business arrangements with the owner or operator is appropriate.

Furthermore, EPA is requesting comment on whether the proposed auditor independence criteria should be modified so as to not exclude a retired employee from auditing a former employer's facility if the employee's sole continuing financial attachment to the owner or operator is an employer-financed or employer-managed retirement plan. While EPA is concerned such attachments could provide the auditor with incentives to ensure the facilities they audit are not financially negatively impacted by their audits, it could also, as a practical matter, limit the available pool of otherwise qualified and competent auditors. EPA seeks comment on the potential magnitude of such incentives and how to address this concern in the rule.

Finally, EPA requests comment on whether to propose streamlined independence criteria for small facilities (*i.e.,* based on the size of the facility) including comments or suggestions on how to streamline the requirements.

Auditor Policies and Procedures

Proposed §§ 68.59(b)(3) and 68.80(b)(3), if finalized, would require that owner or operators of RMP regulated facilities ensure that third-party auditors have written policies and procedures to ensure that all personnel comply with the competency, independence, and impartiality requirements of these sections. EPA seeks comment on these proposed provisions.

Alternative Options for Auditor Qualifications

EPA considered including alternative options in the proposed rule for owners and operators of stationary sources who cannot, despite best efforts, find a third-party auditor meeting all of the independence criteria. Two specific options were considered.

Under the first option, owners and operators of RMP facilities, in addition to self-selecting their third-party auditors pursuant to the specified independence criteria, would also self-determine when it is impossible or impractical to hire such auditors and self-select their alternative auditors.

[100] For purposes of this requirement, consulting does not include performing or participating in third-party audits pursuant to § 68.59 or § 68.80.

Under this option, the owner or operator would be required to inform the implementing agency and the public of the alternative auditors, which could be accomplished by providing and/or publicly posting information on the alternative auditors and how they were selected. The information could describe the steps taken to identify auditors meeting all of the rule's independence criteria, the identities and competencies of the alternative auditors, the regulatory independence criteria that the alternative auditors were unable to meet and why, and any steps taken to address or limit the impacts of the auditors' lack of independence on the outcomes and reliability of their audits.

Under the second option, owners and operators who, despite best efforts, could not find auditors meeting all the rule's independence criteria would be authorized to identify specific alternative auditors to the implementing agency and petition it for approval to engage those auditors. This approach would include a requirement for auditors not fully satisfying the rule's independence criteria to prepare and implement Conflict of Interest Mitigation Plans similar to those required by the California Air Resources Board (CARB) under its Regulation for the Mandatory Reporting of GHG Emissions,[101] with associated reporting, recordkeeping, and due process procedures. Under this option, if, despite best efforts, an owner or operator cannot find a third-party auditor meeting all of the criteria in § 68.59(b) or § 68.80(b), the owner or operator would be required to request approval, in writing, to the implementing agency to use an alternative third-party auditor. The implementing agency would then be required, within a specified timeframe, to approve or disapprove the proposed request and provide notice of its decision to the owner or operator. The owner or operator's request to use an alternative third-party auditor would include a description of the owner or operator's efforts to find an independent third-party auditor, identification of the proposed alternative third-party auditor (including the same information required pursuant to this rule for a fully qualified auditor), identification of the specific independence requirements the proposed alternative third-party auditor meets and does not meet, and an organizational chart of the proposed alternative third-party auditor and related entities with brief descriptions of the primary nature of the work each performs.

The owner or operator's request to use an identified alternative third-party auditor would also include a Conflict of Interest Mitigation Plan demonstrating the steps the auditor would take to mitigate its inability to fully meet the independence requirements in § 68.59(b) or § 68.80(b). These steps could include ensuring that any individual or organizational component of the auditor with conflicts of interest or impartiality concerns is removed from the audit and/or isolated from the individuals or organizational component conducting the audit, an explanation of how and why the amount and nature of work previously performed should not be deemed to undermine the auditing team's credibility and lack of bias, and descriptions of any other adjustments or circumstances taken to address actual or potential sources for conflicts of interest, with an appropriate certification signed and dated by a senior owner or operator official.

If, pursuant to this option, the implementing agency approves the alternative third-party auditor, it would provide written notice to the owner or operator and, upon receipt of the approval, the owner or operator may engage the alternative auditor to conduct the audit under this section. If the implementing agency does not approve the identified alternative auditor, the implementing agency would provide a written notice to the owner or operator stating the reasons for the decision. Within a specified timeframe after receipt of such written notice, the owner or operator would be required to submit the name of another proposed auditor for the implementing agency's consideration. In the alternative, the owner or operator would be able to appeal the implementing agency's decision pursuant to the applicable agency's processes.

EPA considered but did not propose other third-party auditor independence safeguards than those included in proposed § 68.59(b)(2) or § 68.80(b)(2). Examples include mandating the random assignment of auditors, paying them from a central pool of auditing funds, or requiring mandatory periodic auditor rotation after a specified period of time. Nor has EPA proposed provisions requiring owners and operators to provide advance notice to the implementing agency of third-party auditor site visits to enable the implementing agency to accompany and observe the third-party auditors on such visits.[102] EPA seeks comment on these alternative approaches.

EPA further seeks comment on whether there are any other alternative approaches to third-party auditor qualifications EPA should consider prior to issuing a final action. For example, EPA could, in the final rule, allow for audits to be performed by auditors with some potential conflicts of interest (*e.g.,* employees of parent company, affiliates, vendors/contractors that participated in developing the facility's RMP, etc.) and/or allow a person employed at the facility who is a registered PE to conduct the audit. If such approaches are adopted in the final rule, the Agency could seek to place appropriate restrictions on auditors and auditing using third parties with less than full independence from their client facilities in an effort to increase confidence that the auditors will act appropriately when performing their activities under the RMP rule. The purposes of such provisions could include ensuring that auditor personnel who assess a facility's compliance with the RMP rule do not receive any financial benefit from the outcome of their auditing decisions, apart from their basic salaries or remuneration for having conducted the audits. EPA also specifically requests commenters to identify any supportive literature or data as EPA is presently not aware of literature or data showing that such provisions are effective in counteracting biases due to lack of impartiality or independence.

There may be other options, in addition to the approaches taken in the proposed third-party compliance auditing program or identified above, that can also increase owner or operator flexibility without compromising audit accuracy. EPA seeks comment on such alternative auditor/auditing approaches.

If non-independent or limited independence third-party auditing, second-party auditing, or enhanced self-auditing is authorized, EPA seeks comment on how best to structure such auditing to maximize auditor independence and accurate auditing outcomes given the lack of complete

[101] CARB. July 23, 2015. Verification of GHG Emissions Data Reports. *http://www.arb.ca.gov/cc/reporting/ghg-ver/ghg-ver.htm.*

[102] Compare proposed 40 CFR 770.7(a)(3)(iv) of EPA's proposed Toxic Substances Control Act (TSCA) formaldehyde in wood products third-party program proposed rule: ''(3) Responsibilities. EPA recognized Laboratory ABs must fulfill the requirements in paragraphs (b)(3)(i) through (xiii) of this section: . . . (iv) Upon request, allow EPA representatives to accompany its assessors during an on-site assessment to observe the audit of a TPC.'' Formaldehyde; Third-Party Certification Framework for the Formaldehyde Standards for Composite Wood Products, 78 FR 34796, June 10, 2013. *http://www.gpo.gov/fdsys/pkg/FR-2013-06-10/pdf/2013-13254.pdf.*

independence. EPA also seeks suggestions for what steps a facility should be required to take if third-party auditors who meet the proposed independence and competence criteria are not available. If RMP facilities are allowed, in the final rule, to use enhanced self-auditing in lieu of independent third-party auditing, examples of the types of restrictions that could be placed on such self-auditing to potentially improve auditor impartiality and auditing outcomes appear in the *U.S. and CARB* v. *Hyundai Motor Company, et al.* Consent Decree.[103]

Third-Party Audit Report

Proposed §§ 68.59(c) and 68.80(c), if finalized, would require owners or operators of stationary sources to ensure that their third-party auditors prepare and submit audit reports. Proposed §§ 68.59(c)(1) and 68.80(c)(1), if finalized, would include requirements for the scope and content of these reports, including a statement to be signed by the third-party auditor certifying that the third-party audit was performed in accordance with the requirements of subpart C or D. Proposed §§ 68.59(c)(1) and 68.80(c)(1), if finalized, would also require that the final third-party audit reports must identify any adjustments made by the third-party auditor to any draft third-party audit reports provided to the owners or operators for their review or comment. EPA believes that these provisions are important to minimize third-party compliance audit bias. EPA's intent in allowing for owners and operators to receive and comment on draft third-party compliance audit reports with these additional requirements is to promote factual and informative final third-party compliance audit reports without compromising their accuracy and independence. EPA seeks comment, however, on whether we should also require draft third-party compliance audit reports to be submitted to the implementing agency at the same time, or before, such reports are provided to the owners and operators and whether such a requirement would be further effective in minimizing potential third-party compliance audit bias.

Proposed §§ 68.59(c)(2) and 68.80(c)(2), if finalized, would include requirements for the retention of reports and records by the third-party auditors. Proposed §§ 68.59(c)(3) and 68.80(c)(3), if finalized, would require the audit report to be submitted to the implementing agency at the same time, or before, it is provided it to the owner or operator. Finally, EPA is proposing in §§ 68.59(c)(4) and 68.80(c)(4) that the audit report and related records cannot be claimed as attorney-client communications or as attorney work products even if the auditors are themselves, or are managed by or report to, attorneys. With respect to the attorney work product privilege, the audit report and related records are produced to document compliance rather than in anticipation of litigation, just like a monitoring report required by an air emission rule would not be produced in anticipation of litigation. With respect to the attorney-client communication privilege, the third-party auditor is arms-length and independent of the stationary source being audited. The auditor lacks an attorney-client relationship with counsel for the audited entity. Therefore, neither the audit report nor the records related to the audit report provided to the third-party auditor are attorney-client privileged (including documents originally prepared with assistance or under the direction of the audited source's attorney). EPA seeks comment on these proposed requirements including any legal concerns that may result from the provision that limits attorney-related privileges.

Other Owner or Operator Obligations

Proposed §§ 68.59(d)(1) and 68.80(d)(1), if finalized, would require owners or operators, as soon as possible, but no later than 90 days after receiving the final audit report, to determine an appropriate response to each of the findings in the audit report, and develop and provide to the implementing agency a findings response report. This findings response report would include: A copy of the final audit report; an appropriate response to each of the audit report findings; a schedule for promptly addressing deficiencies; and a statement, signed and dated by a senior corporate officer, certifying that appropriate responses to the findings in the audit report have been identified and deficiencies were corrected, or are being corrected, consistent with the requirements of subpart C or D of 40 CFR part 68. The requirement to determine appropriate responses to findings is similar to existing compliance audit requirements that require the owner or operator to ''promptly determine and document an appropriate response to each of the findings of the compliance audit.'' EPA seeks comment on these proposed requirements and whether we should provide flexibility on the timeframe for developing the findings response report.

EPA also considered prescribing a timeframe within which deficiencies must be corrected, rather than rely on ''promptly'' address deficiencies. However, EPA was unable to identify an appropriate timeframe given the variety of possible site-specific actions that an owner or operator may take to address audit findings. EPA seeks comment on whether to keep this approach or substitute a specific number of days and, if the latter, what is a reasonable time period to specify and why.

Proposed §§ 68.59(d)(2) and 68.80(d)(2), if finalized, would require the owner or operator to implement the schedule and address deficiencies identified in the audit findings response report, and document the action taken to address each deficiency, along with the date completed. Proposed §§ 68.59(d)(3) and 68.80(d)(3), if finalized, would require the owner or operator to provide a copy of documents required under paragraphs (d)(1) and (d)(2) to the owner or operator's audit committee of the Board of Directors, or other comparable committee, if one exists. EPA seeks comment on these proposed requirements.

Proposed §§ 68.59(e) and 68.80(e), if finalized, would require the owner or operator to retain records at the stationary source, including: the two most recent third-party audit reports, related findings response reports, documentation of actions taken to address deficiencies, and related records; and copies of all draft third-party audit reports. The owner or operator shall provide draft third-party audit reports, or other documents, to the implementing agency upon request. For proposed § 68.59(e) (Program 2 third-party audit recordkeeping provision), these requirements, if finalized, would not apply to any documents that are more than five years old (for Program 3 third-party audit records, as for the existing Program 3 compliance audits, the owner or operator would be required to retain records to support the two most recent audits). EPA seeks comment on these proposed requirements.

C. Safer Technology and Alternatives Analysis (STAA)

1. Meaning of STAA

Safer technology and alternatives refer to risk reduction strategies developed through analysis using a hierarchy of process risk management strategies (or hierarchy of controls), which consists of those which are inherent, passive,

[103] U.S District Court of DC November 11, 2014. Decree of Consent *U.S California Air Resources Board* v. *Hyundai et al. http://www2.epa.gov/sites/production/files/2014-11/documents/hyundai-kia-cd.pdf.*

active, and procedural.[104] This philosophy can be applied initially to all design phases and then continuously throughout a process's life cycle by identifying and assessing hazards and developing a control strategy. STAA includes concepts known as IST or inherently safer design (ISD), which are those strategies that permanently reduce or eliminate the hazards associated with materials and operations used in a process. IST, ISD, and inherent safety are interchangeable terms that are used in the literature and in the field. The four major inherently safer strategies are:

- Minimization–using smaller quantities of hazardous substances;
- Substitution–replacing a material with a less hazardous substance;
- Moderation–using less hazardous conditions or a less hazardous form, or designing facilities that minimize the impact of a release of hazardous material or energy; and
- Simplification–design facilities to eliminate unnecessary complexity and make operating errors less likely.

The hierarchy establishes that inherently safer options (*e.g.,* minimization, substitution, moderation, and simplification) are preferable and occupy the top of the hierarchy. Passive strategies (process and equipment design) are preferable to active ones such as engineering controls (automatic digital or mechanical system controls), which are preferable to procedures or administrative options (controls requiring human action). However, risk reduction of a process hazard may also be achieved by using a combination of strategies, known as layers of protection. EPA is proposing to require analysis of safer technology and alternatives as part of the PHA for a subset of Program 3 processes.

2. Inherently Safer Technology (IST)

A July 2010 DHS report prepared by the CCPS described IST as a philosophy and an iterative process, including eliminating a hazard, reducing a hazard, substituting a less hazardous material, using less hazardous process conditions, and designing a process to reduce the potential for, or consequences of, human error, equipment failure, or intentional harm.[105] It stated that there is no clear boundary between IST and passive, active, and procedural risk management strategies. CCPS further stated that ISTs are relative and can only be described as inherently safer when compared to a different technology, including a description of the hazard or set of hazards being considered, their location, and the potentially affected population. Because an option may be inherently safer with regard to some hazards and inherently less safe with regard to others, the decision process must consider the entire life cycle, the full spectrum of hazards and risks, and the potential for transfer of risk from one impacted population to another. This report also noted that there is currently no consensus on either a quantification method for IST or a scientific assessment method for evaluation of IST options. The report states that risk can be reduced by many methods, including ISD, but those methods must include the full spectrum of risk reduction approaches (passive, active, and procedural risk management systems). Few technologies will be inherently safer with respect to all hazards, and other approaches will usually be required to manage the full range of hazards and risks. As an example, the report points out that an IST with respect to a catastrophic release hazard may conflict with methods to minimize other hazards, such as theft or diversion of materials, contamination of product, or degradation of infrastructure. It may not address other hazards at all, or it may create new hazards.

3. EPA's Past Approach to STAA

The RMP rule already embodies most aspects of the hierarchy of controls. For example, § 68.67 (PHA) requires owners and operators of Program 3 processes to address process hazards using engineering and administrative controls. In most cases, the rule's requirements for compliance with RAGAGEP should ensure that equipment and processes are properly designed, using appropriate passive, active, and procedural controls. The RMP rule also encourages passive and active mitigation for releases by allowing a source to account for such mitigation techniques in its OCA (see §§ 68.25 and 68.28). However, the rule does not contain any explicit requirement for owners and operators to address the first tier of the hierarchy of controls—*i.e.* inherent safety.

Although the current rule does not include IST requirements, EPA has recognized the importance of considering IST for improving process safety. The preamble of the 1995 supplemental NPRM for the Risk Management Program recognized ''that there are many opportunities to make processes inherently safer without large scale adoption of new technologies (60 FR 13533, March 13, 1995). EPA also noted in the preamble to the 1996 final RMP rule, ''Application of good PHA techniques often reveals opportunities for continuous improvement of existing processes and operations without a separate analysis of alternatives'' (61 FR 31674, June 20, 1996). The structure of the applicability provisions of the RMP rule, with TQs, encourages minimizing the presence of regulated substances in processes and encourages sources to continue to examine and adopt viable alternative processing technologies, system safeguards, or process modifications to make new and existing processes and operations inherently safer. EPA's existing guidance on the ''general duty clause'' in CAA section 112(r)(1) states that, ''The owners and operators should try to substitute less hazardous substances for extremely hazardous substances or minimize inventories when possible. This is usually the most effective way to prevent accidents and should be the priority of a prevention program.'' [106]

In the 1996 final RMP rule, EPA decided not to mandate IST analysis, stating that ''EPA does not believe that a requirement that owners or operators conduct searches or analyses of alternative process technologies for new or existing processes will produce significant additional benefits.'' (61 FR 31688, June 20, 1996). However, since 1996 EPA has seen that advances in ISTs and safer alternatives are becoming more widely available and are being adopted by some companies. Voluntary implementation of some ISTs has been identified through surveys and studies and potential opportunities have been identified through EPA inspections and CSB incident investigations. EPA now believes that there is a benefit in requiring that some facilities evaluate whether they can improve risk management of current hazards through potential implementation of ISTs or risk management measures that are more robust and reliable than ones currently in use at the facility. While EPA believes that facilities should look for additional opportunities to increase safety, we believe that the facility owners or operators are in the best position to identify which changes are

[104] CCPS. 2009. Inherently Safer Chemical Processes: A Life Cycle Approach, 2nd ed., American Institute of Chemical Engineers, CCPS New York, Wiley.

[105] CCPS. July 2010. Final Report: Definition for IST in Production, Transportation, Storage, and Use. Prepared by: CCPS, American Institute of Chemical Engineers, New York, New York for Chemical Security Analysis Center, Science & Technology Directorate, U.S. DHS Aberdeen Proving Ground, MD. *http://www.aiche.org/ccps/documents/definition-inherently-safer-technology.*

[106] EPA, Office of Solid Waste and Emergency Response and Office of Enforcement and Compliance Assurance. May 2000. Guidance for Implementation of the General Duty Clause, CAA Section 112(r)(1). EPA 550–B00–002. *http://www2.epa.gov/rmp/guidance-implementation-general-duty-clause-clean-air-act-section-112r.*

feasible to implement for their particular process. As a result, EPA is not proposing to require that a facility implement a particular technology or design.

In addition, in CAA section 112(r) enforcement cases, facility owners or operators have occasionally entered into consent agreements involving implementation of safer alternatives. For example, a food processor in San Francisco had a release of anhydrous ammonia from its refrigeration system in 2009, resulting in evacuation of the facility and several neighboring businesses and hospitalization of 17 people. As part of a consent decree, the facility owner or operator converted the anhydrous ammonia refrigeration system to a safer technology that uses glycol and less ammonia, along with implementing other safety measures and system upgrades.[107] Following community complaints and a 2011 EPA inspection, the owner or operator of a fertilizer facility chose to remove a total of 99,000 pounds of anhydrous ammonia from the facility, thus reducing the risk to the surrounding population.[108] In another case, the owner or operator of a dairy company agreed to reduce the anhydrous ammonia inventory and improve release detection equipment at two facilities after two anhydrous ammonia releases in 2005 and 2007 (the latter causing nine people to spend a night in the hospital) and after EPA identified CAA violations.[109] The owner or operator of a Connecticut metal finishing facility that used chlorine gas for treatment of cyanide waste agreed to implement a project to eliminate the use of chlorine by substituting liquid sodium hypochlorite after EPA found violations of accident prevention regulations.[110] A release from one of the chlorine cylinders at the facility could potentially have impacted offsite public receptors in a densely populated area.[111] Thus, EPA's historic approach to STAA under CAA section 112(r) has resulted in chemical plant operators introducing safer technology and alternatives through implementation of existing rule provisions that address most of the hierarchy of controls, but the Agency has not mandated the use or analysis of IST alternatives.

4. Public Input on STAA

Public feedback and input to the Working Group established to oversee Executive Order 13650, showed there was broad agreement among facility owners and operators, plant workers, community members, and environmental and union organizations of the benefits of implementing safer alternatives where feasible. There was, however, no consensus about the role of government in the implementation of *safer technologies and alternatives.* Industry representatives are wary about process design and operational decisions, including choices of IST, being imposed through regulations. Process design and operational decisions are technically complex and often difficult to regulate. Conversely, many labor and environmental justice representatives believe the Federal government should have a larger role in encouraging IST, with particular emphasis on the opportunity to reduce the vulnerability of residents and workers from incidents.[112]

a. Pending Petition on IST

In July of 2012, a coalition representing 54 organizations and individuals petitioned EPA to use its rulemaking authority under CAA section 112(r)(7)(A), ''to require the use of IST, where feasible, by facilities that use or store hazardous chemicals.'' The petitioners also requested that pending completion of such rulemaking, that EPA should:

revise its guidance concerning the enforcement of the CAA general duty clause, section 112(r)(1), 42 U.S.C. 7412(r)(1), to make clear that the duty to prevent releases of extremely hazardous substances includes the use, where feasible, of safer technologies to minimize the presence and possible release of hazardous chemicals.[113]

The petitioners stated that many Americans remain at risk of injury or death from the unforeseen release of harmful chemicals from nearby industrial parks, water treatment plants, etc., and that the DHS CFATS, which impose security measures on facilities presenting a high risk of vulnerability to releases of hazardous substances, do not cover water treatment facilities, many of which use and store significant quantities of chlorine gas.

The petitioners cited specific threats or accidents as examples of risks that, in their view, should have been addressed by taking steps to eliminate or minimize extremely hazardous substances [114] where feasible. Examples they cited include a 2009 explosion at a refinery in Corpus Christi, Texas, that resulted in the release of more than a ton of hydrogen fluoride, with a much larger release being narrowly avoided.[115] A 2008 explosion and fire at a Bayer CropScience facility in West Virginia narrowly missed causing a breach in piping on the top of an aboveground tank of methyl isocyanate (MIC), which the petitioners claimed, if breached, would have resulted in a deadly release of the same chemical responsible for the Bhopal, India disaster.[116] They also

[107] EPA News Release. January 31, 2012. South San Francisco Food Processing Factory Will Pay Nearly $700,000 in Penalties, Spend $6 Million to Update Refrigeration System Safety. *http://yosemite.epa.gov/opa/admpress.nsf/0/1c6b8ee238fd17d185257996005b892f.*

[108] EPA News Release. August 14, 2013. Abilene Products Co., Inc., Agrees to $90,660 Settlement for Violations of CAA at Abilene, Kan., Fertilizer Facility. *http://yosemite.epa.gov/opa/admpress.nsf/0/8BB676093B7826FF85257BC7006B3E4C.*

[109] EPA News Release. October 1, 2012. Settlement with Suiza Dairy Corporation for Violations at facilities in Puerto Rico will make facilities safer, benefit nearby communities. *http://yosemite.epa.gov/opa/admpress.nsf/0/319D803456BF7B0885257A8A005A4238.*

[110] EPA Region 1. January 20, 2014. Consent Agreement and Final Order—In the Matter of: Metal Finishing Technologies, LLC Docket Number: CAA-01-2013-0073. *http://yosemite.epa.gov/OA/RHC/EPAAdmin.nsf/Filings/3A95FA64BDE7026C85257C8600214551/$File/CAFO%20CAA-01-2013-0073.pdf.*

[111] EPA Region 1. September 30, 2013. Administrative Complaint—In the Matter of: Metal Finishing Technologies, LLC Docket Number: CAA–01–2013–0073. *http://yosemite.epa.gov/OA/RHC/EPAAdmin.nsf/Filings/1BE4A3485C3E1E6B85257C1C0021490D/$File/CAA-01-2013-0073%20Complaint.pdf.*

[112] Chemical Facility Safety and Security Working Group. May 2014. Executive Order 13650 Report to the President—Actions to Improve Chemical Facility Safety and Security—A Shared Commitment. EPA, the Department of Labor (DOL), DHS, the Department of Justice (DOJ), the Department of Agriculture (DOA), and the Department of Transportation. Washington, DC. *https://www.osha.gov/chemicalexecutiveorder/final_chemical_eo_status_report.pdf.*

[113] Greenpeace et al. July 25, 2012. Petition to Prevent Chemical Disasters from Rick Hind of Greenpeace, Richard Moore of Los Jardines Institute and Scott Nelson of Public Citizen sent to EPA Administrator Lisa Jackson, EPA, Washington, DC, *www.documentcloud.org/documents/404584-petition-to-epa-to-prevent-chem-disasters-filed.html.*

[114] This not intended to specifically reference the extremely hazardous substances listed under § 302 of EPCRA. Section 112(r)(1) of the CAA provides a purpose and general duty to prevent the accidental release and to minimize the consequence of any release of any regulated substances promulgated by EPA under § 112(r)(3) (40 CFR part 130) and for ''any other extremely hazardous substance.'' Although the term ''any other extremely hazardous substance'' is not defined, the legislative history of the 1990 CAAA indicate that the term would include any agent ''which may or may not be listed or otherwise identified by any Government agency which may as the result of short-term exposures associated with releases to the air cause death, injury or property damage due to its toxicity, reactivity, flammability, volatility, or corrosivity.'' See: *http://www2.epa.gov/sites/production/files/2013-10/documents/gdcregionalguidance.pdf.*

[115] Petitioners are referring to an accident at the CITGO Refinery in Corpus Christi, Texas. For more information on this accident, see CSB. December 9, 2009. CITGO Refinery HF Release and Fire, Corpus Christi, Texas. Final Report, Urgent Recommendation. *http://www.csb.gov/citgo-refinery-hydrofluoric-acid-release-and-fire/.*

[116] CSB. January 2011. Investigation Report: Pesticide Chemical Runaway Reaction Pressure Vessel Explosion, Bayer CropScience, LP, Institute, West Virginia, August 28, 2008. Report No. 2008–

identified a 2007 propane explosion and fire at a refinery in Texas that resulted in the release of nearly three tons of chlorine gas, with deaths and injuries avoided only by prompt evacuation of workers. The CSB, which reported the chlorine release as 5,332 pounds, recommended the refinery replace chlorine used as a biocide in cooling water treatment with inherently safer materials, such as sodium hypochlorite, at all its refineries.[117] The petitioners also cited several examples where readily available IST approaches have already been used, such as substitution of liquid bleach or ultraviolet light for chlorine in water disinfection [118] [119] and the use of alternatives to replace HF in gasoline refining.[120]

b. National Academy of Sciences (NAS) and CSB Investigation Findings

A 2012 report from the NAS that examined the 2008 Bayer CropScience accident in West Virginia and community concerns surrounding MIC (and other highly toxic materials), found that inherently safer process assessments can be valuable components of PSM that can help facility personnel consider the full range of options in process design.[121] The NAS report found that while Bayer and previous owners of the site incorporated some considerations of IST, these companies ''did not perform systematic and complete inherently safer process assessments on the processes for manufacturing MIC or the carbamate pesticides at the Institute site.'' Thus, large amounts of MIC, phosgene, and other toxic materials were produced or stored at the site for decades.

The NAS also found that industry as a whole lacks a common understanding of what is needed to identify inherently safer processes and accurately quantify their benefits, including the potential for reduced emergency preparedness costs. The NAS panel noted that the goal of ISD is not only to prevent an accident, but also to reduce the consequences of an accident should one occur, thus allowing emergency preparedness planners to focus on more readily manageable scenarios.

NAS found that inherently safer process assessments will not always result in a clear, well-defined, and feasible path forward. Although one process alternative may be inherently safer with respect to one hazard—toxicity of byproducts, for example—the process may present other hazards, such as an increased risk of fire or more severe environmental impacts. Choosing between options for process design involves considering a series of tradeoffs and developing appropriate combinations of inherent, passive, active, and procedural safety systems to manage all hazards.

A 2011 analysis of 63 CSB accident investigation reports, studies and bulletins by Canadian university researchers identified over 200 examples of recommendations for risk reduction measures from the hierarchy of controls that apply to the prevention of accidents or consequence mitigation. Thirty-six percent of the examples involved inherent safety, 8% involved passive engineered safety, 14% involved active engineered safety and 42% involved procedural safety. ISD items were observed to be equally split among the four primary ISD principles of minimization, substitution, moderation and simplification.[122]

The CSB has released reports for two recent accidents that the Board indicated could have been avoided if safer technologies had been employed. CSB found that the use of a safer material, such as high-chromium steel, would have prevented the accelerated corrosion and failure of carbon steel involved in the equipment rupture at the Tesoro Refinery in Anacortes, Washington, in 2010, which resulted in an explosion and fire that killed seven employees.[123] One recommendation from this CSB accident investigation was that EPA should revise the RMP rule to require the documented use of inherently safer systems analysis and the hierarchy of controls to the greatest extent feasible when facilities are establishing safeguards for identified process hazards. CSB also cited the failure to use more corrosion resistant high-chromium steel as a factor in the 2012 Chevron Refinery accident in Richmond, California, which released hydrocarbons that ignited, endangering 19 employees.[124]

c. State and Local IST Programs

Some state and local governments have included inherent safety requirements in their regulations. An IST Review Rule was adopted under the New Jersey TCPA program in May 2008.[125] It requires IST reviews of all facilities covered by the TCPA by evaluating, at a minimum, the four IST principles: minimization, substitution, moderation, and simplification. NJDEP defined ''IST'' to mean ''the principles or techniques that can be incorporated in a covered process to minimize or eliminate the potential for an Extraordinarily Hazardous Substance release.'' [126]

The rule includes a checklist developed under the direction of the New Jersey Domestic Security Preparedness Task Force. The NJDEP allows any available IST analysis method to be used to perform the IST review, but discusses two methods which are commonly used: (1) Integrating IST into the facility's PHA study and (2) reviewing and completing a checklist containing a number of practical inherent safety considerations.[127] The NJDEP also requires an IST review report that includes:

- Information on the review team (name, position, qualifications, etc.);
- IST analysis method used;
- IST already present in the process;
- Additional IST identified;
- IST to be implemented, and a schedule for their implementation; and

08–I–WV, pp. 88–89, *http://www.csb.gov/assets/1/19/Bayer_Report_Final.pdf.*

[117] CSB. July 9, 2008. Investigation Report: LPG Fire at Valero-McKee Refinery, Sunray, Texas, February 16, 2007. Report No. 2007–05–I–TX. *http://www.csb.gov/assets/1/19/CSBFinalReportValeroSunray.pdf.*

[118] Orum, Paul and Rushing, Reece. March 2, 2010. Leading Water Utilities Secure Their Chemicals. Center for American Progress, Washington, DC. *https://www.americanprogress.org/issues/security/news/2010/03/02/7538/leading-water-utilities-secure-their-chemicals/.*

[119] M. McCoy. November 9, 2009. Clorox to Stop Using Chlorine. Chemical & Engineering News.*http://cen.acs.org/articles/87/i45/Clorox-Stop-Using-Chlorine.html.*

[120] Morris, J. and Hamby, C. May 19, 2014. Use of toxic acid puts millions at risk. Center for Public Integrity. Washington, DC.*http://www.publicintegrity.org/2011/02/24/2118/use-toxic-acid-puts-millions-risk.*

[121] NAS. 2012. Summary—The Use and Storage of MIC at Bayer CropScience. pp. 3, 7. *http://dels.nas.edu/resources/static-assets/materials-based-on-reports/reports-in-brief/MIC-Summary-Final.pdf.*

[122] Paul R. Amyotte, Dustin K. MacDonald, Faisal I. Khan. September 2011. An analysis of CSB investigation reports concerning the hierarchy of controls. Process Safety Progress. Volume 30, Issue 3, pp. 261–265. *http://onlinelibrary.wiley.com/doi/10.1002/prs.10461/abstract.*

[123] CSB. May 2014. Investigation Report: Catastrophic Rupture of Heat Exchanger, Tesoro Anacortes Refinery, Anacortes, Washington, April 2, 2010. Report 2010–08–I–WA. *http://www.csb.gov/assets/1/7/Tesoro_Anacortes_2014-May-01.pdf.*

[124] CSB. January 2014. Regulatory Report: Chevron Richmond Refinery Pipe Rupture and Fire, Chevron Richmond Refinery #4 Crude Unit, Richmond, California, August 6, 2012. Report No. 2012–03–I–CA. *http://www.csb.gov/assets/1/19/CSB_Chevron_Richmond_Refinery_Regulatory_Report.pdf.*

[125] NJDEP. March 29, 2012. NJDEP Title 7, Chapter 31 TCPA Program Consolidated Rule Document. Pages 17, 66 –68. *http://www.state.nj.us/dep/rpp/brp/tcpa/downloads/conrulerev9_fonts.pdf.*

[126] NJDEP uses the term ''Extraordinarily Hazardous Substance'' to describe the substances that are subject to the NJ TCPA.

[127] NJDEP, Bureau of Release Prevention. January 15, 2015. Guidance for TCPA, IST Review, Rev. 1. *http://www.nj.gov/dep/rpp/brp/tcpa/downloads/IST_guidance.pdf.*

- A list of IST determined to be infeasible.

A facility owner or operator must determine an identified alternative's feasibility, and must provide written justification based on both qualitative and quantitative evaluations of environmental, human health and safety, legal, technological, and economic factors if it decides not to implement it. The ACC noted that NJDEP's definition of inherent safety allowed ''add-on'' safety equipment and included routine safety improvements that are not part of the inherent safety concept as defined by CCPS and others.[128] NJDEP visited every regulated facility and reviewed the IST report with the facility staff. A January 2010 report prepared by the NJDEP to summarize the Department's review of 85 IST reports indicated that approximately 48% of facilities reported that they had implemented or scheduled to implement IST measures as a result of conducting the IST review.[129]

California's Contra Costa County's ISO [130] and the City of Richmond, California's ISO [131] require owners and operators of stationary sources to consider ISS in the development and analysis of mitigation systems resulting from a PHA for each covered process, and in the design and review of new processes and facilities. Contra Costa County's CC ISO defined ISS as

''ISD strategies'' as discussed in the latest edition of the CCPS publication, ''Inherently Safer Chemical Processes,'' [132] and to mean feasible alternative equipment, processes, materials, lay-outs, and procedures meant to eliminate, minimize, or reduce the risk of a major chemical accident or release by modifying a process rather than adding external layers of protection. Examples include, but are not limited to, substitution of materials with lower vapor pressure, lower flammability, or lower toxicity; isolation of hazardous processes; and use of processes which operate at lower temperatures and/or pressures.

The Contra Costa County ISO requires that the stationary source must select and implement ISS to the greatest extent feasible and as soon as administratively practicable. If a stationary source concludes that implementation of an ISS is not feasible, the stationary source must document the basis for this conclusion in meaningful detail. Contra Costa County requires the documentation to include sufficient evidence to demonstrate to CCHS's satisfaction that implementing the ISS is not feasible and the reasons for this conclusion. A claim that implementation of an ISS is not feasible cannot be based solely on evidence of reduced profits or increased costs. A February 2013 report prepared by CCHS on their ISO program indicated that 4 of 7 facilities covered under the ordinance's ISS provision implemented at least one inherently safer measure within the previous year.[133] The February 2014 CCHS ISO report [134] indicated that 3 of the 7 facilities reported three or more ISS implemented during the last reporting year. In the city of Richmond, California, as of July 2011, the two facilities covered by the Richmond ISO had implemented 62 safer alternative measures involving ISSs.[135] In June 2014, the Contra Costa County ISO requirements were expanded to require evaluation and documentation of ISS analysis for new projects and processes and for existing processes, whenever major changes resulting from incident investigation recommendations, root cause analysis, or MOC review indicate that change could reasonably result in a major chemical accident or release.

d. Industry and Trade Association Input

Numerous trade associations (ACC,[136] SOCMA,[137] Independent Petroleum Association of America [IPAA] and American Exploration & Production Council [AXPC],[138] API,[139] Association of Metropolitan Water Agencies [AMWA],[140] National Association of Chemical Distributors [NACD],[141] National Association of Manufacturers [NAM],[142] CGA,[143] Chlorine Institute [CI],[144] AFPM,[145] Chemical Safety Advocacy Group [CSAG] [146]), one company, Axiall Corporation,[147] and the Mary Kay O'Connor Process Safety Center [MKOPSC],[148]) noted in their comments on EPA's RFI, that IST is only one of many approaches that may be employed to achieve risk reduction. They also noted that identification and evaluation of a safer alternative is not an off-the-shelf concept, but requires a holistic and often complex evaluation involving various factors. The commenters also indicated that IST decisions must be process-, site-, and hazard-specific, technically and economically feasible, and avoid shifting risk. These commenters stated that a regulatory program focused exclusively on eliminating a safety hazard would overlook other important considerations and risks that must be factored into an evaluation of a process change. They further contended that improper implementation of a seemingly safer alternative may lead to undesired consequences. The commenters argued that because an option may be inherently safer with regard to some hazards and inherently less safe with regard to others, decisions about the optimum strategy for

[128] ACC. October 29, 2014. Comment No. EPA–HQ–OEM–2014–0328–0694 on Risk Management Program RFI, pg. 25.

[129] NJDEP. January 15, 2010. IST Implementation Summary. *http://www.nj.gov/dep/rpp/brp/tcpa/downloads/IST_SUMWEB.pdf.*

[130] Contra Costa County CA. 2006. ISO Code, Title 4—Health and Safety, Division 450—Hazardous Materials and Wastes, Chapter 450–8—Risk Management. Contra Costa County, California pp. 5, 21–22. *http://cchealth.org/hazmat/pdf/iso/Chapter-450-8-RISK-MANAGEMENT.pdf.*

[131] The Richmond ISO is identical to the Contra Costa County ISO except it does not include the 2006 amendments made to the Contra Costa ISO which require a safety culture assessment, a human factors program, management of change for maintenance, health and safety positions, and a security vulnerability analysis. CCHS. July 26, 2011.ISO. City of Richmond Annual Performance Review and Evaluation Report. CCHS, Contra Costa County, CA. *http://cchealth.org/hazmat/pdf/iso/iso_report_richmond.pdf.*

[132] CCPS. 2009. Inherently Safer Chemical Processes: A Life Cycle Approach, 2nd ed., American Institute of Chemical Engineers, CCPS New York, Wiley.

[133] CCHS. February 26, 2013. Annual Performance Review and Evaluation-ISO.

[134] CCHS. December 9, 2014. Annual Performance Review and Evaluation-ISO. *http://cchealth.org/hazmat/pdf/iso/iso-report.pdf.*

[135] CCHS. July 26, 2011. ISO. City of Richmond Annual Performance Review and Evaluation Report. *http://cchealth.org/hazmat/pdf/iso/iso_report_richmond.pdf.*

[136] ACC. October 29, 2014. Comment No. EPA–HQ–OEM–2014–0328–0694 on Risk Management Program RFI, PDF pp. 16–28 of 189.

[137] SOCMA. October 29, 2014. Comment No. EPA–HQ–OEM–2014–0328–0560 on Risk Management Program RFI, pp. 3–6.

[138] IPAA and AXPC. October 29, 2014. Comment No. EPA–HQ–OEM–2014–0328–0584 on Risk Management Program RFI, pp. 21–24.

[139] API. October 29, 2014. Comment No. EPA–HQ–OEM–2014–0328–0624 on Risk Management Program RFI, pp. 24–26.

[140] AMWA. October 29, 2014. Comment No. EPA–HQ–OEM–2014–0328–0639 on Risk Management Program RFI, pp. 1–7.

[141] NACD. October 29, 2014. Comment No. EPA–HQ–OEM–2014–0328–0614 on Risk Management Program RFI, pgs. 6–7.

[142] NAM. October 29, 2014. Comment No. EPA–HQ–OEM–2014–0328–0625 on Risk Management Program RFI, pg. 2.

[143] CGA. October 29, 2014. Comment No. EPA–HQ–OEM–2014–0328–0633 on Risk Management Program RFI, pg. 4.

[144] CI. October 29, 2014. Comment No. EPA–HQ–OEM–2014–0328–0642 on Risk Management Program RFI, pgs. 7–8.

[145] AFPM. October 29, 2014. Comment No. EPA–HQ–OEM–2014–0328–0665 on Risk Management Program RFI, pgs. 35–38.

[146] CSAG. October 29, 2013. Comment No. EPA–HQ–OEM–2014–0328–0691 on Risk Management Program RFI, pgs. 38–21.

[147] Axiall Corp. October 29, 2013. Comment No. EPA–HQ–OEM–2014–0328–0549 on Risk Management Program RFI, pg. 5.

[148] MKOPSC. October 29, 2014. Comment No. EPA–HQ–OEM–2014–0328–0543 on Risk Management Program RFI, pgs. 101–108.

managing risks from all hazards are required.

In their comments on the RFI, AMWA [140] also stated that decisions to select the most appropriate water treatment methods are best made by water utility managers based on a variety of factors. Most importantly, they stated, these managers should also determine which chemical will most effectively make water safe for public consumption and achieve compliance with the requirements of the Safe Drinking Water Act.[149] According to AMWA, allowing Federal officials to ''second-guess'' these local decisions—with a focus on minimizing potential terror attack consequences offsite, rather than ensuring the appropriate treatment and safety of drinking water—could lead to inadequately treated water and even detriments to public health. AMWA also stated that if utilities were simply instructed to consider whether an alternative might be appropriate for them, the costs could be relatively small. But, in AMWA's view, if this analysis were required to include numerous prescribed steps, calculations and justifications for subsequent decisions, then costs could quickly escalate beyond what is reasonable and affordable.

MunicpalH2O, a Risk Management Program/PSM compliance consultant for the water/wastewater treatment industry, commented that implementing these changes is very expensive and cost prohibitive. The commenter suggested that if a new requirement is placed on regulated water and wastewater facilities to perform an analysis of safer technology and alternatives, those facilities that have previously completed an analysis of safer technology and alternatives for their operation should be allowed to utilize their already completed analysis and be exempt from any future requirement in this area.[150]

The American Water Works Association (AWWA) stated that it has found that options often classified as inherently safer may in fact have impacts that counter other Federal initiatives associated with the nation's transportation systems, energy consumption, and carbon dioxide emissions.[151] Because of these risk tradeoffs, critical factors and variables, AWWA maintained that the choice of disinfectant should lie with qualified local officials, who are best acquainted with the specifics of their local situation.

NACD stated that requiring manufacturers to hold smaller quantities of hazardous materials on site would exhaust their limited inventories faster.[141] The commenter also indicated that distributors would need to deliver hazardous chemicals to these facilities more frequently, thereby significantly increasing the number of miles driven to deliver the same amount of product and ultimately increasing and shifting risk to the public roadways. In addition, NACD suggested there is a higher risk of incident during product loading and unloading, and that more shipments would increase the number of times chemicals must be loaded and unloaded, thereby increasing risk. NACD also stated that fixed-site risks are more manageable than those with a transportation component.

5. Proposed Revisions to Regulatory Text

Based on the considerations discussed above, EPA is proposing to modify the PHA provisions in § 68.67 to require analysis of potential safer technology and alternatives that would include, in the following order of preference: IST or ISD, passive measures, active measures, and procedural measures. EPA is limiting the proposed provisions to Program 3 processes in the petroleum and coal products manufacturing (NAICS 324), chemical manufacturing (NAICS 325), and paper manufacturing (NAICS 322) sectors for reasons discussed in section IV.C.6. STAA Applicability.

EPA is also proposing to require owners or operators to evaluate the feasibility of implementing any IST or ISD considered. EPA believes a feasibility analysis of any considered IST or ISD is necessary to ensure the facility owner or operator seriously considers whether IST or ISD modifications could further reduce risks and prevent accidents at the facility.

EPA is proposing to use the term ''feasibility'' to describe this analysis because it is already widely used in the context of IST. However, this term has a distinct meaning under the Occupational Safety and Health Act, where the courts look to whether a safety measure is capable of being done.[152] In the enforcement context, feasibility means that technical know-how about materials and methods is available or adaptable to specific circumstances, which when applied creates a reasonable possibility that employee exposure to occupational hazards will be reduced, and that the firm is financially able to implement the measure without severe adverse economic effect.[153] Because of the potential for confusion, OSHA has indicated that it would be unable to adopt the term feasible, as defined in this notice, under its PSM standard if OSHA considers similar revisions involving IST. EPA seeks comment on whether it would be better if EPA used another term, such as ''practicability'' for this analysis.

EPA is not proposing to require sources affected by this provision to implement an evaluated IST or ISD. The decision to implement such measures must consider the numerous factors related to processes, facilities, and society at large. Improper implementation of a seemingly safer alternative may lead to undesired consequences. While EPA believes that sources should look for additional opportunities to increase safety, we believe that the facility owners or operators are in the best position to identify which changes are feasible to implement for their particular process. This decision should be based on a careful analysis and take into account: The chemicals present and their associated hazards; the operations and process conditions involved; consequences to workers, nearby populations and the environment; and the types of equipment used that are specific to the facility's process. The analysis may consider the potential to shift risk between populations, locations, environmental media (air, water land), etc.

a. Definitions (§ 68.3)

EPA is proposing to add several definitions that relate to a STAA in § 68.3. EPA is adding these definitions to describe risk reduction strategies that the owner or operator may use when considering safer technology and alternatives.

First, EPA is proposing a definition for inherently safer technology or design (see § 68.3 for the proposed definition). The proposed definition includes risk management measures that would replace or reduce the use of regulated substances or make operating conditions less hazardous or less complex. Adopting the use of IST or ISD

[149] AMWA. October 29, 2014. Comment No. EPA–HQ–OEM–2014–0328–0639 on Risk Management Program RFI, pgs. 4–5.

[150] MunicipalH2O. October 28, 2103. Comment No. EPA–HQ–OEM–2014–0328–0588 on Risk Management Program RFI, pgs. 6–7.

[151] AWWA. October 29, 2013. Comment No. EPA–HQ–OEM–2014–0328–0648 on Risk Management Program RFI, pgs. 3–5.

[152] See American Textile Mfrs. Inst. v. Donovan, 452 U.S. 490, 509 (1981); Seaworld of Florida, LLC v. Perez, 748 F.3d 1202, 1215 (D.C. Cir. 2013).

[153] OSHA CPL 02–00–159, Field Operations Manual 3–22 (2015); Avcon, Inc., 23 O.S.H. Cas. (BNA) 1440, 1454 n.24 (O.S.H.R.C. Apr. 5, 2011).

eliminates or reduces hazards by using different materials and/or process conditions which would make accidental releases less likely, or the impacts of such releases less severe.

Second, EPA is proposing a definition for ''passive measures'' (see § 68.3) that relies on measures that reduce a hazard without human, mechanical, or other energy input. Examples of passive measures include pressure vessel designs, dikes, berms, and blast walls.

The third risk reduction measure that EPA is proposing to define is ''active measures.'' These involve engineering controls that rely on mechanical, or other energy input to detect and respond to process deviations. Examples of active measures include alarms, safety instrumented systems, and detection hardware (such as hydrocarbon sensors).

Lastly, ''procedural measures'' would include policies, operating procedures, training, administrative controls, and emergency response actions to prevent or minimize incidents (see § 68.3). Examples of procedural measures may include administrative limits on process vessel fill levels, procedural steps taken to avoid releases, etc.

In order to evaluate the ISTs and ISDs considered, EPA is proposing to define ''feasible'' to include consideration of economic, environmental, legal, social, and technological factors when determining if the IST or ISD can be accomplished in a successful manner within a reasonable period of time (see § 68.3). Environmental factors could include consideration of risks transferred elsewhere if a new risk reduction measure is adopted. EPA requests comment on these proposed definitions. Furthermore, EPA requests comment on whether the term ''feasible'' is appropriate to characterize the viability of IST alternatives being considered. Is there another term, such as ''practicable,'' that may be more appropriate?

b. Process Hazard Analysis (PHA) (§ 68.67)

EPA is proposing to modify the PHA provisions by adding paragraph (c)(8) to § 68.67, to require that the owner or operator of a facility with Program 3 processes in NAICS codes 322, 324, and 325 address safer technology and alternative risk management measures applicable to eliminating or reducing risk from process hazards. EPA is proposing to add paragraph (c)(8)(i) to specify that the analysis include, in the following order of preference: IST or design, passive measures, active measures, and procedural measures. The owner or operator may evaluate a combination of risk management measures to reduce risk.

EPA is also proposing to add paragraph (c)(8)(ii) to require that the owner or operator determine the feasibility of the IST or ISD considered. The results of the feasibility analysis must be documented as part of the current PHA requirements in § 68.67(e), which requires the owner or operator to document actions to be taken and resolution of recommendations. EPA seeks comment on whether the proposed requirements to document feasibility are adequate or if these requirements should be modified to require a more extensive documentation of feasibility. For example, EPA could require that the source document the basis for this conclusion in meaningful detail (similar to California's Contra Costa County's ISO [154] requirements).

The PHA must be updated and revalidated every five years in accordance with paragraph § 68.67(f) and as such, this provides the owner or operator opportunities to evaluate the feasibility of IST or ISD considered since the last PHA review. EPA believes that five-year revalidation will give the owner or operator the opportunity to identify new risk reduction strategies, as well as revisit strategies that were previously evaluated to determine whether they are now feasible. EPA seeks comment on these proposed revisions. Additionally, EPA requests comment on whether to require STAA documentation be submitted to EPA and/or the implementing agency.

6. STAA Applicability

EPA is proposing to limit the applicability of the STAA provisions to sources in the petroleum and coal products manufacturing (NAICS 324), chemical manufacturing (NAICS 325), and paper manufacturing (NAICS 322) sectors for two reasons. First, EPA believes that while most sectors regulated under 40 CFR part 68 could identify safer technology and alternatives, sources involved in complex manufacturing operations have the greatest range of opportunities to identify and implement safer technology, particularly in the area of inherent safety. These sources generally produce, transform, and consume large quantities of regulated substances under sometimes extreme process conditions and using a wide range of complex technologies. Therefore, such sources can often consider the full range of inherent safety options, including minimization, substitution, moderation, and simplification, as well as passive, active, and procedural measures. This contrasts with regulated sources that simply sell or distribute a particular regulated substance, such as bulk anhydrous ammonia. Although such sources may also have opportunities to identify and implement IST, the existence of such sources is predicated on handling and distributing a specific regulated substance. Therefore, their opportunities to implement certain IST strategies such as substitution or minimization may be limited. Similarly, sources involving relatively simpler chemical processes may have opportunities to implement chemical substitution strategies but may be limited in their ability to apply moderation and simplification strategies.

Second, EPA notes that RMP facilities in the three selected sectors have been responsible for a relatively large number of accidents, deaths, injuries, and property damage.[155] EPA compared the number of RMP accidents that occurred between January 1, 2004, and December 31, 2013, reported by twelve industry sectors to the number of facilities in each sector. Each sector was comprised of industries based on similar operations involving the RMP substances and complexity. The twelve sectors were: Petroleum and coal products manufacturing (NAICS 325), paper manufacturing (NAICS 322), chemical manufacturing (NAICS 324), food and beverage manufacturing (NAICS 311, 312), other manufacturing (all other NAICS 31–33), agricultural chemical distributors (NAICS 11, 42491), chemical/petroleum wholesalers (NAICS 4246, 4247), other wholesalers (all other NAICS 423, 424), warehouses (NAICS 493), water supply/wastewater treatment (NAICS 22131, 22132, 924), oil/gas extraction (NAICS 211) and all other (NAICS 211 (except 22131 and 22132), 44, 45, 48, 54, 56, 61, 72). The sector accident rates (number of accidents divided by the number of facilities in each sector) ranged from 1.08 to 0.04. Three sectors have significantly higher accidents rates as compared to other sectors: 1.08 (petroleum and coal products manufacturing), 0.66 (paper manufacturing) and 0.36 (chemical manufacturing). The petroleum and coal products manufacturing accident rate

[154] Contra Costa County CA. 2006. ISO Code, Title 4—Health and Safety, Division 450—Hazardous Materials and Wastes, Chapter 450–8—Risk Management. Contra Costa County, California pp. 5, 21–22. *http://cchealth.org/hazmat/pdf/iso/Chapter-450-8-RISK-MANAGEMENT.pdf.*

[155] EPA. January 27, 2016. Technical Background Document for Notice of Proposed Rulemaking: Risk Management Programs under the Clean Air Act, Section 112(r)(7).

was 6–27 times higher, the paper manufacturing accident rate was about 4–6 times higher, and the chemical manufacturing accident rate was 2–9 times higher than other sectors. Therefore, implementation of safer technology and alternatives by these facilities in the pulp/paper manufacturing, chemical manufacturing, and petroleum refining sectors may prevent serious accidental releases in the future.

EPA seeks comment on whether the proposal to limit the STAA provisions to Program 3 regulated processes in NAICS 322, 324, and 325 is appropriate. EPA also seeks comment on whether the Agency should further limit applicability of the STAA provisions (*e.g.,* to apply only during the design stage of new processes or facilities, or only to certain processes). As part of the SBAR Panel process, SERs cited limitations with flexibility to evaluate alternatives for custom formula blends and compliance with FDA approval requirements and, therefore, requested that EPA consider eliminating this provision and/or exempting batch toll manufacturers from this requirement. EPA seeks comment on these alternatives.

Finally EPA seeks comment on whether there are other sectors that should be subject to the proposed STAA provision. For example, should EPA require RMP regulated water supply/wastewater treatment facilities to analyze safer technology and alternatives and document feasibility of the alternatives?

7. Guidance on Evaluating Safer Technologies and Alternatives

Some owners or operators have already made process changes considered to be inherently safer, but others may not have sufficient information available to effectively assess whether their existing processes can incorporate inherently safer measures. To assist owners or operators with evaluating options for safer alternatives, EPA and OSHA developed a chemical safety alert in June 2015 illustrating the concepts, principles and examples of safer technology and alternatives to make industry more aware of this information, while providing sources of information for further investigation and review.[156]

EPA and OSHA have said owners or operators may use any available methodology or guidance to conduct their STAA, such as approaches discussed by CCPS (*e.g.,* Hazard and Operability Study (HAZOP), What-If?, Checklist, Consequence-based methods),[157] the NJ TCPA IST guidance materials,[158] the Inherently Safer Systems Checklist provided by Contra Costa Hazardous Materials Program,[159] or the information on OSHA's Web page, ''Transitioning to Safer Chemicals: A Toolkit for Employers and Workers.'' [160] CCPS provides guidelines for what should be provided in an inherent safety analysis and provides example rationales for why inherent safety review recommendations were rejected.[161] Examples for why inherent safety review recommendations may not be feasible, include when the recommendation:

- Is in conflict with existing Federal, state and local laws.
- Is in conflict with RAGAGEP.
- Is economically impractical, such that the process unit would stop being fiscally feasible. This can include consideration of:
- Capital investment;
- Product quality;
- Total direct manufacturing costs;
- Operability of the plant; and/or
- Demolition and future clean-up and disposal cost.
- Would have a negative social impact. Some examples could include an unacceptable visual or noise impact on the community, or increased traffic congestion.
- May violate a license agreement that cannot be modified, and so must remain in effect.
- May decrease the hazard, but would increase the overall risk.
- Provides less risk reduction than an alternative recommendation.

8. Alternative Options

As an alternative option, EPA seeks comment on whether to require facility owners or operators to implement any of the feasible options identified in the facility's analysis. This option would rely on the owner or operator to select the specific technology or design to implement. EPA seeks comment on the factors EPA should consider when determining whether to require implementation of feasible options.

EPA evaluated the NJDEP [125] and CCHS [134] IST analysis programs as possible models to use in the Risk Management Program requirements. EPA seeks comment on whether we should include the following in our proposed STAA provisions:

- Aspects of the NJDEP's program, such as more prescribed documentation of STAA; or
- Other aspects of CCHS's program, such as requiring ISS analysis during the design of new processes, for PHA recommendations, or for major changes from an incident investigation recommendations, root cause analysis or MOC review that could reasonably result in a major chemical accident or release.

Finally, EPA seeks comment on whether either EPA or a third-party should create a ''clearinghouse'' of safer technology and alternatives that allow source owners or operators to share useful information and/or consult to identify technologies to evaluate for their process. We note that the concept of a clearinghouse has drawn support in comments on the RFI from state and local officials, labor and environmental stakeholders, academics, and industry representatives.[162] One mechanism of collecting relevant information could be the National Working Group on Chemical Safety and Security's best practices Web site,[163] which collects and shares chemical safety and security best practices, including safer alternatives. Alternatively, EPA could require submission of STAA analyses,

[156] EPA and OSHA. June 2015. Chemical Safety Alert: Safer Technology and Alternatives. EPA 550–F–15–503. s *http://www.epa.gov/rmp/chemical-safety-alert-safer-technology-and-alternatives.*

[157] CCPS. 2009. Inherently Safer Chemical Processes: A Life Cycle Approach, 2nd ed., American Institute of Chemical Engineers, CCPS New York, Wiley.

[158] NJDEP, Bureau of Release Prevention. January 15, 2015. Guidance for TCPA, IST Review. *http://www.nj.gov/dep/rpp/brp/tcpa/downloads/IST_guidance.pdf.* See also NJWEC. May 5, 2008. New Rule for IST Review by NJDEP. *http://www.njwec.org/PDF/Factsheets/CS_IST_FactSheet.pdf.*

[159] Contra Costa Hazardous Materials Program. June 15, 2011. ISS Checklist (extracted from IST Checklist found in the CCPS Inherently Safer Chemical Processes, 2nd ed., with incorporation of additional considerations). *http://cchealth.org/hazmat/pdf/iso/attachment_c.pdf.*

[160] OSHA. Transitioning to Safer Chemicals, a Toolkit for Employers and Workers. *https://www.osha.gov/dsg/safer_chemicals/index.html.*

[161] CCPS. 2009. Inherently Safer Chemical Processes: A Life Cycle Approach, 2nd ed. American Institute of Chemical Engineers, CCPS. New York, Wiley, 2009. Pgs. 200–202.

[162] AMWA. October 29, 2014. Comment No. EPA–HQ–OEM–2014–0328–0639 on Risk Management Program RFI, p. 3; BlueGreen Alliance. October 27, 2014. Comment No. EPA–HQ–OEM–2014–0328–0579 on Risk Management Program RFI. p. 6. *www.bluegreenalliance.org*; BWD. October 24, 2014. Comment No. EPA–HQ–OEM–2014–0328–0654 on Risk Management Program RFI. p. 3. Beaver Water District (BWD), Lowell, Arkansas; CCHS. October 28, 2014. Comment No. EPA–HQ–OEM–2014–0328–0546 on Risk Management Program RFI, p. 8; CPCD. October 29, 2014. Comment No. EPA–HQ–OEM–2014–0328–0644 on Risk Management Program RFI, pgs. 16, 18–19; MKOPSC. October 29, 2014. Comment No. EPA–HQ–OEM–2014–0328–0543 on Risk Management Program RFI, p. 105; Tickner, J. October 29, 2014. Comment No. EPA–HQ–OEM–2014–0328–0688 on Risk Management Program RFI. p. 6. University of Massachusetts, Lowell, Massachusetts; TURI. October 29, 2014. Comment No. EPA–HQ–OEM–2014–0328–0539 on Risk Management Program RFI. Toxics Use Reduction Institute (TURI), University of Massachusetts, Lowell, Massachusetts. p. 5; United Steelworkers. October 29, 2014. Comment No. EPA–HQ–OEM–2014–0328–0547 on Risk Management Program RFI, p. 5.

[163] OSHA. 2014. Executive Order 13650 Best Practices. *https://www.osha.gov/chemicalexecutiveorder/LLIS/index.html.*

or information from those analyses, directly to EPA, and develop its own Web site. The information shared on such a Web site may include practicable risk reduction measures that could be applied at various facilities to mitigate threats to the public, worker, health, environment, and facility during the production, transport, and use of chemicals.

D. Stationary Source Location and Emergency Shutdown

Serious accidents often highlight numerous safety concerns and emphasize the need to consider existing regulations, industry standards, recommended practices and guidance to reduce risks of future incidents. Two issues of particular importance include the location of stationary sources and their emergency shutdown capabilities.

1. Stationary Source Location

The location of stationary sources, and the location and configuration of regulated processes and equipment within a source, can significantly affect the severity of an accidental release. The location of the stationary source in relation to public and environmental receptors may exacerbate the impacts of an accidental release, such as blast overpressures or concentrations of toxic gases, or conversely may allow such effects to dissipate prior to reaching receptors. The lack of sufficient distance between the source boundary and neighboring residential areas was a significant factor in the severity of several major chemical accidents, including, among others, the Bhopal disaster [164] and the recent West Fertilizer accident. In the Bhopal disaster, most of the deaths and injuries occurred in a residential area that had grown up next to the plant. In the West Fertilizer accident, an apartment complex and a nursing home located approximately 450 feet and 600 feet, respectively, from the source of the explosion were heavily damaged, resulting in three public fatalities (a total of 15 people were killed in the explosion). The explosion also caused over 260 injuries, as well as damage to over 350 homes and three schools located near the plant.[165]

Facility designers have long recognized the potential benefits of adding buffer or safety zones (*i.e.,* controlled areas separating the public and other facilities from the consequences of process incidents) when selecting the location for new chemical facilities. For existing facilities, owners have sometimes compensated nearby residents to relocate away from the facility boundary in order to create a buffer zone where one did not previously exist, or where adjacent residential areas had been developed after the facility itself was constructed.

The selection of locations of processes and process equipment within a stationary source can impact the surrounding community not only by the proximity of the accidental release to offsite receptors near the facility boundary (*e.g.,* people, infrastructure, environmental resources) but also by increasing the likelihood of subsequent releases from other nearby processes compromised by the initial release. The 1984 disaster at the PEMEX liquefied petroleum gas (LPG) tank farm in San Juan Ixhuatepec, Mexico, illustrates the potential for such effects. In this accident, an LPG pipeline rupture resulted in a large ground fire that spread to nearby LPG storage vessels, initiating a series of massive explosions. The cascading explosions and fires ultimately destroyed the entire facility and many nearby residences, resulting in over 500 fatalities and thousands of severe injuries.[166]

In the United States in 2007, a large fire at the Valero McKee refinery in Sunray, Texas, resulted in the release of chlorine gas and sulfuric acid from an adjacent process, which prevented responders from entering the area and extinguishing the fire for more than two days.[167]

At West Fertilizer, the Risk Management Program-regulated anhydrous ammonia process was located near the AN storage area. Although the AN explosion did not cause any catastrophic failure of the ammonia storage vessels, the potential for a release existed. A 1994 explosion involving AN solution at Terra Industries in Port Neal, Iowa, which killed four workers, also damaged on-site ammonia tanks, creating an ammonia cloud that resulted in the evacuation of 2,500 people.[168]

The PSM standard and RMP rule both require that facility siting be addressed as one element of a PHA (see 29 CFR 1910.11 9(e)(2) and (3)(v)), and 40 CFR 68.67(c)). While EPA has not provided any guidance on how to adequately address stationary source siting in the PHA, RMP facility owners or operators can refer to industry guidance on siting considerations. The following publications provide guidance on facility siting:

- API Recommended Practice 752, Management of Hazards Associated With Location of Process Plant Buildings, 3rd Edition, December 2009;
- API Recommended Practice 753, Management of Hazards Associated with Location of Process Plant Portable Buildings, First Edition, June 2007;
- CCPS Guidelines for Evaluating Process Plant Buildings for External Explosions, Fires, and Toxic Releases, Second Edition, 2012; and
- CCPS Guidelines for Facility Siting and Layout (2003).

The first three references listed above focus on providing guidance and best practices on establishing the location of occupied buildings within a facility, but generally do not address the potential risks to offsite receptors associated with the location of the facility or processes within the facility, nor do they consider the potential for releases caused by natural hazards that may occur in particular locations. The CCPS Guidelines for Facility Siting and Layout address both external factors influencing site selection, as well as factors internal to the source that could influence site layout and equipment spacing.

At this time, EPA is not proposing any additional requirements for location of stationary sources. EPA seeks comment on whether such requirements should be considered for future rulemakings, including the scope of such requirements, or whether the Agency should publish guidance.

2. Emergency Shutdown

In addition to properly locating stationary sources in relation to surrounding receptors, and locating processes within sources so as to minimize the possibility of cascading release events, accidents such as these highlight the importance of being able to quickly and safely shut down processes

[164] Lees, Frank P. 1996. Loss Prevention in the Process Industries, Volume 3, 2nd ed. Appendix 5 Bhopal. Butterworth-Heinemann, Oxford, Great Britain.

[165] CSB. January 2016. Final Investigation Report, West Fertilizer Company Fire and Explosion, West, TX, April 17, 2013. Report 2013–02–I–TX, pp. 13, 30, 49, 53, 54. *http://www.csb.gov/west-fertilizer-explosion-and-fire-/.*

[166] Lees, Frank P. 1996. Loss Prevention in the Process Industries, Volume 3, 2nd ed. Appendix 4 Mexico City. Butterworth-Heinemann, Oxford, Great Britain.

[167] CSB. July 9, 2008. Investigation Report: LPG Fire at Valero-McKee Refinery, Sunray, Texas, February 16, 2007. Report No. 2007–05–I–TX. *http://www.csb.gov/valero-refinery-propane-fire/.*

[168] EPA, Region 7, Emergency Response and Removal Branch (Kansas City, KS). January 1996. Chemical Accident Investigation Report: Terra Industries, Inc., Nitrogen Fertilizer Facility, Port Neal, Iowa (January 1996). *http://archive.epa.gov/emergencies/docs/chem/web/pdf/cterra.pdf.*

where accidental releases are occurring or may imminently occur. The RMP regulation requires owners and operators of stationary sources to develop and implement written operating procedures for the safe and timely emergency shutdown of Program 2 and Program 3 processes, to ensure operator training for these procedures, and for maintaining the mechanical integrity of emergency shutdown systems. However, the regulation does not explicitly require that all covered processes must include emergency shutdown systems.

EPA encourages owner and operators of stationary sources to consider location of stationary sources and process equipment and the adequacy of emergency shutdown systems at their facilities to determine if changes are necessary to both reduce risks of an accidental release and ensure that procedures are in-place to mitigate those effects. Emergency shutdown or putting a process into a safe operation mode in the event of an emergency is a preventive safeguard to address hazard(s) identified as part of hazard review or PHA. Thus, the hazard review required under § 68.50 or the PHA required under § 68.67 should identify the use of this safeguard, when appropriate.

At this time, EPA is not proposing any additional requirements for emergency shutdown systems. However, EPA seeks comment on whether such requirements should be considered for future rulemakings, including the scope of such requirements, or whether the Agency should publish guidance.

V. Emergency Response Preparedness Requirements

A. Emergency Response Program Coordination With Local Responders

Subpart E of the RMP rule, the emergency response provisions, applies to facilities with Program 2 or 3 processes. These provisions require owners or operators of regulated facilities with Program 2 or 3 processes to coordinate with local response authorities and in some cases develop an emergency response program in accordance with § 68.95 to address how the owner or operator of the facility will respond to accidental releases.[169] The rule requires the owner or operator to prepare and implement an emergency response program to protect public health and the environment, unless the stationary source is included in the community emergency response plan developed under section 303 of Emergency Planning & Community Right-to-Know Act (EPCRA) (for sources with regulated toxic substances) and has coordinated response actions with the local fire department (for sources with only regulated flammable substances). An owner or operator that needs to develop an emergency response program (*i.e.,* be a ''responding'' facility), will need to include the following elements in that program:

- An emergency response plan;
- Procedures for the use of emergency response equipment and for its inspection, testing, and maintenance;
- Training for employees; and
- Procedures to review and update the emergency response plan to reflect changes at the stationary source and ensure that employees are informed of changes.

The emergency response plan must also be coordinated with local response authorities.

An owner or operator of a facility who is relying on local responders to respond to an accidental release (*i.e.,* a ''non-responding'' facility) when the stationary source has been included in the community emergency response plan developed under section 303 of EPCRA (for sources with regulated toxic substances) or has coordinated response actions with the local fire department (for sources with only regulated flammable substances, and without regulated toxic substances) is not required to develop an emergency response program. However, the owner or operator must also ensure that appropriate notification mechanisms are in place to notify emergency responders when there is a need for a response.

Risk Management Program regulated facilities must indicate within their RMP whether or not they are a responding facility (*i.e.,* by indicating compliance with mandatory elements of emergency response plans required in § 68.95(a)(1)). Our review of the RMP*Info database has indicated that the majority of RMP facilities claim to be non-responding facilities.[170] However, during facility inspections, EPA has often found that facilities either are not included in the community emergency plan or have not properly coordinated response actions with local authorities.[171] [172] [173] State and local response officials echoed this concern during listening sessions conducted under Executive Order 13650, and in feedback provided to EPA in conjunction with the RFI.[174] [175] This problem occurs with both responding and non-responding facilities, but it is particularly troublesome for non-responding facilities, because if the facility itself does not maintain the capability to respond to emergencies, and local authorities are not able to respond, then a proper response to an accidental release at the facility may not occur or may be significantly delayed. Also, when local responders are unfamiliar with the hazards of the facility, they may not be prepared to safely respond.

Poor coordination between chemical facilities and local emergency responders has been identified as a factor contributing to the severity of chemical accidents. For example, following the August 2008 explosion and fire at the Bayer CropScience facility in Institute, West Virginia, the CSB found that lack of effective coordination between facility and local responders prevented responding agencies from receiving timely information updates about the continually changing conditions at the scene, prevented a public shelter-in-place order from reaching the local community, and may have resulted in toxic exposure to on-scene public emergency responders. Additionally, facility authorities initially prevented local responders from gaining access to the site of the incident.[176]

The April 17, 2013 accident at West Fertilizer resulted in the deaths of 12

[169] Owners or operators of stationary sources with Program 1 processes are required to coordinate emergency response procedures with local emergency planning and response organizations under § 68.10(b)(3)). This proposal would not affect that requirement.

[170] EPA. January 27, 2016. Technical Background Document for Notice of Proposed Rulemaking: Risk Management Programs under the Clean Air Act, Section 112(r)(7).

[171] EPA Press Release. July 20, 2011. National Chemical Company will Upgrade Facilities and Pay Fine to Settle Clean Air Violations. *http://yosemite.epa.gov/opa/admpress.nsf/1e5ab1124055f3b28525781f0042ed40/9884f5d5e5e6368c852578d300642a3e!OpenDocument.*

[172] EPA Press Release. February 13, 2013. Koch Nitrogen Company to Pay $380,000 Civil Penalty for CAA Violations at Facilities in Iowa and Kansas. *http://yosemite.epa.gov/opa/admpress.nsf/d0cf6618525a9efb85257359003fb69d/a9537cb213c0371985257b1100738628!OpenDocument.*

[173] EPA Press Release. May 27, 2014. EPA Moves to Improve Emergency Planning at Facilities in NJ and NY; Inspections Focus on Information on Chemical Hazards Needed by First Responders during Emergency Responses. *http://yosemite.epa.gov/opa/admpress.nsf/0/C6DB6A8A0918857F85257CE5005FEE24.*

[174] Gablehouse, T. October 28, 2014. Comment No. EPA–HQ–OEM–2014–0328–0679 on Risk Management Program RFI, PDF pp. 5–6, NASTTPO, Denver, CO.

[175] Elder, M., October 29, 2014. Comment No. EPA–HQ–OEM–2014–0328–0641 on Risk Management Program RFI, Oklahoma Hazardous Materials Emergency Response Commission (OHMERC).

[176] CSB. January 2011. Investigation Report: Pesticide Chemical Runaway Reaction Pressure Vessel Explosion, Bayer CropScience, LP, Institute, West Virginia, August 28, 2008. Report No. 2008–08–I–WV, *http://www.csb.gov/assets/1/19/Bayer_Report_Final.pdf.*

first responders. During its investigation of the accident, the CSB found that the LEPC did not include the facility in the community emergency response plan.[177]

Another example is the August 2002 accidental chlorine release at the DPC Enterprises facility in Festus, Missouri, that resulted in sixty-three people from the surrounding community seeking medical evaluation at the local hospital for symptoms of respiratory distress. The CSB investigation found that the DPC emergency response plan did not provide clear guidance on when facility emergency response personnel should respond to a release or when response by an offsite community hazardous materials response team is required. The CSB also found that coordination between local emergency planning and response entities and DPC was insufficient to ensure that the emergency plan would provide for timely community notification and mitigation of the release.[178]

CAA section 112(r) clearly anticipated that the Risk Management Program regulation would require regulated stationary sources to develop an emergency response program and provide for a response to releases of regulated substances. Section 112(r)(7)(B)(ii) states that the regulations shall require the owner or operator to ''provide a prompt emergency response to any such releases in order to protect human health and the environment,'' and that the RMP shall include:

> a response program providing for specific actions to be taken in response to an accidental release of a regulated substance so as to protect human health and the environment, including procedures for informing the public and local agencies responsible for responding to accidental releases, emergency health care, and employee training measures.

Accordingly, in the preamble discussion of the 1996 final RMP rule, EPA explained that the option to be a non-responding facility was contingent on local community responders' ability to appropriately respond to the stationary source's hazards.

> The final rule also provides relief for sources that are too small to respond to releases with their own employees; these sources will not be required to develop emergency response plans provided that procedures for notifying non-employee emergency responders have been adopted and that appropriate responses to their hazards have been addressed in the community emergency response plan developed under EPCRA (42 U.S.C. 11003) for toxics or coordinated with the local fire department for flammables. (61 FR 31673, 31698, June 20, 1996.)
>
> EPA recognizes that some sources will only evacuate their employees in the event of a release. For these sources, EPA will not require the development of emergency response plans, provided that appropriate responses to their hazards have been discussed in the community emergency response plan developed under 42 U.S.C. 11003 for toxics or coordinated with the local fire department for flammables. (61 FR 31681, June 20, 1996.)
>
> Because many sources covered by this rule may be too small to handle emergency response themselves, EPA has provided, in this new section, the actions they must take if they will not respond to releases. Specifically, for sources with regulated toxic substances, the source must be addressed in the community emergency response plan developed under EPCRA section 303. Sources with regulated flammable substances must coordinate response actions with the local fire department. These sources must also establish a mechanism to contact local emergency responders. Sources that do not meet these requirements must comply with EPA's emergency response program requirements. (61 FR 31712, June 20, 1996.)

EPA also explained this point in the RMP Guidance: [179]

> If your employees will not respond to accidental releases of regulated substances, you need not comply with the emergency response plan and program requirements provided you coordinate with local response agencies to ensure that they will be prepared to respond to an emergency at your facility.

These excerpts from the 1996 final rule and RMP Guidance indicate that from its inception, the RMP rule has required that owners and operators of regulated sources must either meet the full emergency response program requirements of § 68.95 or ensure that local responders are capable of responding to releases at the source. In spite of this fact, the history of poor emergency response coordination during accidental releases, EPA's findings during compliance inspections, and recent feedback provided to EPA's RFI and during Executive Order 13650 listening sessions indicate that many regulated sources have not provided for an adequate emergency response.

1. Proposed Revisions to Emergency Response Coordination Requirements

EPA proposes to amend the rule requirements to clarify the obligations of the owner or operator of the stationary source to coordinate emergency response with local authorities. In order to provide clarity, EPA is proposing to reorganize subpart E to address the applicability provisions for responding and non-responding sources in § 68.90, describe required coordination activities in new § 68.93, and include a new requirement in § 68.95 for owners or operators of responding stationary sources to review and update their emergency response program at least annually.

EPA is proposing to reorganize § 68.90 to specifically describe the applicability of the emergency response program requirements for non-responding and responding facilities in paragraphs (a) and (b), respectively.

The proposed revisions to § 68.90 paragraph (a) describe the applicability provisions for non-responding facilities. The owner or operator of a stationary source need not comply with the emergency response program requirements in § 68.95 provided that after conducting coordination activities required under the proposed § 68.93, the local response authorities and the owner or operator of the stationary source determine that local public emergency response capabilities are adequate to respond to accidental releases at the stationary source; appropriate mechanisms are in place to notify emergency responders when an accident occurs; and the LEPC or equivalent local response authorities have not requested in writing that the owner or operator develop an emergency response program for the stationary source in accordance with § 68.95.

Section 68.90 paragraph (b) describes applicability provisions for responding facilities. The owner or operator of the stationary source would be required to comply with the emergency response program requirements of § 68.95 when the outcome of the annual coordination activities with local response authorities required under § 68.93 indicates that local public emergency response capabilities are not adequate to respond to accidental releases of regulated substances at the stationary source. If, as a result of the annual coordination, the facility owner or operator must develop an emergency response program in accordance with § 68.95, the owner or operator should develop the program as soon as reasonably practicable. The owner or operator would also be required to comply with § 68.95 upon

[177] CSB. January 2016. Final Investigation Report, West Fertilizer Company Fire and Explosion, West, TX, April 17, 2013. Report 2013–02–I–TX, pgs. 201–203. *http://www.csb.gov/west-fertilizer-explosion-and-fire-/.*

[178] CSB. May 2003. Investigation Report: Chlorine Release, DPC Enterprises, L.P., Festus, Missouri, August 14, 2002. Report No. 2002–04–I–MO. *http://www.csb.gov/assets/1/19/DPC_Report.pdf.*

[179] General Guidance on Risk Management Programs for Chemical Accident Prevention (40 CFR part 68), EPA–550–B–04–001, April 2004, p. 8–1. *http://www2.epa.gov/rmp/guidance-facilities-risk-management-programs-rmp#general.*

receiving a written request to do so from the LEPC, local fire department, or other local emergency response officials having jurisdiction.

EPA believes that it is appropriate to provide a mechanism for the local emergency response officials to request that the owner or operator of the stationary source comply with the emergency response program requirements of § 68.95 because it is the presence of the source and its attendant hazards that create a risk to the surrounding community of accidental releases. Therefore, in the event that the outcome of the coordination activities with local response authorities indicates that local public emergency response capabilities are not adequate, the ultimate burden of providing for an appropriate response to releases of regulated substances from the source should rest with the owner or operator. This philosophy is consistent with the general duty clause of CAA section 112(r)(1), which among other things requires the owner or operator to minimize the consequences of accidental releases that do occur.

EPA is proposing to add § 68.93 to clarify emergency response coordination activities and require that these activities be documented and occur annually. Section 68.93 would require the owner or operator of a stationary source with a Program 2 or 3 process to coordinate with local response authorities to ensure that appropriate resources and capabilities are in place to respond to an accidental release of a regulated substance. As part of the coordination, the owner or operator and the local response authorities would work together to determine who will respond if an incident occurs, and what would be an appropriate response. Paragraph (a) would require coordination to occur at least annually, and more frequently if necessary, to address changes at the source; in the source's emergency action plan; in local authorities' response resources and capabilities; or in the local community emergency response plan. Paragraph (b) would require the owner or operator to document coordination with local authorities, including the names of individuals involved and their contact information (phone number, email address, and organizational affiliations), dates of coordination activities, and the nature of coordination activities. The proposed paragraph (c) specifies who should be involved in the coordination for both stationary sources with regulated toxic and flammable substances. If a stationary source involves a regulated toxic substance, then the source must be included in the community emergency response plan developed under EPCRA.

EPA also proposes to revise § 68.95 to ensure that notification procedures include notifications to Federal, Tribal, and state agencies and to require that emergency response plans be updated at least annually. Specifically, EPA is revising § 68.95(a)(1)(i) to add a reference to Federal and state agencies. EPA is also proposing to revise § 68.95(a)(4) to specify that the owner or operator review and update the program annually or more frequently if necessary (*e.g.,* to incorporate lessons learned from incident investigations, or if changes occur in emergency notification systems, local responder organizations, stationary source hazards, or other critical emergency response planning information). EPA is also proposing to revise § 68.95(c) to replace local emergency planning committee with the acronym LEPC.

Additionally, EPA is proposing to revise § 68.3 to add LEPC for local emergency planning committee. The term is used throughout the rule and means the LEPC as established under 42 U.S.C. 11001(c).

Finally, EPA is proposing to revise § 68.12 (General requirements) to be consistent with these proposed coordination requirements. EPA is proposing revisions to Program 2 requirements under § 68.12(c) in which EPA would renumber paragraph § 68.12(c)(4) and (c)(5) as § 68.12(c)(5) and (c)(6). New paragraph § 68.12(c)(4) would specify the owner or operator's requirements to coordinate response actions with local emergency planning and response agencies as provided in § 68.93. EPA is proposing similar revisions to Program 3 requirements under § 68.12(d). EPA would renumber paragraph § 68.12(d)(4) and (d)(5) as § 68.12(d)(5) and (d)(6). New paragraph § 68.12(d)(4) would specify the owner or operator's requirements to coordinate response actions with local emergency planning and response agencies as provided in § 68.93.

EPA believes that these proposed amendments clarify existing obligations and prevent situations where neither regulated stationary sources nor local authorities are prepared to appropriately respond to accidental releases at the source. EPA recognizes that an appropriate response—even for responding facilities—may sometimes involve evacuation of facility employees, evacuation or sheltering of nearby residents, and implementation of other defensive measures to prevent harm to workers, responders, and the public. However, planning for such situations should occur in advance, so that either the source or local responders are prepared to implement response measures that are appropriate to the hazards of the stationary source.

If local public responders are not capable of responding to accidental releases at a stationary source, the owner or operator can continue to satisfy the applicable requirements of subpart E (Emergency Response) in a number of different ways beyond training and equipping the source's own employees to respond to releases. For example, EPA has observed situations where stationary source owners or operators supplement their on-site response capability using response contractors, or via mutual aid agreements with other nearby sources. In the RMP Guidance, EPA explained that this may be the most appropriate course of action to comply with the emergency response requirements of subpart E, particularly for small sources with few employees: [180]

> EPA recognizes that, in some cases (particularly for retailers and other small operations with few employees), it may not be appropriate for employees to conduct response operations for releases of regulated substances. For example, it would be inappropriate, and probably unsafe, for an ammonia retailer with only one full-time employee to expect that a tank fire could be handled without the help of the local fire department or other emergency responder. EPA does not intend to force such facilities to develop emergency response capabilities. At the same time, you are responsible for ensuring effective emergency response to any releases at your facility. If your local public responders are not capable of providing such response, you must take steps to ensure that effective response is available (*e.g.,* by hiring response contractors).

Such arrangements would continue to be acceptable to the Agency as a means to meet a facility's emergency response program obligations. Alternatively, stationary source owners or operators can work with local emergency response officials to identify gaps in local responder capabilities, and assist local authorities in supplementing those capabilities, as appropriate, by providing the equipment or training needed to allow local public responders to prepare for and carry out an appropriate response to accidental releases at the source. Close and ongoing coordination between stationary source owners or operators and local responders will allow such capability gaps to be quickly identified and corrected and appropriate response

[180] See General Guidance on Risk Management Programs for Chemical Accident Prevention (40 CFR part 68), EPA–550–B–04–001, April 2004, page 8–1. *http://www2.epa.gov/rmp/guidance-facilities-risk-management-programs-rmp#general.*

plans to be developed. Coordination will also assist local responders in complying with other Federal, state, and local emergency preparedness, planning, and response requirements, such as planning requirements under EPCRA, training requirements under the OSHA Hazardous Waste Operations and Emergency Response standard (29 CFR 1910.120), and other applicable requirements.

As part of the SBAR Panel process, SERs expressed frustration with the requirement to coordinate with local emergency response officials because some LEPCs are not active or do not have sufficient resources to fully implement EPCRA requirements. SERs requested clarification on how to comply with coordination requirements when facility owners or operators make good faith efforts to coordinate with local emergency response officials who do not respond to coordination attempts. EPA recommends that these coordination attempts be documented and maintained at the facility. However, if the LEPC is inactive and has not developed a community emergency response plan or has not included the facility in the plan (for toxic substances), or the owner or operator is unable to coordinate response actions with the local fire department (for flammable substances), then the owner or operator must develop an emergency response program in accordance with § 68.95.

EPA seeks comment on this approach. Will the proposed amendments contribute to improvements in emergency response planning and coordination? Are there additional practices that EPA should consider that significantly improve planning and coordination? Should EPA further clarify what is necessary for RMP facility owners or operators to adequately coordinate their emergency response program with local authorities? Should coordination activities and emergency plan updates be required annually, or is some other frequency appropriate? How should disagreements between local authorities and the source owner or operator concerning which party should provide for an emergency response to releases of regulated substances at the source be resolved? When an LEPC makes a written request for the owner or operator to comply with the emergency response program requirements of § 68.95, should the LEPC be required to provide a rationale for the request that meets certain criteria, to ensure that the request is reasonable? If so, what criteria should be established?

2. Alternative Options

EPA considered an alternative that would require owners and operators of all stationary sources with Program 2 or Program 3 processes to comply with the full emergency response program requirements of § 68.95. Under this option, RMP facilities would still be required to perform the annual local coordination and to document activities described previously. However, it would eliminate the flexibility of the current rule and require all Program 2 and Program 3 facilities to be ''responding'' facilities. EPA did not propose this approach because it does not consider the existing capabilities of local responders and shifts to the regulated stationary sources the burden associated with developing and maintaining an appropriate and effective emergency response capability from local responders in communities that may have adequate capabilities. Additionally, EPA believes that this approach would place an unnecessary burden on small facilities.

EPA seeks comment on this alternative approach and whether there are any other alternative options that EPA should consider prior to issuing a final action.

B. Facility Exercises

Exercising an emergency response plan is critical to ensure that response personnel understand their roles, that local emergency responders are familiar with the hazards at the facility, and that the emergency response plan is appropriate and up-to-date. It ensures that personnel are properly trained and lessons learned from exercises can be used to identify future training needs.

Poor emergency response procedures during some recent accidents have highlighted the need for facilities to conduct periodic emergency response exercises. For example, the CSB's investigation of the April 2004 vinyl chloride monomer (VCM) explosion at the FPC USA in Illiopolis, Illinois, found that the facility's failure to rehearse a response to a large VCM release made the consequences of the accident significantly worse, and likely contributed to the deaths of operators at the facility.[181] The CSB found that after the VCM release began, and despite knowingly working directly over a toxic and highly flammable VCM cloud, two operators did not put on protective breathing apparatus, activate emergency alarms, or evacuate the facility, contrary to emergency response actions outlined in facility emergency procedures. These operators consequently died as a result of injuries received during the ensuing explosion.

Failure to conduct emergency exercises involving local authorities may also have resulted in injuries and fatalities to local responders. As previously indicated, 12 local responders died as a result of injuries received during the West Fertilizer explosion, and the CSB investigation report findings show that inadequate emergency planning contributed to the severity of the accident and that responders were not sufficiently aware of the risks at the facility.[182] According to accident history information obtained from EPA's RMP national database, accidents occurring between 2004 and 2014 resulted in at least 44 responder injuries and 2 additional fatalities.[183] The 2002 accident involving a chlorine release at DPC Enterprises in Festus, Missouri, resulted in 66 people seeking medical attention at the local hospital, including 63 members of the community surrounding the facility. The CSB's investigation found that DPC's emergency response plan had inadequate procedures for training and drills, and that these deficiencies resulted in DPC's inadequate preparation for a large uncontrolled chlorine release.[184] In 2003, another DPC Enterprises facility in Glendale, Arizona, had an accident involving a large chlorine release. In that accident, 11 Glendale police officers responding to the accident were exposed to chlorine and required medical treatment. The CSB's investigation found that police officers responding to the accident to assist in evacuation of nearby residents entered the hazardous area without any respiratory protection. The CSB recommended that the Glendale fire and police departments schedule periodic hazardous materials incident drills to ensure safe and effective responses to future hazardous materials incidents.[185]

[181] CSB. March 2007. Investigation Report: VCM Explosion, FPC., Illiopolis, Illinois, April 23, 2004; Report No. 2004–10–I–IL. *http://www.csb.gov/assets/1/19/Formosa_IL_Report.pdf.*

[182] CSB. January 2016. Final Investigation Report: West Fertilizer Company Fire and Explosion, West, TX, April 17, 2013. Report No. 2013–02–I–TX, pp. 14, 116–117, 200–204, 241–242. *http://www.csb.gov/west-fertilizer-explosion-and-fire-/.*

[183] EPA. January 27, 2016. Technical Background Document for Notice of Proposed Rulemaking: Risk Management Programs under the Clean Air Act, Section 112(r)(7).

[184] CSB. May 2003. Investigation Report: Chlorine Release, DPC Enterprises, L.P., Festus, Missouri, August 14, 2002. Report No. 2002–04–I–MO. *http://www.csb.gov/assets/1/19/DPC_Report.pdf.*

[185] CSB. February 2007. Investigation Report: Chlorine Release, DPC Enterprises, L.P., Glendale, Arizona, November 17, 2003. Report No. 2004–02–I–AZ. *http://www.csb.gov/assets/1/19/DPC2-_Final.pdf.*

On April 12, 2004, a runaway chemical reaction at MFG Chemical, Inc., in Dalton, Georgia, resulted in the release of toxic vapor clouds of allyl alcohol and allyl chloride into the surrounding community. The accident resulted in the evacuation of more than 200 families and medical treatment for 154 people, including 15 responders. The CSB found that MFG did not train or equip employees to conduct emergency mitigation actions, and that local emergency response agencies did not adequately prepare for responding to emergencies involving hazardous chemicals. The CSB recommended that the facility obtain equipment and provide emergency response training to employees, and that local agencies conduct drills for emergencies at fixed facilities.[186]

Other EPA and Federal agency programs require exercises as an element of their emergency response programs. For example, under the Oil Pollution Prevention regulation (40 CFR part 112), facilities subject to the Facility Response Plan (FRP) provisions are required to conduct exercises, including evaluation procedures (§ 112.21). FRP facility owners and operators are encouraged to follow the National Preparedness for Response Exercise Program (PREP) Guidelines,[187] which were developed to provide a mechanism for compliance with EPA, U.S. Coast Guard (USCG), and U.S. Department of the Interior (DOI) exercise requirements for oil pollution response. The PREP guidelines include both internal and external exercise components. Internal exercises include notification exercises, emergency procedure exercises, spill management team tabletop exercises, and equipment deployment exercises. External exercises include area exercises that include members of the response community, and government-initiated unannounced exercises.

Other examples include exercises that the U.S. Nuclear Regulatory Commission (NRC), in conjunction with the Federal Emergency Management Agency, requires commercial nuclear power plant operators to perform with state and local governments. These exercises evaluate both on-site and offsite emergency response capabilities. The NRC requires all nuclear reactor emergency plans to address the necessary provisions for coping with radiological emergencies at each facility in accordance with 10 CFR 50.54(q), Appendix E to 10 CFR 50, and for commercial nuclear power reactors only, 10 CFR 50.47(b). Reactor operators are required to train personnel and perform emergency preparedness exercises in order to test the adequacy of the plans, ensure personnel are familiar with their duties, and maintain response capabilities.

Some state and local regulations also require emergency response exercises. For example, the New Jersey TCPA, which incorporates the requirements of 40 CFR part 68, contains certain additional provisions imposed under state law, including a requirement for regulated facilities to perform at least one emergency response exercise per calendar year. Non-responding facilities are required to invite at least one outside responding agency designated in the emergency response plan to participate in the exercise, and employees of the facility are required to perform their assigned responsibilities for all emergency response exercises. Owners or operators of all other facilities are required to perform at least one full scale emergency response exercise in which the emergency response team as well as containment, mitigation, and monitoring equipment are deployed at a strength appropriate to demonstrate the adequacy and implementation of the plan.[188]

In comments received from the Agency's recent RFI, the National Association of Superfund Amendments and Reauthorization Act (SARA) Title Three Program Officials (NASTTPO), which represents members of State Emergency Response Commissions (SERCs), Tribal Emergency Response Commissions (TERCs), and LEPCs, has encouraged EPA to require RMP facilities to conduct exercises that include local first responders and realistic accident scenarios.[189]

In addition to specific Federal and state requirements for conducting exercises and the NASTTPO comments, industry guidelines recommend conducting exercises. The CCPS Guidelines for Risk Based Process Safety recommend periodically testing the adequacy of emergency response plans and level of preparedness of responders, including contractors and local response agencies.[190]

In the original proposed RMP rule (58 FR 54190, October 20, 1993), EPA had included within the emergency response program provisions a proposed requirement for regulated sources to conduct emergency exercises. In the final RMP rule (61 FR 31668, June 20, 1996), EPA decided not to finalize this requirement (and several other additional emergency response program provisions), for two reasons. First, the Agency decided to limit the emergency response program requirements to the minimum requirements contained in CAA section 112(r)(7) in order to avoid inconsistency with other emergency response planning regulations. Second, the Agency indicated that the additional requirements were already addressed in other Federal regulations and therefore, sources were already doing them. However, EPA's experience with implementing the RMP rule over nearly two decades, along with incidents such as those described above, indicate that many regulated sources do not regularly conduct emergency exercises that involve local response authorities. The Agency now believes that adding this provision to the regulation will likely reduce the severity of some accidents that do occur.

1. Proposed Exercise Program Requirements

In order to further improve coordination with community responders and ensure that both facility personnel and local responders have practice responding to accidental releases at RMP facilities, EPA is proposing to require most regulated facilities to perform exercises as an element of the emergency response program identified under subpart E. Proposed § 68.96 would require both responding and non-responding RMP facilities with any Program 2 or 3 process to perform emergency exercises.

a. Notification Exercises

EPA proposes a new paragraph § 68.96(a) to require facilities with any Program 2 or Program 3 process to annually perform an exercise of the source's emergency notification system. This exercise would include contacting the Federal, Tribal, state, and local public emergency response authorities, and other external responders that would respond to accidental releases at the source. The purpose of these notifications is to ensure facility

[186] CSB. April 2006. Investigation Report: Toxic Chemical Vapor Cloud Release, MFG Chemical, Inc., Dalton, Georgia, April 12, 2004. Report No. 2004–09–I–GA. *http://www.csb.gov/assets/1/19/MFG_Report.pdf.*

[187] USCG, EPA, and DOI. August 2002. National PREP Guidelines. *http://www.au.af.mil/au/awc/awcgate/uscg/prep_gid.pdf.*

[188] NJDEP, Title 7, Chapter 31 Toxic Catastrophe Prevention Act Program, Consolidated Rule Document, Section 7:31–5.2; *http://www.state.nj.us/dep/rpp/brp/tcpa/downloads/conrulerev9_no%20fonts.pdf.*

[189] Gablehouse, T. October 28, 2014. Comment No. EPA–HQ–OEM–2014–0328–0679 on Risk Management Program RFI, PDF pg 5–6, NASTTPO, Denver, CO.

[190] CCPS. 2007. Guidelines for Risk Based Process Safety. American Institute of Chemical Engineers, CCPS, NY, Wiley. pp. 513, 524–526, 538–540.

personnel understand how to initiate the notification system and to test the emergency contact information to ensure it is up-to-date. As part of the notification exercise, the individual making the notifications should clearly indicate that the call is part of an exercise to test the notification system. The owner or operator would be required to document these notification exercises and maintain a written record of each exercise conducted for a period of five years. The owner or operator would also be required to provide copies of the report to local response officials, and to make the report available to the public in accordance with §§ 68.205 and 68.210.

As non-responding facilities will rely on local authorities to respond to accidental releases at the source, EPA believes that the proposed facility notification exercises will be an important supplement to the existing requirement for local emergency plan exercises under EPCRA section 303(c)(9), which requires local emergency plans to include methods and schedules for exercising the plan. Responding facilities will be required to meet additional field and tabletop exercise requirements below, which in many cases will also involve the participation of local authorities. Notifications to Federal, state, and local officials conducted as part of the field or tabletop exercise may also serve to meet the annual notification exercise requirements provided that the owner or operator documents these notification exercises.

EPA is also proposing to modify § 68.95(a)(1)(i) to clarify that the emergency response program should include procedures for performing appropriate notifications to Federal and state emergency response agencies, as well as the public and local emergency response agencies, about accidental releases. This could include, for example, any required notifications to the National Response Center, as required by section 103(a) of CERCLA, and/or notifications to the SERC as required by section 304 of EPCRA.

b. Responding Facility Field and Tabletop Exercises

EPA is proposing a new paragraph § 68.96(b) to require responding facilities to develop and implement an emergency response exercise program that uses the emergency response plan required under § 68.95(a)(1). EPA is proposing to require two types of exercises—field exercises and tabletop exercises. The owner or operator would be required to coordinate with local public emergency response officials in planning and conducting exercises, and invite local officials to participate in exercises. However, participation in an exercise by local responders is not required for a facility to comply with the exercise provisions.

i. Field Exercises

Field exercises involve the actual performance of emergency response functions during a simulated accidental release event. Field exercises involve mobilization of firefighters and/or hazardous materials response teams, activation of an incident command structure, deployment of response equipment, evacuation or sheltering of facility personnel as appropriate, and notification and mobilization of law enforcement, emergency medical, and other response personnel as determined by the scenario and the source's emergency response plan.[191]

Section 68.96(b)(1) would require the owner or operator to conduct an emergency response field exercise involving the simulated accidental release of a regulated substance at least once every five years and within one year of any accidental release meeting the criteria in § 68.42(a). If the facility is required to conduct a field exercise as a result of an RMP reportable accident, then this would effectively reset the timeframe for when the next five-year field exercise is due.

EPA is proposing that the scope of the field exercises would include tests of:

- Procedures for informing the public and the appropriate Federal, state, and local emergency response agencies about an accidental release;
- procedures and measures for emergency response after an accidental release of a regulated substance including evacuations and medical treatment;
- communications systems;
- mobilization of facility emergency response personnel;
- coordination with local emergency responders;
- equipment deployment, and
- other actions identified in the source's emergency response plan, as appropriate.

ii. Tabletop Exercises

Tabletop exercises are discussion-based exercises without the actual deployment of response equipment. During tabletop exercises, responders typically assemble in a meeting location and simulate procedural and communications steps for response to a simulated accidental release, as determined by the scenario and the source's emergency response plan.

In § 68.96(b)(2) EPA is proposing to require the owner or operator to annually conduct an emergency tabletop exercise involving the simulated accidental release of a regulated substance, except during years when field exercises are conducted. The scope of a tabletop exercise would include tests of:

- Procedures for informing the public and the appropriate Federal, state, and local emergency response agencies about an accidental release;
- procedures and measures for emergency response after an accidental release of a regulated substance including evacuations and medical treatment;
- identification of facility emergency response personnel and responsibilities;
- coordination with local emergency responders;
- procedures for the use of emergency response equipment, and other actions identified in the source's emergency response plan, as appropriate.

c. Exercise Reports & Program Updates

EPA is proposing in § 68.96(b)(3) to require the owner or operator to evaluate each exercise and prepare a written report within 90 days of the exercise. The report would include:

- A description of the exercise scenario;
- names and associations of each exercise participant;
- an evaluation of the results of the exercise including lessons learned;
- recommendations for improvement or revisions to the emergency exercise program and emergency response program; and
- a schedule to promptly address and resolve recommendations.

The report would also include an evaluation of the adequacy of coordination with local emergency response authorities, and other external responders, as appropriate. Section 68.96(b)(3) would also require the owner or operator to update the emergency exercise program and emergency response program at least annually, and more frequently if necessary to incorporate recommendations and lessons learned from emergency response exercises, incident investigations, or other available information. The owner or operator would also be required to provide schedules of exercises and copies of exercise reports to local response officials, and to make exercise reports available to the public in accordance with §§ 68.205 and 68.210. Exercise reports would be maintained for five years.

d. Updates to § 68.12 (General Requirements)

EPA is proposing to revise § 68.12 (General Requirements) to be consistent

[191] EPA. May 1988. Guide to Exercises in Chemical Emergency Preparedness Programs, OSWER 88006.

with these proposed exercise requirements. EPA is proposing to revise the Program 2 and Program 3 requirements under § 68.12 by renumbering paragraph § 68.12(c)(4) as § 68.12(c)(5) (for Program 2) and § 68.12(d)(4) as § 68.12(d)(5) (for Program 3), adding a reference to exercise requirements, and correcting citations to subpart E.

EPA is aware that while not all facilities regulated under the RMP rule conduct emergency exercises, many do, and the Agency believes that exercises conducted in accordance with other Federal, state, or local requirements, or exercises conducted in conjunction with a facility's trade association membership or code of practice, etc., may be used to satisfy the new requirements to the extent those exercises address the specific regulatory provisions contained herein.

EPA seeks comment on this approach. Are there additional exercise provisions that EPA should consider to improve the ability of RMP facility personnel and local authorities to respond to accidental releases? Are annual exercises sufficient or should EPA consider alternative frequencies? What information regarding exercises would be most helpful to the public while maintaining a balance for security?'' Some SERS expressed concern that local emergencies could force a facility to postpone an exercise. EPA seeks comments on how best to address emergency postponement and rescheduling of exercises. EPA also seeks comment on whether to eliminate the requirement for tabletop and field exercises.

2. Alternative Options

EPA considered two alternative approaches to requiring emergency exercises. The first alternative option would also require responding and non-responding facilities to conduct an annual emergency notification system exercise. However, under this option responding facilities would additionally be required to conduct only annual tabletop exercises; emergency field exercises would not be required. This alternative option would be a lower cost option for responding facilities, as field deployment of the source's equipment and personnel would not be required. However, it may also result in less realistic and less effective emergency exercises.

The second alternative approach considered by EPA would contain the same provisions for notification exercises as in the proposed option, but would require responding facilities to conduct field exercises annually, instead of tabletop exercises. This approach would be similar to the New Jersey TCPA emergency exercise provisions, and provide for a comprehensive test of all systems under the emergency exercise program for responding facilities. However, the costs of this approach would be significantly higher than the proposed approach.

EPA seeks comment on these alternative approaches and whether there are any other alternative options that EPA should consider prior to issuing a final action.

VI. Information Availability Requirements

Ensuring that communities, local planners, local first responders, and the public have appropriate chemical facility hazard-related information is critical to the health and safety of the responders and the local community. Throughout the many public meetings and outreach efforts related to Executive Order 13650, LEPCs, first responders, and members of the public stated that chemical facility information and data-sharing efforts need significant improvement.[192] Specifically, LEPCs and first responders want to have access to the most relevant chemical hazard and risk information for their needs, in a user-friendly format, to better support planning and preparedness efforts. Community residents, operators of community facilities (such as daycares and nursing homes) and organizations consistently noted that they need basic information regarding chemical risks at facilities, presented in a clear and consistent manner, so that they can effectively participate in preparedness and planning to address such issues as effective emergency notification procedures, evacuation, and sheltering in place. In response to these issues, EPA is proposing ways to enhance information sharing and collaboration between chemical facility owners and operators, tribal and local emergency planning committees, first responders, and the public, in a manner that balances security and proprietary considerations. Some public commenters responding to EPA's RMP RFI elaborated the need for more public access to information about the RMP facilities. The Center for Science and Democracy (CSD) stated that public access to information is key to enabling communities to hold facility owners and operators accountable for reducing risks as much as possible, and for being prepared should an accident occur. According to CSD, facility owners and operators should be responsible for ensuring that appropriate measures are in-place to handle an emergency and should be fully communicating with local authorities on the development of community emergency response plans that include chemical facilities.[193]

NASTTPO requested EPA consider providing information on emergency planning and exercises, audit reports, and RMP Executive summaries that include information such as accident histories, and names of RMP-regulated substances.[194]

Oklahoma Hazardous Materials Emergency Response Commission (OHMERC) also commented and requested posting of chemical information including an RMP summary along with Tier2 information on a company Web site at a minimum. They also requested making the following information available to LEPCs: The facility emergency response plan, accident history, along with OCA.[195]

The MKOPSC stated that most of the information is already available online and from LEPCs and need not be provided on a Web site. But MKOPSC noted that LEPCs can utilize the information to understand the risk in the communities and involve local facilities, local officials, SERCs, local citizens and EPA to have dialogues to improve regulatory compliance and promote safety. MKOSPSC also believes it is also important to let the public understand how the facilities address the hazard present in their community and keep the risk at or below the ''acceptable level.'' When local citizens have adequate information and knowledge, facility owners and operators may be motivated to continuously improve their safety in response to community pressure and oversight.[196]

CCHS noted that requiring facility owners or operators to make this information available on the company Web site would promote improved regulatory compliance, because the more willing a facility is to be open and

[192] Chemical Facility Safety and Security Working Group. May 2014. Executive Order 13650 Report to the President—Actions to Improve Chemical Facility Safety and Security—A Shared Commitment, pgs. 93–94. *https://www.osha.gov/chemicalexecutiveorder/final_chemical_eo_status_report.pdf.*

[193] CSD. October 20, 2014. Comment No. EPA–HQ–OEM–2014–0328–0424 on Risk Management Program RFI, pgs. 2–3.

[194] Gablehouse, T. October 28, 2014. Comment No. EPA–HQ–OEM–2014–0328–0679 on Risk Management Program RFI, PDF p. 2, 4, & 6, NASTTPO, Denver, CO.

[195] Elder, M., October 29, 2014. Comment No. EPA–HQ–OEM–2014–0328–0641 on Risk Management Program RFI, p. 3, OHMERC.

[196] MKOPSC. October 29, 2014. Comment No. EPA–HQ–OEM–2014–0328–0543 on Risk Management Program RFI, pgs. 162, 165.

transparent the greater that company is willing to address issues that relate to safety.[197] The United Steel Workers (USW) stated that making unrestricted RMP information publicly available would increase compliance, as it enables communities to hold facilities accountable and gives facilities greater incentive to strengthen safety measures and to comply with regulations.[198] The Coalition to Prevent Chemical Disasters (CPCD) believes that schools located within vulnerability zones of RMP facilities need to have chemical disaster drills in place, but that many schools are unaware of any risks. In CPCD's view, not informing communities about chemical risks reduces their ability to prepare for potential disasters involving specific chemical releases. CPCD argues that first responders need to know what chemicals they are facing and what emergency equipment to use. CPCD believes that information, such as compliance audits and incident investigation reports, should be disclosed to LEPCs and that with this information, active LEPCs can better include local communities in emergency planning and training.[199] CPCD made reference to testimony made six years prior to the West disaster by a former CSB chairperson about her concern for:

> a lack of chemical emergency preparedness that our investigations have found among many communities where accidents strike. Preventing accidents and mitigating their impact requires an active partnership between communities and industrial facilities. If that partnership is missing, the stage is set for a potentially severe impact on the community.[200]

Poor communication between facility personnel and first responders, as well as poor communication between facility personnel and communities, has been shown to contribute to the severity of chemical accidents. One example is the Bayer CropScience explosion that occurred in Institute, West Virginia, in 2008. According to the CSB,

> The Bayer fire brigade was at the scene in minutes, but Bayer management withheld information from the county emergency response agencies that were desperate for information about what happened, what chemicals were possibly involved . . . The Bayer incident commander, inside the plant, recommended a shelter in place; but this was never communicated to 911 operators. After a few hours of being refused critical information, local authorities ordered a shelter in place, as a precaution.[201]

Improper communication between the facility and the first responders during the accident led to a delay in implementing a public shelter-in-place order for the local community, and may have resulted in toxic exposure to on-scene public emergency responders.

After a release of HF from the Citgo Refinery in Corpus Christi, Texas, in July 2009, nearby residents complained of headaches, nausea, and respiratory issues, though Citgo claimed that the toxic cloud stopped at the plant fence line. According to reports, neighbors could see the flames and smoke coming from the refinery, but they were unable to get information on the accident and potential risks to their community.[202]

The previous examples and public comments demonstrate the need for better communication of the potential risks associated with accidental releases at stationary sources. However, in making information more readily available EPA must also recognize and balance the associated security concerns because the public sharing of certain specific facility information and any associated vulnerabilities has the potential to aid terrorists in planning an attack. The RMP rule was published in 1996, before many computer-based and other information-sharing methods were widely used. At the time of initial publication of the rule, EPA expected information to be disclosed to the public through disclosure of the entire RMP. After the CSISSFRRA was enacted on August 5, 1999, EPA restricted access to OCA data for the public and government officials to minimize the security risks associated with posting the information on the internet (65 FR 48108, August 4, 2000). Governmental officials continue to have electronic access to OCA information, subject to certain restrictions, while the public may view OCA information only at Federal Reading Rooms around the country and only for a limited number of RMPs at any one time. The non-OCA portions of the RMPs are available from EPA to the public either through Freedom of Information Act (FOIA) request, by inspection at Federal Reading Rooms, or from a person's SERC, LEPC, or related state or local government agencies.[203]

EPA is proposing to require certain information to be made available, upon request, to LEPCs and emergency response officials to help them to understand the potential risks at RMP regulated facilities, as well as to aid them in emergency planning and response activities. EPA is also proposing to amend the information sharing provisions for the public to make existing information more easily accessible to neighboring communities to encourage them to prepare for an emergency. EPA also believes that the revisions will likely contribute to the prevention of future chemical accidents. Cognizant of the spirit and intent of the CSISSFRRA, the proposed revisions do not disclose the substance or form of information subject to restriction under CAA 112(r)(7)(H) or 40 CFR part 1400.

EPA has two objectives for improving public information sharing provisions of the RMP rule. The first is to ensure that local emergency response and planning officials have the information they need to prepare for an emergency response to an accidental release at a stationary source. This includes determining what information is appropriate to improve community emergency response plans and ensure the safety of the local responders and the community. EPA must also determine the appropriate frequency for updating this information to avoid overwhelming local planners while ensuring information is current. While developing emergency response plans, LEPCs and facility owners or operators should also involve local citizens to help them understand the appropriate actions they should take in the event of an accidental release. This may reduce public panic and enable residents to act quickly and appropriately to protect themselves.

The second objective is to help improve public awareness of risks in their communities and provide information on where they can learn more about preparedness and

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[197] CCHS. October 28, 2014. Comment No. EPA–HQ–OEM–2014–0328–0546 on Risk Management Program RFI pg. 13.

[198] USW. October 29, 2014. Comment No. EPA–HQ–OEM–2014–0328–0547 on Risk Management Program RFI, pg. 6.

[199] CPCD. October 29, 2014. Comment No. EPA–HQ–OEM–2014–0328–0644 on Risk Management Program RFI, pgs. 36–37.

[200] CSB. July 10, 2007. CSB News Release: CSB Chairman Merritt Describes the Lessons from Five Years of Board Investigations to Senate Committee, Urges Additional Resources and Clearer Authorities for Federal Safety Efforts. *http://www.csb.gov/csb-chairman-merritt-describes-the-lessons-from-five-years-of-board-investigations-to-senate-committee-urges-additional-resources-and-clearer-authorities-for-federal-safety-efforts/*.

[201] CSB. January 20, 2011. CSB issues report on 2008 Bayer Cropscience explosion: Finds multiple deficiencies led to runaway chemical reaction; recommends states create chemical plant oversight regulation. *http://www.csb.gov/csb-issues-report-on-2008-bayer-cropscience-explosion-finds-multiple-deficiencies-led-to-runaway-chemical-reaction-recommends-state-create-chemical-plant-oversight-regulation/*.

[202] Morris, Jim and Chris Hamby, Center for Public Integrity. February 24, 2011; Updated May 19, 2014. Fueling Fears—Use of toxic acid puts millions at risk. *http://www.publicintegrity.org/2011/02/24/2118/use-toxic-acid-puts-millions-risk*.

[203] See 40 CFR part 1400: Accidental Release Prevention Requirements; Risk Management Programs Under the CAA Section 112(r)(7); Distribution of OCA Information (65 FR 48108, August 4, 2000). *http://www.gpo.gov/fdsys/pkg/FR-2000-08-04/pdf/00-19785.pdf*.

community emergency response plans. Any publicly available information should be in a format that is easily accessible. The goal is to encourage residents to learn about community emergency response plans and understand what actions they need to take during an emergency to protect themselves.

EPA is proposing to add provisions for sharing information, upon request, with LEPCs and/or emergency response officials and revise the existing provisions for sharing information with the public. EPA is also proposing that facility owners and operators conduct public meetings within 30 days of an RMP reportable accident to discuss chemical hazards present at facilities and provide information on accidental releases. These meetings can provide opportunities for facilities to engage the public to address concerns following an accidental release and explain how facilities will prevent future accidents.

A. Proposed Public Disclosure Requirements to LEPCs or Emergency Response Officials

EPA is proposing to add requirements to subpart H—Other Requirements that apply to all facilities regulated under the RMP rule, including facilities with Program 1 processes. EPA proposes to add § 68.205 to require owners and operators to provide information to local emergency responders and LEPCs upon request. If information required under this proposal is already available to the public on a company Web site, the owner or operator may comply by providing the Web site link to the first responders and LEPC. Paragraph § 68.205(a) would require that the RMP be accessible to local emergency responders and LEPCs in the exact same manner as the current requirement under § 68.210(a). A reference to 42 U.S.C. 7414(c), which covers information and reports (such as the RMP) required under section 42 U.S.C. 7412, is included to show the authority under which the non-OCA portion of an RMP shall be available to the public, except for any information that would divulge methods or processes entitled to protection of CBI or trade secrets. This reference is already part of the current § 68.210(a). A reference to 40 CFR part 1400 has been added to address the disclosure restrictions under CSISSFRRA (*i.e.,* restrictions on the disclosure of OCA information). EPA is not changing its policy regarding OCA information. The reference to 40 CFR part 1400 only clarifies the statutory obligations that relate to securing this information.

Under paragraph § 68.205(b), EPA would require the owner or operator to develop summaries of specific chemical hazard information for all of their regulated processes and provide this information, upon request, to the LEPC or local emergency response officials as part of their emergency response coordination efforts. The facility should make information available in a manner that is understandable and avoids technical jargon. The information should be conveyed without revealing CBI or trade secret information. The information must adequately explain the findings, results, or analysis being provided.

The specific information that must be provided to LEPCs or emergency response officials upon request is outlined below:

Information on Regulated Substances. Information related to the names and quantities of regulated substances at the source (paragraph § 68.205(b)(1)). This only applies to regulated substances held in a process above the TQ.

Accident History Information. The facility's accident history information required under § 68.42 (paragraph § 68.205(b)(2)).

Compliance Audit Reports. Summaries of compliance audit reports required under §§ 68.58 and 68.59 (for Program 2 processes), or §§ 68.79 and 68.80 (for Program 3 processes), as applicable (paragraph § 68.205(b)(3)). The audit report summary shall include:

- The date of the report;
- The name and contact information of the auditor and the facility contact person;
- A brief description of the audit findings;
- An appropriate response to each of the findings; and
- A schedule for addressing each of the findings.

Incident Investigation Reports. Summaries of incident investigation reports required under § 68.60(d) (for Program 2 processes) or § 68.81(d) (for Program 3 processes), as applicable (paragraph § 68.205(b)(4)). The incident investigation report summary shall include:

- A description of the incident and events leading up to it, including a timeline;
- A brief description of the process involved;
- The names and contact information of personnel on the investigation team;
- The direct cause, contributing cause, and root cause of the incident;
- The on-site and offsite impacts;
- The emergency response actions taken;
- Any recommendations; and
- A schedule for implementing recommendations, as applicable.

Inherently Safer Technologies (IST). For each process in NAICS codes 322, 324, and 325, a summary of the IST or ISD identified in accordance with § 68.67(c)(8) that the owner or operator has implemented or plans to implement (paragraph § 68.205(b)(5)). The owner or operator shall update this summary as part of the calendar year submission if any of the summary information has been revised as a result of the safer technology analysis that is conducted as part of the update to the PHA prepared in accordance with § 68.67(f). The calendar year submission should also identify whether any revisions were incorporated. The IST/ISD summary shall include, at a minimum:

- The RMP process ID and process description, if provided, of the process affected;
- A brief description of the IST or ISD and which type of measure best characterizes it: Minimization, substitution, modernization, or simplification;
- The names of the regulated substance(s) whose hazard, potential exposure, or risk was or will be reduced as a result of the implementation and whether the substance is listed as toxic or flammable. If the chemicals affected are a mixture of flammable substances, the name ''flammable mixture'' may be used, instead of the individual flammable substance names; and
- The dates of implementation or planned implementation.

Exercises. Information on emergency response exercises conducted under § 68.96, including, at a minimum, schedules for upcoming exercises, reports for completed exercises, and other related information (paragraph § 68.205(b)(6)).

EPA believes that summary information on findings from incident investigations, compliance audits, exercises, and IST employed can demonstrate to local emergency response officials how a facility is improving its management of chemical risks and assist local emergency planners to understand and better prepare for these risks when developing community emergency response plans. Furthermore, EPA believes that disclosing information related to IST can help responders and planners to prioritize and allocate response resources. For example, IST implementation information may be relevant for emergency response personnel who are maintaining response capabilities to address a specific hazard that would no longer apply once an IST is implemented (such as by substituting a less hazardous chemical for an RMP-regulated substance).

Table 6 below summarizes the information to be developed under § 68.205(b) and identifies the applicable program level for each provision. The owner or operator need only provide

upon the LEPC's request information developed for this provision that is applicable to the program-level for each regulated process at the facility. For example, owners or operators of Program 2 processes must provide information on regulated substances in accordance with § 68.205(b)(1), accident history information in accordance with § 68.205(b)(2), compliance audit report summaries to LEPC or emergency response officials in accordance with § 68.205(b)(3), incident investigation report summaries in accordance with § 68.205(b)(4), and exercise schedules and report summaries in accordance with § 68.205(b)(6). Owners and operators of Program 3 processes must provide all of the above information, as well as the IST information required under § 68.205(b)(5). Owners and operators of Program 1 processes would be required to provide only information on regulated substances in accordance with § 68.205(b)(1) and accident history information in accordance with § 68.205(b)(2).

TABLE 6—LEPC DISCLOSURE INFORMATION

Information to be provided, upon request, to LEPCs or emergency response officials in § 68.205.		Program level(s) applicability—program 1, 2, or 3
(b)(1)	Information on regulated substances	1, 2, 3
(b)(2)	Accident history information	1, 2, 3
(b)(3)	Compliance audit report summaries	2, 3
(b)(4)	Incident investigation report summaries	2, 3
(b)(5)	IST summary	*3
(b)(6)	Exercise schedules and report summaries	2, 3

*Applies only to Program 3 facilities in NAICS codes 322, 324, and 325.

Submission Dates and Updates. According to § 68.205(c), EPA is proposing that the owner or operator update summary information every calendar year, including all applicable information that was revised since the last submission, and provide this information upon request.

Classified Information. EPA is proposing to add § 68.205(d) to address protection of classified information from disclosure. This provision is identical to the current § 68.210(b).

Confidential Business Information. EPA is proposing to add the acronym CBI to § 68.3 and to add § 68.205(e) to describe the process for claiming and handling CBI. EPA is proposing that an owner or operator asserting a CBI claim for information requested by an LEPC or local emergency response official under this section should submit a sanitized version to the LEPC or emergency response officials, and submit to EPA both the sanitized version and a version containing the CBI along with a substantiation of the CBI claim at the time it is asserted. This process for assertion and substantiation of CBI claims is the same as that required in §§ 68.151 and 68.152 for information contained in the RMP. As provided under § 68.151(b)(3), an owner or operator of a stationary source may not claim five-year accident history information as CBI. As provided in § 68.151(c)(2), an owner or operator of a stationary source asserting that a chemical name is CBI shall provide a generic category or class name as a substitute in its submission.

An owner or operator should be aware that anything they send to their LEPC in accordance with § 68.205(e) becomes public information. For any information claimed as CBI when submitted to EPA and later submitted to the LEPC, the CBI claim regarding such information is waived. Therefore, if an owner or operator wants to maintain the confidentiality of information, when submitting such information to the LEPC, they should submit a sanitized version.

With these proposed requirements, EPA intends to ensure that LEPCs and emergency response officials have information on chemical hazards at regulated facilities and are better prepared to understand and prepare for risks to the communities and emergency responders. EPA encourages local emergency response officials to coordinate with owners or operators of regulated facilities and participate in emergency response exercises as time and resources allow. LEPC and local emergency response officials should use the information identified in § 68.205(b) to assist in revising the community emergency response plan developed under 42 U.S.C 11003 and related purposes.

EPA seeks comment on this approach. Will the proposed requirements improve the community emergency planning and preparedness? Is there additional information that should be shared with LEPCs or emergency response officials? For example, should EPA require the full safer technologies and alternatives analysis to be submitted to the LEPC? EPA also seeks comment on whether to require less information to be shared (*e.g.,* limit incident investigation information to incidents with offsite impacts). Some SERs suggested that information be limited to a one page summary of each significant chemical hazard and suggested including only the following elements: The name of the substance, its properties, its location, and recommended firefighting and emergency response measures. EPA seeks comment on this narrowed approach. Should EPA require owners or operators to periodically submit information to the LEPC or local responders, and if so, what timeframe should EPA consider? Is the proposed timeframe for updating information sufficient to ensure information is up-to-date? Should EPA require information to be updated only after the source receives a request from an LEPC or local emergency response official? If so, how much time is sufficient to allow development and submission of summaries following requests for information under this proposed provision? Should EPA specify a standard format for summary information in order to make it easier for local officials to interpret the information (*e.g.,* specify a summary template for information on regulated substances, compliance audits reports, incident investigation reports, IST)?

B. Proposed Revisions to Requirements for Information Availability to the Public

Under paragraph § 68.210(a), EPA is proposing to add a reference to 40 CFR part 1400 to address CSISSFRRA disclosure restrictions (*i.e.,* for OCA information). EPA is not changing its policy regarding OCA information. The reference to 40 CFR part 1400 only clarifies the statutory obligations that relate to securing this information.

EPA is proposing to redesignate the current paragraph § 68.210(b) that addresses the non-disclosure of

classified information by the Department of Defense or other Federal agencies or their contractors as § 68.210(e).

EPA is proposing a new paragraph (b) to require the owner or operator of a stationary source to distribute certain chemical hazard information for all regulated processes to the public in an easily accessible manner. EPA is proposing to require the owner or operator to distribute the following information, as applicable:

- Names of regulated substances held in a process above TQs;
- Safety Data Sheets (SDSs) for all regulated substances held above TQs at the facility;
- The facility's accident history required under § 68.42;
- Information concerning the source's compliance with § 68.10(b)(3) or the emergency response provisions of subpart E, including:
  - Whether the source is a responding stationary source or a non-responding stationary source;
  - Name and phone number of local emergency response organizations with which the source last coordinated emergency response efforts, pursuant to § 68.180; and
  - For sources subject to § 68.95, procedures for informing the public and local emergency response agencies about accidental releases.
- Information on emergency response exercises required under § 68.96, including schedules for upcoming exercises, reports for completed exercises as described in § 68.96(b)(3), and any other related information; and
- LEPC contact information, including LEPC name, phone number, and Web site address as available.

EPA believes that providing this information to the general public will allow people that live or work near a regulated facility to improve their awareness of risks to the community and to be prepared to protect themselves in the event of an accidental release. EPA also thinks that requiring facilities to provide summary information on the facility's emergency response plans and emergency exercises to the public, will provide assurance to the community that the facility is adequately prepared to properly handle a chemical emergency, should it arise. An additional benefit of sharing exercise schedules is to avoid unnecessary public alarm when exercises are conducted.

The facility owner or operator can make all the required information available to the public in a variety of ways. For example, the owner or operator could comply by making the information available on the facility or company Web site, if one is available. If the facility doesn't have a Web site, the owner or operator could establish one. Alternatively, there are free or low cost internet platforms, file sharing services, and social media tools that are designed to share information with the public. As another option, the facility could make the information available in hard copy at publicly accessible locations such as a public library or a local government office. If the facility has the means to handle public visitors, it could choose to make the information available at the facility location. The facility could alternatively provide the information by email, upon request. EPA encourages the facility owner or operator to coordinate information distribution with the LEPC or local emergency response officials to determine the best way to reach public stakeholders.

EPA seeks comment on this approach. Is there additional information that should be shared with the public? For example, should EPA require the STAA proposed under § 68.67(c)(8), or a summary of that analysis, be shared with the public? Alternatively, should EPA further limit the information elements proposed? For example, how should EPA limit the disclosure of information in exercise reports that might reveal security vulnerabilities about the facility or emergency responders? Should EPA not require disclosure of names of individuals involved in exercises or facility security vulnerabilities revealed by the exercise? Is there an alternative way to improve community preparedness for safety purposes while balancing the security concerns to limit a terrorist's ability to use the information for an attack? Is there other information that community residents and operators of community facilities (such as schools, nursing homes, daycares) need in order to participate in emergency preparedness planning, particularly as it relates to effective incident notification, sheltering in place, and evacuation? EPA also seeks comment on the feasibility of these various options for providing information to the public and requests suggestions for other ways that the data could be made available. Lastly, EPA seeks comment on any challenges facility owners or operators would have in providing the information or challenges public stakeholders would have in obtaining the information. In order to inform the public of the location of the information, EPA is proposing to require under § 68.160(b) that the facility report in their RMP the location or means of public access to the information proposed to be disclosed under this subsection.

Submission Dates and Updates. EPA is proposing that the owner or operator shall update and submit information required under § 68.210(b) every calendar year, including all applicable information that was revised since the last update.

Confidential Business Information. In § 68.210(f), an owner or operator asserting CBI shall submit a sanitized version of the information required under this section to the public. Assertion of claims of CBI and substantiation of CBI claims shall be in the same manner as required in §§ 68.151 and 68.152 for information contained in the RMP required under subpart G. As provided in § 68.151(c)(2), an owner or operator of a stationary source asserting that a chemical name is CBI shall provide a generic category or class name as a substitute. If an owner or operator has already claimed CBI for a portion of the RMP, then that claim still applies for the disclosure elements here. The owner or operator should provide a sanitized version as described in the RMP*eSubmit User's Manual.[204]

EPA seeks comment on this approach. Will the proposed requirements improve the knowledge sharing between regulated facilities and the public? Is there additional information that should be shared with the public stakeholders? Should EPA only require information to be shared upon request by the public? Alternatively, should EPA further limit the information we are proposing to be required, such as requiring only a one page summary that addresses chemical hazard information and emergency response measures? EPA could alternatively eliminate some of the required information elements or further limit information, such as by limiting accident history information to only those with offsite impact. Some SERs asked whether the existing RMP data or the RMP executive summary available to the public through existing sources (FOIA, Federal Reading rooms or other public sources who have compiled the data) are adequate to meet the information needs of the public.

Public Meetings. When the CSISSFRRA was enacted in 1999, it included a section that required owners or operators of all facilities regulated under the RMP rule to hold a public meeting within 180 days of enactment.[205] The purpose of the public meeting was to describe and discuss the local implications of the RMP on the community. Two or more stationary

[204] See EPA. March 2014. RMP*eSubmit User's Manual. *http://www2.epa.gov/rmp/rmpesubmit-users-manual.*

[205] Chemical Safety Information, Site Security and Fuels Regulatory Relief Act, Public Law 106–40, August 5, 1999. See *http://www.gpo.gov/fdsys/pkg/STATUTE-113/pdf/STATUTE-113-Pg207.pdf.*

sources were allowed to conduct a joint meeting, while small businesses were allowed to instead post a summary of their OCA information no later than 180 days after enactment.

In paragraph § 68.210(d) EPA is proposing to require regulated facilities that have any accident meeting the five-year accident history criteria of § 68.42 to hold a public meeting within 30 days after the accident. This provides an opportunity for the owner or operator of the RMP facility to inform the community about the accident including, at a minimum, the information reportable under § 68.42. This includes information on:

- When the accident occurred;
- The nature of the accident including initiating event and contributing factors if known;
- Chemicals involved and quantities released;
- Weather conditions, if known;
- On-site and offsite impacts;
- Emergency response notifications; and
- Operational or process changes that resulted, thus far, from investigation of the release.

EPA expects that, in some cases, sources will have completed the incident investigation required under § 68.60 or § 68.81 prior to holding the public meeting. This would allow the owner or operator to share appropriate information about the accident with the local community. However, in some cases, such as for complex, protracted investigations, the source may need to hold a public meeting prior to completing the incident investigation. In such cases, the owner or operator should consider holding a second public meeting after completing the incident investigation. Additionally, a public meeting must be held after accidents that destroy a process or stationary source or cause the process or source to be subsequently decommissioned. Stationary sources may combine public meetings with LEPC meetings or other events as long as those events/meetings are available for public participation.

Public meetings must also address other relevant chemical hazard information such as that described in § 68.210(b) and any other appropriate information that may improve safety and emergency preparedness activities in the community. The facility representative should describe the risks that are associated with the facility, and what the facility is doing to protect the public from those risks. In addition, the facility personnel should relay information that would assist the public to prepare for accidental releases. For example, at the meeting, the facility representative should discuss the process for public emergency notification, procedures for sheltering in place or evacuating, and where to obtain further updates on the status of an emergency incident. The discussion should also address how the public can access community emergency response plans and identify what the community may expect to see during a field exercise.

As part of the SBAR Panel process, several SERs questioned the value of having any public meetings and noted that, when held in the past, public meetings were not well attended. Some SERs suggested altering the requirement to allow for the request of a public meeting if an LEPC or community felt it was necessary. Additionally, SERs expressed concern about the requirement to hold public meetings 30 days after an accident; the SER suggestions included expanding the timeframe from 60 days to 9 months. SERs also indicated that many small business may still be handling the aftermath of accidents, conducting incident investigations, and arranging audits in this time period, with limited attention to devote to educating the public.

EPA seeks comment on the proposed approach and whether there are other options that EPA should consider for public meetings. For example, should EPA require regular public meetings rather than only after an accident subject to reporting requirements under § 68.42? Should EPA require public meetings upon request by LEPCs, emergency responders or the public? Alternatively, should the public meeting requirement be restricted to an RMP reportable accidents with offsite impacts? Instead of requiring a public meeting after RMP reportable accidents, should EPA require owners and operators to meet only with LEPCs and emergency responders? If EPA finalizes the requirement to hold post-accident public meetings, should EPA extend the required timeframe to hold the meeting beyond 30 days (*e.g.* to 90 days), in order to give the owner or operator more time to learn about accident causal factors and prepare for a public meeting? If so, what extended timeframe should EPA choose and should EPA require the implementing agency to approve any extensions?

C. Alternative Options

EPA considered an option to require all facilities to hold public meetings at least once every five years (and within 30 days after an accident) to share chemical hazard information described under § 68.210(b) and any other appropriate information that may improve safety and emergency preparedness activities in the community. However, EPA did not propose this requirement as our preferred option because of concerns raised by the SBAR Panel process that periodic public meetings are often sparsely attended.

EPA also considered limiting the requirement for periodic and post-accident public meetings to only Program 2 and Program 3 facilities; however, EPA did not propose this option as our preferred option because even though accidents at Program 1 facilities should not have significant public impacts, some communities near these facilities may still be interested in understanding the risks at the facility and the procedures and controls that are in place to limit offsite impacts. Additionally, if a Program 1 facility does have an RMP reportable accident with offsite impacts, EPA believes they should be held to the same standard as other facilities and be required to hold a public meeting within 30 days of the incident to provide additional information on the accidental release. Nevertheless, EPA is interested in receiving public feedback on whether EPA should consider requiring periodic public meetings and whether the requirement should be limited to Program 2 and Program 3 facilities.

EPA is also considering an option for supporting the public disclosure provisions with a ''score card'' or a ''grade'' system that could be provided by an independent third-party. The score or grade would be made available to the LEPCs and public to demonstrate the facility's compliance with the RMP rule. This method could be used either instead of or in addition to what EPA is proposing. EPA requests information and recommendations on how to develop such a program, including the types of scoring criteria that should be used and any other issues that the Agency should consider when developing such a system.

EPA seeks comment on these alternative approaches and whether there are any other alternative options that EPA should consider for future actions.

VII. Risk Management Plan Streamlining, Clarifications, and RMP Rule Technical Corrections

A stationary source subject to the RMP rule is required to submit a RMP in a method and format specified by the EPA, pursuant to § 68.150(a). The CAA and 40 CFR subpart G require that the RMP indicate compliance with the regulations at 40 CFR part 68 and also

include information regarding the hazard assessment, prevention program, and emergency response program. The RMP also includes stationary source registration information, such as name, location and contact information. The EPA may review RMPs for information gathering, inspection preparation, errors in submissions, and changes requiring a correction or re-submission of the RMP. The CAA requires that RMPs be made available to states, local entities responsible for planning or responding to accidental releases at the source, the CSB, and the public. As a result, the information provided in an RMP is intended to be easily understood, thus encouraging the public, local entities, and governmental agencies to interact with stationary sources on issues related to accident prevention and preparedness.

The RMP format consists of a combination of check-off boxes, yes/no answers, numerical entries, and write-in information pertaining to the data best describing the various elements of the risk management program at a source. The nine sections of an RMP are: Registration Information; Toxics Worst Case; Toxics Alternative Release; Flammables Worst Case; Flammables Alternative Release; Accident History; Prevention Program: Program Level 3; Prevention Program: Program Level 2; and Emergency Response. Data elements in these sections address compliance with each of the rule elements. Some sections may not be applicable to all stationary sources, as some sections apply only to processes with certain program levels, and some apply only to certain types of regulated substances (toxics or flammables). The RMP also includes an Executive Summary, which allows stationary sources to provide a brief description of the source's prevention and preparedness activities as they relate to covered processes, in a format that is easy to understand.

Based on feedback received from the regulated community and EPA's own experience, EPA is proposing to revise several data elements in subpart G and to make technical corrections to the RMP rule. The following sections provide an overview of the proposed revisions.

A. Deletions From Subpart G

EPA is proposing to delete data elements that do not effectively assist the Agency in evaluating compliance with the RMP rule. EPA is also proposing to delete some data elements because the information can be obtained through improved coordination with Federal, state, and local agencies resulting from Executive Order 13650, such as information currently required by §§ 68.160(b)(13) (the date of the last safety inspection of the stationary source by a Federal, state, or local government agency) and 68.160(b)(19) (OSHA Voluntary Protection Program status). EPA is proposing to delete other data elements because we believe an on-site inspection or formal information request are better ways to evaluate compliance with these Risk Management Program requirements (for example, some data elements pertaining to training, contractor safety, and maintenance/mechanical integrity). By removing several RMP data elements, EPA expects that the regulated community will find it easier to comply with subpart G requirements. In addition to burden relief for the regulated community, EPA expects that removing several RMP data elements will reduce the number of errors in RMPs submitted to the Agency.

B. Revisions to Subpart G

EPA is proposing to revise existing provisions in subpart G as follows:

- Modernize requirements to include electronic contact information if it exists, such as email addresses and Web site homepages;
- Revise provisions to remove a portion of select data elements that would be better evaluated during an on-site inspection or information request;
- Provide consistency with RMP*eSubmit;
- Provide more consistency in the data collected for similar data elements in the Program 2 and Program 3 prevention programs; and
- Replace data elements that were not effective in demonstrating a stationary source's compliance with the rule, with one that will demonstrate compliance.

Data elements that require a date to demonstrate compliance can become irrelevant during the typical five-year RMP resubmission cycle. An example is a stationary source that submitted an RMP to the EPA on January 8, 2015, that included an annual operating procedures review date of January 1, 2015, in its RMP in accordance with § 68.175(f). Assuming the stationary source will not have any changes that would require a resubmission of the RMP and the stationary source will not voluntarily correct the RMP with newer annual standard operating procedure (SOP) review dates, the January 1, 2015, annual SOP review date does not provide compliance information for years 2016–2019. As a result, the annual SOP review date in this example only provides compliance information for 2015. Because the dates of most recent review or update of a process safety element in an RMP do not always reflect compliance with regulatory requirements, EPA is proposing to replace most of these dates with the RMP Certifying Official's attestation that the stationary source complies with each Risk Management Program requirement.

Data elements for which the last review or revision dates are being replaced include:

- For Program 2 and Program 3: Safety information, operating procedures, training programs, maintenance procedures, changes triggering review of any of the previous data elements or the hazard review/PHA;
- For Program 3 only: MOC, pre-startup review, employee participation plans, hot work permit procedures, contractor safety procedures and performance; and,
- For sources with Emergency Response Programs: Emergency response plans and emergency response training of employees.

EPA will still require the date of the most recent hazard review or PHA or their update (required every 5 years), date of most recent compliance audit (required every 3 years), and date of most recent incident investigation (required only when an incident occurs). These data elements are not updated as frequently as the other program elements, and are therefore more likely to indicate current compliance with regulatory requirements.

C. Additions to Subpart G

In addition to removing and revising several RMP data elements, EPA is proposing to add several RMP data elements in subpart G based on the proposed rule requirements discussed in this document. This includes new data elements to address compliance with:

- Third-party audit requirements,
- Root cause analysis requirements as part of incident investigations;
- IST analysis requirements in the PHA;
- Emergency response preparedness requirements including information on local coordination and emergency response exercises; and
- Information sharing provisions.

By adding these data elements to the RMP requirements in subpart G EPA will be able to evaluate a stationary source's compliance with these proposed rule requirements once they are finalized.

D. Proposed Amendments and Technical Corrections

1. Proposed Revisions to § 68.160 (Registration)

EPA is proposing to delete and reserve:

- § 68.160(b)(13)—The date of the last safety inspection of the stationary source by

a Federal, state, or local government agency and the identity of the inspecting agency; and

• § 68.160(b)(19)—OSHA Voluntary Protection Program status (Optional).

EPA is proposing to revise:

• § 68.160(b)(1) by removing the method for obtaining latitude and longitude (but keep the rest of § 68.160(b)(1));

• § 68.160(b)(4) by requiring an email address for the owner or operator, if that person has an email address, rather than making it optional;

• § 68.160(b)(5) by removing ''position'' and requiring an email address for the person with overall responsibility for RMP elements and implementation, if that person has an email address (rather than making it optional);

• § 68.160(b)(9) by adding ''equivalent'' to clarify that the number of full-time employees means full-time equivalent employees to be consistent with RMP*eSubmit;

• § 68.160(b)(12) by adding the phrase ''and if so'' to clarify that if the stationary source has a CAA Title V operating permit, then the RMP plan must include the permit number;

• § 68.160(b)(14) by requiring an email address for the contractor who prepared the RMP (if any), if the contractor has an email address;

• § 68.160(b)(15) by requiring an email address for the source or parent company, if the source or parent company has an email address;

• § 68.160(b)(16) by requiring a source internet address, if the source has an internet address;

• § 68.160(b)(17) by requiring a phone number at the source for public inquiries, if the source has a public inquiries phone number;

• § 68.160(b)(18) by requiring the name, phone number, email address, and internet address for the LEPC, if the LEPC has such information available; and

• § 68.160(b)(20) by changing facility to stationary source in subparagraphs (b)(20)(ii) and (b)(20)(iv).

EPA is proposing to add the following RMP data elements that relate to the information sharing provisions being proposed in this document:

• § 68.160(b)(21) would require an attestation that chemical hazard-related information is available to the LEPC or emergency response officials, as set forth in § 68.205;

• § 68.160(b)(22) would require an attestation that chemical hazard-related information is available to the public, as set forth in § 68.210; and

• § 68.160(b)(23) would require the date of most recent public meeting, as set forth in § 68.210(d).

2. Proposed Revisions to § 68.170 (Prevention Program/Program 2)

EPA is proposing to delete the requirement in § 68.170(k) which identify the date of the most recent change that triggered a review or revision of safety information, the hazard review, operating or maintenance procedures, or training.

EPA is proposing to revise:

• § 68.170(a) by changing the reference to paragraph (k) to paragraph (j) because we are proposing to delete paragraph (k).

• § 68.170(d) by reorganizing into subparagraphs (d)(1) and (d)(2). EPA is proposing to replace the date of the most recent review or revision of the safety information with an attestation that the safety information requirements, in § 68.48, are implemented. EPA is also proposing to move the requirement to list all Federal and state regulations, industry specific and established company or stationary source design codes and standards that are applicable, and the requirement to identify those followed, into subparagraph (d)(2).

• § 68.170(e) by reorganizing the date of completion of the most recent hazard review or hazard review update to § 68.170(e)(1) and removing from § 68.170(e)(1), the requirement to identify an expected date of completion of any changes resulting from the hazard review;

• § 68.170(f) by replacing the date of the most recent review or revision of operating procedures with an attestation that the operating procedures requirements, in § 68.52, are implemented;

• § 68.170(g) by replacing the date of the most recent review or revision of training programs with an attestation that training requirements, in § 68.54, are implemented. EPA is also proposing to delete the requirements to identify the types of training provided and competency testing used in subparagraphs (g)(1) and (g)(2);

• § 68.170(h) by replacing the date of the most recent review or revision of maintenance procedures and the date of the most recent equipment inspection or test and the equipment inspected or tested with an attestation that the maintenance requirements, in § 68.56, are implemented;

• § 68.170(i) by reorganizing into subparagraphs. EPA would add an attestation that the compliance audit requirements of § 68.58 are implemented in subparagraph (i)(1) and move the requirement to identify the date of the most recent compliance audit to subparagraph (i)(2). EPA would remove the requirement to identify the date of completion of any changes resulting from the compliance audit; and, in subparagraph (i)(3), add a requirement that the owner or operator identify whether the most recent compliance audit was a third-party audit, pursuant to §§ 68.58 and 68.59; and

• § 68.170(j) by reorganizing into subparagraphs. EPA would add an attestation that the incident investigation requirements, in § 68.60, are implemented in subparagraph (j)(1) and move the date of the most recent incident investigation into subparagraph (j)(2). EPA would delete the requirement to identify the expected date of completion of any changes resulting from the investigation, and, in subparagraph (j)(3), would add a requirement that the plan indicate whether root cause analyses have been completed for all accidents and incidents that are subject to the requirements of § 68.60.

3. Proposed Revisions to § 68.175 (Prevention Program/Program 3)

EPA is proposing to delete paragraph § 68.175(p) because we are addressing the data elements for contractor safety procedures in paragraph (o).

EPA is proposing to revise the following provisions:

• § 68.175(a) by changing the reference to paragraph (p) to paragraph (o) because we are proposing to combine the data elements in paragraphs (p) and (o) that show compliance with the requirements for contractor safety procedures.

• § 68.175(d) by reorganizing into subparagraphs (d)(1) and (d)(2). EPA is proposing to replace the date of the most recent review or revision of the safety information with an attestation that the PSI requirements, in § 68.65, are implemented. EPA is also proposing to move the requirement to list all Federal and state regulations, industry-specific and established company or stationary source design codes and standards that are applicable, and the requirement to identify those followed, into subparagraph (d)(2);

• § 68.175(e) by reorganizing existing requirements into subparagraphs (e)(1) and (e)(2) and adding new requirements addressing safer technology and alternatives in new subparagraph (e)(2). Subparagraph (e)(1) would apply to information on the PHA or PHA update and revalidation information. EPA would move the date of completion of the most recent PHA or update and require the plan identify the technique used to § 68.170(e)(1)(i). EPA would delete the requirement to identify the expected date of completion of any changes resulting from the PHA. Additional PHA information would move to subparagraph (e)(1)(ii) through (vi). EPA would add subparagraph (e)(2) to address requirements for safer alternatives including: An attestation that the PHA address safer technology and risk management measures, as required in § 68.67(c)(8); whether any IST or ISD were implemented and if so, the technology category that describes the IST or ISD (*i.e.,* substitution, minimization, simplification, and/or moderation);

• § 68.175(f) by replacing the date of the most recent review or revision of operating procedures with an attestation that the operating procedures requirements, in § 68.69, are implemented;

• § 68.175(g) by replacing the date of the most recent review or revision of training programs with an attestation that training requirements, in § 68.71, are implemented. EPA is also proposing to delete the requirements to identify the types of training provided and competency testing used in subparagraphs (g)(1) and (g)(2);

• § 68.175(h) by replacing the date of the most recent review or revision of maintenance procedures and the date of the most recent equipment inspection or test and the equipment inspected or tested with an attestation that the mechanical integrity requirements, in § 68.73, are implemented;

• § 68.175(i) by replacing the date of the most recent change that triggered MOC

procedures and the date of the most recent review or revision of MOC procedures with an attestation that the MOC requirements, in § 68.75, are implemented;

- § 68.175(j) by replacing the date of the most recent pre-startup review with an attestation that the pre-startup review requirement, in § 68.77, are implemented;
- § 68.175(k) by reorganizing into subparagraphs. EPA would add an attestation that the compliance audit requirements of § 68.79 are implemented in subparagraph (k)(1) and move the requirement to identify the date of the most recent compliance audit to subparagraph (k)(2). EPA would remove the requirement to identify the expected date of completion of any changes resulting from the compliance audit; and, in subparagraph (k)(3), add a requirement that the owner or operator identify whether the most recent compliance audit was a third-party audit, pursuant to §§ 68.79 and 68.80;
- § 68.175(l) by reorganizing into subparagraphs. EPA would add an attestation that the incident investigation requirements, in § 68.81, are implemented in subparagraph (l)(1) and move the date of the most recent incident investigation into subparagraph (l)(2). EPA would delete the requirement to identify the expected date of completion of any changes resulting from the investigation; and, in subparagraph (l)(3), would add a requirement that the plan indicate whether root cause analyses have been completed for all accidents and incidents that are subject to the requirements of § 68.81;
- § 68.175(m) by replacing the date of the most recent review or revision of employee participation plans with an attestation that employee participation requirements, § 68.83, are implemented;
- § 68.175(n) by replacing the date of the most recent review or revision of hot work permit procedures with an attestation that the hot work permit requirements, in § 68.85, are implemented; and
- §§ 68.175(o) and 68.175(p) by replacing the date of the most recent review or revision of contractor safety procedures and the date of the most recent evaluation of contractor safety performance with an attestation in § 68.175(o) that the contractor safety requirements, in § 68.67, are implemented.

4. Proposed Revisions to § 68.180 (Emergency Response Program)

Subpart G § 68.180 contains the emergency response program data elements that must be included in the RMP. Although the data elements in § 68.180 are intended to help identify whether stationary source personnel will respond to an accidental release of a regulated substance, the existing data elements do not clearly distinguish between responding stationary sources and non-responding stationary sources. As a result, many non-responding stationary sources are submitting RMPs to the EPA with errors, because they appear to be answering questions that were only meant to be answered by responding sources. Consequently, the RMP data do not indicate with certainty, whether a stationary source is a responding or non-responding stationary source.

The proposed revisions to add emergency response exercises and revise local coordination provisions of the rule are intended to improve coordination with local response authorities and to bolster emergency response capabilities and preparedness for accidental releases. Because of the proposed regulatory changes to subpart E- emergency response, and due to the difficulty in distinguishing between responding and non-responding facilities in subpart G § 68.180, the EPA is proposing to completely revise and reorganize subpart G § 68.180 into the following three parts: Requirements for (1) all non-responding and responding stationary sources, (2) non-responding stationary sources, and (3) responding stationary sources. The EPA believes that splitting subpart G § 68.180 into three parts will aid facilities' understanding of the reporting requirements, reduce errors in submitted RMPs, and improve compliance with the RMP requirements. The proposed revisions to subpart G § 68.180 will also improve EPA's ability to evaluate a facility's compliance with the proposed Emergency Response Program requirements.

EPA is proposing to revise:

- § 68.180(a) by deleting the phrase ''the following information.'' The text in subparagraphs (a)(1) through (a)(3) would be reorganized and/or replaced. Subparagraph (a)(1) would require the RMP to identify the name, organizational affiliation, phone number, and email address of local emergency planning and response organizations with which the stationary source last coordinated emergency response efforts, pursuant to § 68.10(b)(3) or § 68.93. Subparagraph (a)(2) would require the RMP to identify whether coordination with the local emergency response organizations is occurring at least annually, pursuant to § 68.93(a). Subparagraph (a)(3) would require the RMP to identify a list of Federal or state emergency plan requirements to which the stationary source is subject. EPA would delete subparagraphs (a)(4) through (a)(6);
- § 68.180(b) by replacing the current text with a requirement to identify whether the facility is a responding or non-responding stationary source, pursuant to § 68.90. EPA would reorganize the paragraph into subparagraphs as follows:
  - Subparagraph (b)(1) would apply to non-responding stationary sources. In subparagraphs (b)(1)(i) through (b)(1)(iii) the owner or operator would be required to identify whether the owner or operator has confirmed that local responders are capable of responding to accidental releases at the source, whether appropriate notification mechanisms are in place, and whether a notification exercise occurs at least annually.
  - Subparagraph (b)(2) would apply to responding stationary sources. In subparagraphs (b)(2)(i) through (b)(2)(v) the owner or operator would be required to identify whether the LEPC or local response entity requested that the stationary source be a responding facility; whether the stationary source complies with requirements in § 68.95; whether a notification exercises occurs at least annually, as required in § 68.96(a); whether a field exercise is conducted every five years and after any RMP reportable accident, pursuant to § 68.96(b)(1)(i); and whether a tabletop exercise occurs at least annually, except during the calendar year when a field exercise is conducted, as required in § 68.96(b)(2)(i).

EPA is proposing to delete § 68.180(c), which requires the owner or operator to list other Federal or state emergency plan requirements to which the stationary source is subject.

5. Technical Corrections

a. Proposed Revisions to § 68.10 (Applicability)

EPA is proposing to correct a typographical error in § 68.10(b)(2). Section 68.10(b)(2) uses the term public receptor and indicates that public receptor is defined in § 68.30; however the term public receptor is defined in § 68.3, not § 68.30. The proposed rule language corrects this typographical error.

b. Proposed Revisions to § 68.48 (Safety information)

EPA is proposing to remove the word ''material'' from the term Material Safety Data Sheet in § 68.48(a)(1) to conform with OSHA's revised terminology for SDS. In 2012, OSHA made changes to its Hazard Communication Standard at 29 CFR 1910.1200 in order to align with the UN Globally Harmonized System of Classification and Labelling of Chemicals (GHS), Revision 3 (77 FR 17574, March 26, 2012). One change was the change in nomenclature from ''Material Safety Data Sheets'' to ''Safety Data Sheets.'' Consequently, OSHA made this change to the PSM standard at 1910.119(d)(1)(vii) (78 FR 9311, February 8, 2013). Chemical producers and users must comply with new SDS requirements by June 1, 2015.[206] In order to be consistent with OSHA and the UN GHS, EPA is proposing to replace ''Material Safety Data Sheet'' with ''Safety Data Sheet'' in § 68.48(a)(1).

[206] OSHA Fact Sheet- Hazard Communication Standard Final Rule. *https://www.osha.gov/dsg/hazcom/HCSFactsheet.html.*

c. Proposed Revisions to §§ 68.54 and 68.71 (Training)

The RMP rule requires initial and refresher training for employees operating a Program 2 or Program 3 covered process. Since the inception of the rule, however, there has been confusion on the types of employees that are considered workers operating a covered process. Although ''employee'' is not defined in § 68.3, EPA has traditionally interpreted an employee to be any worker that is involved in operating a process, including supervisors. This is consistent with the OSHA definition of employee set forth at 29 CFR 1910.2(d).

EPA has noted during facility inspections that some owners and operators are confused about how the existing training requirements apply to supervisors involved in process operations. If a supervisor is involved in decision-making for process operations, such as making changes to operating parameters, developing or approving operating procedures, or conducting emergency operations, then EPA expects that the supervisor receives initial and refresher training appropriate to the supervisor's responsibilities. In such cases, the training of a supervisor might not need to be as extensive as that of an operator, but EPA expects that the supervisor training would include process operations for which the supervisor might have decision-making authority. For this reason, EPA is proposing to clarify that the training requirements in §§ 68.54 and 68.71 (for Program 2 and Program 3 facilities, respectively) apply to supervisors who are involved in operating a covered process by adding paragraph (e) to indicate that the term employee includes supervisors.

Similarly, the EPA realizes that there may be other employee types involved in operating a covered process besides operators. For example, process engineers and maintenance technicians may occasionally be involved in process operations. The degree of involvement for these other employee types may vary greatly. Therefore, EPA is proposing to revise § 68.54(d) to clarify that the requirement applies to employees involved in operating a process. For employees other than operators and supervisors, EPA expects that initial and refresher training will be appropriate to the employee's responsibilities in operating the process.

Finally, EPA believes that Program 3 requirements in §§ 68.71(a) and 68.71(b) provides clearer regulatory language regarding the applicability of employees subject to initial and refresher training requirements than the similar Program 2 requirements §§ 68.54(a) and 68.54(b). Specifically, §§ 68.71(a) and 68.71(b) indicates that initial and refresher training is required for employees ''involved in'' operating a covered process. Because EPA believes that this language can better facilitate compliance for Program 2, the EPA is proposing to add similar language for Program 2 facilities at §§ 68.54(a) and 68.54(b).

d. Proposed Revisions to § 68.65 (PSI)

EPA is proposing to revise § 68.65(a) in order to remove irrelevant text regarding the timeframe for initial development of PSI and to more clearly demonstrate that PSI must be kept up-to-date. The EPA believes that these proposed changes will help Program 3 facilities to better comply with PSI requirements.

EPA is proposing to revise § 68.65(a) to remove the phrase ''In accordance with the schedule set forth in § 68.67.'' This language appears to have been adopted from OSHA's PSM PHA completion schedule of May 1994 to May 1997 and is not relevant to the RMP rule because the compliance date of June 21, 1999 is after OSHA's PSM PHA completion schedule. Additionally, the only schedule currently referenced in § 68.67 is in § 68.67(e), which pertains to a written schedule of PHA corrective actions. Because § 68.67(e) does not pertain to when a PHA must be completed, EPA is proposing to remove the phrase ''In accordance with the schedule set forth in § 68.67'' from § 68.65(a).

Furthermore, EPA is proposing to add the phrase: ''and shall keep PSI up-to-date.'' EPA has always intended that PSI be kept up-to-date for Program 3 facilities. Updated PSI is necessary to properly update or revalidate the PHA every 5 years as required by § 68.67(f). PSI items that that need to be kept up-to-date include, but are not limited to, piping and instrumentation diagrams, SDSs, hazard information, and changes to the design of the process. Although PSI must be updated for Program 3 facilities through MOC requirements in § 68.75(d), EPA believes that the proposed change makes it clearer that PSI must be kept up-to-date. This proposed change also ensures consistency with the safety information requirement for Program 2 facilities, where § 68.48(a) indicates ''The owner or operator shall compile and maintain the following up-to-date safety information. . .'' EPA expects that revising § 68.65(a) in this manner will further clarify the requirement that PSI must be completed prior to conducting a PHA.

Finally, in order to be consistent with OSHA and the GHS, EPA is proposing to replace ''Material Safety Data Sheet'' with ''Safety Data Sheet'' in the note to § 68.65(b).

e. Proposed Revisions to § 68.130 List of Substances

EPA is proposing revisions to Tables 1, 2, and 4 in § 68.130 as follows:

Table 1 to § 68.130—List of Regulated Toxic Substances and TQs for Accidental Release Prevention. EPA is proposing to correct a typographical error in the Chemical Abstracts Service (CAS) number (no.) for allyl alcohol in Table 1 in § 68.130. The incorrect CAS no. of 107–18–61 for allyl alcohol would be corrected to 107–18–6.

Table 4 to § 68.130—List of Regulated Flammable Substances and TQs for Accidental Release Prevention. EPA is proposing to correct a typographical error to the CAS no. for 1, 3-Butadiene, to read 106–99–0, instead of 196–99–0, right justify the first CAS nos. column and delete the second CAS nos. column because it is redundant.

f. Proposed Revisions to § 68.200 (Recordkeeping)

EPA is proposing to revise § 68.200 to clarify that records must be maintained at the stationary source.

VIII. Compliance Dates

The initial Risk Management Program rule applied 3 years after promulgation of the rule on June 20, 1996, which is consistent with the last sentence of CAA section 112(r)(7)(B)(i). The provisions of this proposal modify terms of the existing rule, and, in some cases, clarify existing requirements. The statute does not directly address when amendments should become applicable. Therefore, in modifications to § 68.10, EPA is proposing to:

- Require compliance with emergency response coordination activities within one year of an effective date of a final rule;
- Provide up to three years for the owner or operator of a non-responding stationary source to develop an emergency response program in accordance with § 68.95 following an LEPC or equivalent's written request to do so;
- Comply with new provisions, unless otherwise stated, four years after the effective date of the final rule; and
- Provide regulated sources one additional year (*i.e.,* five years after the effective date of the final rule) to correct or resubmit RMPs to reflect new and revised data elements.

EPA is proposing that within one year of the effective date of a final rule, the owner or operator of a stationary source comply with emergency response

coordination activities in §§ 68.93(a) and 68.93(b). This includes coordinating response needs annually with local emergency planning and response organizations to ensure resources and capabilities are in place to respond to an accidental release of a regulated substance, and documenting coordination activities. EPA believes one year is sufficient to arrange for and document coordination activities. The coordination activities in this proposed rule mostly are clarifications of current requirements rather than new provisions.

EPA is also proposing to require three years for the owner or operator of a stationary source to comply with emergency response program requirements of § 68.95 after receiving a written request by an LEPC or equivalent to develop an emergency response program. This timeframe is consistent with the time established in the original rule to comply with risk management program requirements and submit initial RMPs.

Additionally, EPA is proposing to provide additional time for compliance with other proposed provisions (*i.e.,* third-party compliance audits, root cause analyses as part of incident investigations, STAA, emergency response exercises, and information availability provisions). For these provisions, the proposed rule requires affected facilities to comply by four years after the effective date of the rule. Our reasons for the four year phase for these modified requirements are set out below. For the third-party audit, incident investigation root cause analysis, and public meeting provisions, this means that for any RMP reportable accident occurring later than four years after the effective date of the rule, the owner or operator of a source must conduct a third-party audit; investigate an incident, including a root cause analysis; and hold a public meeting within 30 days of the accident. For any incident that could reasonably have resulted in a catastrophic release (near miss), the owner or operator has four years after the effective date of the rule to comply with the proposed incident investigation root cause analysis requirements. For the STAA, emergency exercise, and information availability provisions, this means that the owner or operator must have completed or updated their PHA to include the STAA; conducted a notification exercise and at least one tabletop or field exercise; and prepared the required information to be provided to the public or, upon request, to the LEPCs.

EPA is proposing to provide this additional time for several reasons. First, EPA believes that for most sources, the incident investigation root cause analysis and emergency response exercise requirements will involve training and program development activities that may reasonably require significant time to complete. Second, the extended compliance timeframe will allow potential auditors enough time to meet the competency and independence criteria necessary to serve as a third-party auditor. Third, for sources subject to the STAA provisions, EPA believes that in many cases these sources will prefer to perform a full PHA update when implementing the STAA requirements. Sources subject to this provision are among the largest and most complex sources regulated under 40 CFR part 68, and therefore PHAs and PHA updates at these sources typically require a significant level of effort. Since PHA updates are normally done at five year intervals, EPA believes it would be appropriate to allow most sources to adopt these provisions in their normal PHA update cycle if they so choose. Sources that performed their most recent PHA update immediately prior to the rule publication date would have up to four years to perform their next PHA update and adopt the STAA provisions. Most sources could schedule their PHA updates to incorporate the new STAA provisions on their normal PHA update schedule.

Lastly, EPA intends to publish guidance for certain provisions, such as STAA, root cause analysis, and emergency response exercises. Once these materials are complete, owners and operators will need time to familiarize themselves with the new materials and incorporate them into their risk management programs.

EPA is also proposing to provide one additional year for owners or operators to update RMPs to reflect proposed new or revised data elements in subpart G of the rule. The additional year will allow owners and operators an opportunity to begin to comply with revised rule provisions prior to certifying compliance in the RMP. Additionally, the Agency will need to make significant revisions to its online RMP submission system, RMP*eSubmit, to accommodate the newly required and revised data elements, and sources will not be able to update RMPs with new or revised data elements until the submission system is ready. Also, once it is ready, allowing an additional year for sources to update RMPs will prevent potential problems with thousands of sources submitting updated RMPs on the same day.

Examples for Compliance and Submission Dates

The following examples assume a hypothetical effective date of June 5, 2017 for a final rule that includes the proposed provisions in Table 7: Proposed Rule Provisions and Corresponding Compliance Dates with corresponding proposed compliance dates.

TABLE 7—PROPOSED RULE PROVISIONS AND CORRESPONDING COMPLIANCE DATES

Rule provision	Proposed compliance date	Hypothetical compliance date	Initiated after an RMP reportable accident?
Third-party audit	Four years after effective date	June 5, 2021	Yes.
Root cause analysis	Four years after effective date	June 5, 2021	Yes (also required after near misses).
STAA	Four years after effective date	June 5, 2021	No.
Emergency response coordination activities.	Within one year of effective date	June 5, 2018	No.
LEPC requires compliance with § 68.95 (emergency response program).	Within three years of receipt of written request.	N/A	No.
Emergency response exercises	Four years after effective date	June 5, 2021	Partially—field exercise within one year.
Information sharing	Four years after effective date	June 5, 2021	Partially—public meeting within 30 days.
Update RMP	Five years after effective date	June 5, 2022	No (but previously existing correction requirements of § 68.195 still apply).

Example 1: Proposed Provisions That Would Apply to a Non-Responding Stationary Source

Source A (see Table 8) is a non-responding stationary source with a regulated process subject to Program 2 requirements. Source A's owner submitted the latest RMP update to EPA on January 20, 2015 and completed its latest compliance audit on August 11, 2017. The source is not in NAICS 322, 324, or 325, and therefore is not subject to the proposed STAA provisions. The source has not had any RMP reportable accidents since the effective date of a final rule.

TABLE 8—EXAMPLE 1, SOURCE A

Source A—Program 2, non-responding stationary source		
Date of last RMP update	Last compliance audit	Last accident
January 20, 2015 ..	August 11, 2017 ...	N/A.

In this example, the following proposed provisions would apply:

- Annual emergency response coordination activities in accordance with proposed § 68.93;
- Notification exercises (proposed § 68.96(a)); and
- Information availability provisions (proposed §§ 68.205 and 68.210).

The owner or operator must coordinate response needs with local emergency planning and response organizations to ensure resources and capabilities are in place to respond to an accidental release of a regulated substance. Coordination activities must occur annually and be documented.

Source A is a non-responding facility, and the owner or operator would be required to conduct annual notification exercises. The owner or operator would also be required to annually update information for the LEPC and provide the information upon request, and make certain information easily accessible to the public.

Finally, beginning 5 years after the rule effective date, the owner or operator must update the RMP to include all revised data elements specified in subpart G and § 68.42. In this case, the owner or operator would update their RMP no later than January 20, 2020 (the source's next scheduled five-year update), and again by June 5, 2022 (the required resubmission date for the proposed rule).

Table 9: Summary of proposed provisions that would apply to a non-responding stationary source summarizes the proposed provisions that would apply to Source A.

TABLE 9—SUMMARY OF PROPOSED PROVISIONS THAT WOULD APPLY TO A NON-RESPONDING STATIONARY SOURCE

Applicable provisions	Timeframe	Additional information	When to complete *
Emergency response coordination activities.	Within one year of effective date of a final rule.	Occurs annually	Complete coordination activities before June 5, 2018 and document coordination.
Notification exercise	By four-years after effective date.	Occurs annually	Complete first notification exercise by June 5, 2021.
Information availability provisions			
Information to LEPC	By four-years after effective date.	Update information annually. Includes information on regulated substances; accident histories; compliance audits; incident investigations (as applicable) and exercises. Provide to LEPC upon request.	Develop by June 5, 2021 and provide upon request.
Information to the public.	By four-years after effective date.	Occurs annually. Includes information on: Regulated substances including Safety Data Sheets; accident history; emergency response program; exercises; and LEPC contact information.	Complete first calendar year submission by June 5, 2021.
Update RMP	By five years after effective date.	Owner's next 5-year resubmission date occurs prior to effective date for provision, so owner must update RMP twice.	Update RMP on regular schedule (by January 20, 2020) and again to include new information by June 5, 2022.

* Dates are based on a hypothetical scenario including a rule effective date of June 5, 2017.

If the LEPC submits a request to Source A's owner requesting the source comply with the emergency response program requirements of § 68.95, then Source A's owner would have three years from the date of the letter to develop and implement an emergency response plan, obtain equipment, and train personnel in relevant procedures.

Once the owner has developed an emergency response program, the source is a responding facility and must also comply with tabletop and field exercise requirements for responding facilities.

Example 2A: Proposed Provisions That Would Apply to a Responding Stationary Source

Source B (see Table 10) is a responding stationary source with a process subject to Program 3 requirements. Its latest RMP update was submitted June 30, 2020 (*i.e.,* three years after the rule effective date). Its latest compliance audit was performed on April 6, 2020. The source is not in NAICS 322, 324, or 325, and therefore is not subject to the proposed STAA provisions, and the source has not had any RMP reportable accidents since the effective date of a final rule.

TABLE 10—EXAMPLE 2A, SOURCE B

Source B—Program 3, responding stationary source		
Date of last RMP update	Last compliance audit	Last accident
June 30, 2020	April 6, 2020	N/A.

In this example, the following proposed provisions would apply:

- Annual emergency response coordination activities in accordance with proposed § 68.93;
- Emergency response exercises (proposed § 68.96); and
- Information availability provisions (proposed §§ 68.205 and 68.210).

The owner or operator must coordinate response needs with local emergency planning and response organizations to ensure resources and capabilities are in place to respond to an accidental release of a regulated substance. Coordination activities must occur annually and be documented.

Additionally, since Source B is a responding facility, the owner or operator would be required to conduct annual notification exercises, annual tabletop exercises (with a field exercise substituting for a tabletop exercise once every five years).

The owner or operator would be required to update information annually and provide the information upon request, to the LEPC and make information easily accessible to the public.

Finally, by five years after the rule effective date, the owner or operator must update the RMP to include all revised data elements specified in subpart G and § 68.42. Table 11: Summary of proposed provisions that would apply to Source B summarizes the proposed provisions that would apply to Source B.

TABLE 11—SUMMARY OF PROPOSED PROVISIONS THAT WOULD APPLY TO SOURCE B

Applicable provisions	Timeframe	Additional information	When to complete *
Emergency response coordination activities.	Within one year of effective date of a final rule.	Occurs annually	Complete coordination activities before June 5, 2018.
Emergency response exercises (proposed § 68.96)			
Notification exercise	Four-years after effective date.	Occurs annually	Complete first notification exercise by June 5, 2021.
Field and tabletop exercises	Four-years after effective date.	Tabletop exercise annually, field exercise once every five years. No tabletop exercises in the year of a field exercise.	Complete first tabletop or field exercise by June 5, 2021.
Information availability provisions			
Information to LEPC	Four-years after effective date.	Update information annually. Includes information on regulated substances; accident histories; compliance audits; incident investigations (as applicable) and exercises. Provide to LEPC upon request.	Develop by June 5, 2021 and provide upon request.
Information to the public	Four-years after effective date.	Occurs annually. Includes information on: Regulated substances including Safety Data Sheets; accident history; emergency response program; exercises; and LEPC contact information.	Complete first calendar year submission by June 5, 2021.
Update RMP	By five years after effective date.		Update RMP to include new information by June 5, 2022.

* Dates are based on a hypothetical scenario including a rule effective date of June 5, 2017.

Example 2B: Additional Proposed Provisions That Would Apply to a Responding Stationary Following an RMP Reportable Accident

See Table 12 below.

TABLE 12—EXAMPLE 2B, SOURCE B

Source B—Program 3, responding stationary source		
Date of last RMP update	Last compliance audit	Last accident
June 30, 2020	April 6, 2020	July 5, 2021.

In this example, Source B has an accidental release on July 5, 2021 that meets the reporting requirements of § 68.42. As a result of the accident, Source B's owner would be required to comply with the following additional proposed provisions:

- Accident history provisions of § 68.42 (to report root causes identified during the incident investigation);
- Third-party audit provisions of § 68.80;
- Incident investigation and root cause analysis requirements of § 68.81;
- Field exercise provisions of § 68.96(b)(1)(i) (*i.e.,* requiring a field exercise within one year of any accidental release required to be reported under § 68.42); and
- Public meeting within 30 days of an RMP reportable accident, pursuant to § 68.210(d).

Chronologically, the first provision that would apply is the requirement to host a public meeting. Section 68.210(d) requires the owner or operator to hold a public meeting within 30 days after the accident to inform the public about

the accident, including information required under § 68.42, and other relevant information.

An incident investigation must be initiated promptly, but no later than 48 hours following an incident. The proposed incident investigation provisions would require the owner or operator to complete an incident investigation that includes a root cause analysis and other elements specified in § 68.81(d), and an incident investigation report, within 12 months of the incident, unless the implementing agency approves an extension of time. A summary of the incident investigation report must be provided to the LEPC, upon request.

The proposed third-party audit provisions would require the owner or operator to hire a third-party auditor to perform a third-party compliance audit and submit an audit report to the implementing agency and owner or operator within 12 months of the accident (if the source's next scheduled compliance audit was required sooner than one year following the incident, the third-party audit would be required to be completed by the scheduled compliance audit date unless the implementing agency approved an extension). The owner or operator must also complete an audit findings response report and submit it to the implementing agency within 90 days of receiving the audit report from the third-party auditor. The owner or operator must also provide the audit findings response report, as well as a schedule to address deficiencies identified in the audit findings response report and documentation of actions taken to address deficiencies, to the owner or operator's audit committee of the Board of Directors, or other comparable committee, if one exists.

The owner or operator would also be required to conduct a field exercise meeting the requirements of § 68.96 within one year of the accidental release, and prepare an evaluation report within 90 days of completing the exercise. By five years after the rule effective date, the owner or operator must update the RMP to include all revised data elements specified in subpart G and § 68.42. Table 13 summarizes the additional provisions that would apply to Source B following an RMP reportable accident (in addition to complying with new requirements triggered by an RMP reportable accident, the owner or operator must annually coordinate response needs with local emergency planning and response organizations, document coordination activities, and comply with the other information disclosure provisions as previously described).

TABLE 13—SUMMARY OF ADDITIONAL PROPOSED PROVISIONS THAT WOULD APPLY TO SOURCE B FOLLOWING AN RMP REPORTABLE ACCIDENT

Applicable provisions following an RMP reportable accident	Timeframe	Additional information	When to complete *
Public meeting	Four-years after effective date.	Within 30 days after an accident	Hold public meeting by August 4, 2021.
Incident investigations	Four-years after effective date.	Initiate within 48 hours, complete investigation and root cause analysis within 12 months.	Complete report by July 5, 2022.
Third-party audit	Four-years after effective date.	Within 12 months of the accident or three years of previous audit, whichever is sooner.	Complete third-party audit by July 5, 2022; complete findings response report within 90 days of completing audit.
Field exercise	Four-years after effective date.	At least once every five years, and within one year of an RMP reportable accident.	Complete field exercise by July 5, 2022; complete an evaluation report within 90 days of the exercise.
Include new accident history information in RMP.	Five-years after effective date.	Correct RMP within 6 months of accident (existing requirement); report complete accident information in next five-year RMP update.	Correct RMP by January 5, 2022; report complete accident information by June 5, 2025.

* Dates are based on a hypothetical scenario including a rule effective date of June 5, 2017.

Example 3: Compliance Date Example For Sources Subject to STAA Requirements

Source C (see Table 14) is a petroleum refinery in NAICS 32411. Its latest RMP update was submitted on March 31, 2018 (*i.e.,* the year after the rule effective date). Its latest PHA revalidation was completed on March 7, 2017 (*i.e.,* approximately three months before the rule effective date).

TABLE 14—EXAMPLE 3, SOURCE C

Source C—Program 3, NAICS 32411	
Date of last RMP update	Last PHA revalidation
March 31, 2018	March 7, 2017.

Because the source is in NAICS 32411, it is subject to the proposed STAA provisions of § 68.67(c)(8). Therefore, by four years after the rule effective date, the owner or operator must complete a PHA revalidation that addresses safer technology and alternative risk management measures, and determine the feasibility of the ISTs and ISDs considered. Under the proposed information availability requirements of § 68.205, the owner or operator must also submit to their LEPC a summary of the ISTs or ISDs implemented or planned, and annually update the summary as part of the calendar year submission described in § 68.205(c).

By June 5, 2018 the owner or operator of Source C must comply with the new emergency response coordination provisions, and by June 5, 2021, the owner or operator must also comply with other applicable proposed rule provisions including: Third-party audits; incident investigations; emergency response exercises; and information availability (including public meetings).

By five years after the rule effective date, the owner or operator of Source C must update the RMP to include all revised data elements specified in subpart G and § 68.42. Table 15: Compliance date example for sources subject to STAA requirements, summarizes the proposed STAA provisions that would apply to Source C.

TABLE 15—COMPLIANCE DATE EXAMPLE FOR SOURCES SUBJECT TO STAA REQUIREMENTS

Applicable provisions	Timeframe	Additional information	When to complete *
STAA	Four-years after effective date.	Occurs every five years as part of PHA revalidation.	By June 5, 2021.
Information availability to LEPC, upon request.	Four-years after effective date.	In addition to other information availability provisions, include information on IST or ISD to be implemented. Update every five years as part of information to provide to LEPC upon request.	Develop in first calendar year after completion of STAA or June 5, 2021, whichever is later and provide to LEPC upon request.
Update RMP	Five years after rule effective date.		By June 5, 2022.

* Dates are based on a hypothetical scenario including a rule effective date of June 5, 2017.

IX. Statutory and Executive Order Reviews

A. Executive Order 12866: Regulatory Planning and Review and Executive Order 13563: Improving Regulation and Regulatory Review

This action is an economically significant regulatory action that was submitted to the OMB for review. Any changes made in response to OMB recommendations have been documented in the docket. The EPA prepared a Regulatory Impact Analysis (RIA) of the potential costs and benefits associated with this action. This RIA is available in the docket and is summarized here (Docket ID Number EPA–HQ–OEM–2015–0725).

1. Why EPA Is Considering This Action

In response to catastrophic chemical facility incidents in the United States, President Obama issued Executive Order 13650, ''Improving Chemical Facility Safety and Security,'' on August 1, 2013. The Executive Order establishes the Chemical Facility Safety and Security Working Group (Working Group), co-chaired by the Secretary of Homeland Security, the Administrator of EPA, and the Secretary of Labor or their designated representatives at the Assistant Secretary level or higher, and comprised of senior representatives of other Federal departments, agencies, and offices. The Executive Order requires the Working Group to carry out a number of tasks whose overall goal is to prevent chemical accidents, such as the explosion that occurred at the West Fertilizer facility in West, Texas, on April 17, 2013, which killed 15 people, most of whom were first responders, caused multiple injuries, and resulted in extensive building damage to the town.

Section 6(a)(i) of Executive Order 13650 requires the Working Group to develop options for improved chemical facility safety and security that identify ''improvements to existing risk management practices through agency programs, private sector initiatives, Government guidance, outreach, standards, and regulations.'' Section 6(c) of Executive Order 13650 requires the Administrator of EPA to review the Risk Management Program. As part of this effort to solicit comments and information from the public regarding potential changes to EPA's RMP regulations (40 CFR part 68), on July 31, 2014, EPA published an RFI (79 FR 44604).

EPA believes that the RMP regulations have been effective in preventing and mitigating chemical accidents in the United States; however, EPA believes that revisions could further protect human health and the environment from chemical hazards through advancement of PSM based on lessons learned. These revisions are a result of a review of the existing Risk Management Program and information gathered from the RFI and Executive Order listening sessions, and are proposed under the statutory authority provided by CAA section 112(r) as amended (42 U.S.C. 7412(r)).

2. Description of Alternatives to the Proposed Rule

The RIA analyzed the proposed new requirements and revisions to existing requirements as well as several alternatives for each.

Third-Party Audits—(Proposed Revisions Apply to Existing §§ 68.58 and 68.79 and New §§ 68.59 and 68.80)

The existing rule requires Program 2 and Program 3 processes to conduct a compliance audit at least once every 3 years. The proposed rule would require facilities to contract with an independent third-party to conduct the next scheduled compliance audit following an RMP reportable accident or after an implementing agency determines that certain circumstances exist that suggest a heightened risk for an accident. The third-party would have to be someone with whom the facility does not have an existing or recent relationship and who meets specific qualification criteria. The low cost alternative would apply only for Program 2 and Program 3 processes after an RMP reportable accident or at the request of the implementing agency. The medium cost alternative would apply every three years for all compliance audits conducted for all Program 3 processes. The high cost alternative would apply every three years for all compliance audits conducted for Program 2 and Program 3 processes.

Root Cause Analysis—(Proposed Revisions Apply to §§ 68.60 and 68.81)

The proposed rule would require facilities to conduct a root cause analysis as part of an incident investigation following an RMP reportable accident or an incident that could reasonably have resulted in an RMP reportable accident (*i.e.,* ''near miss''). A root cause analysis is a formal process to identify underlying reasons for failures that lead to accidental releases. These analyses usually require someone trained in the technique. The low cost alternative would apply the provision only to RMP reportable accidents or near misses in Program 3 processes. The medium/high cost alternative would apply to RMP reportable accidents or near misses involving Program 2 and Program 3 processes.

Safer Technology and Alternatives Analysis (STAA)—(Proposed Revisions Apply to § 68.67)

Under the proposed rule, facilities in NAICS codes 322 (paper manufacturing), 324 (petroleum and coal products manufacturing), and 325 (chemical manufacturing) with Program 3 processes would be required to conduct a STAA for each process as part of their PHA, which occurs every 5 years. The STAA includes two parts: The initial analysis to identify alternatives, and a feasibility study to determine the costs and assess the reasonableness of implementing

technology alternatives. The proposed rule is the low cost alternative, which would apply to all facilities with Program 3 processes in NAICS codes 322, 324, and 325. The medium cost alternative would apply the requirement to all Program 3 processes. The high cost alternative would apply the requirement to all Program 3 processes and require facilities to implement feasible IST/ISD.

Coordination Activities—(Proposed Revisions Apply to §§ 68.90, New 68.93, and 68.95)

Under the proposed rule, all facilities with Program 2 or Program 3 processes would be required to coordinate with local response agencies annually to determine response needs and ensure that response resources and capabilities are in place to respond to an accidental release of a regulated substance. The owner or operator would also be required to document coordination activities. The proposed rule also includes a provision enabling the LEPC or local emergency response official to request, in writing, that the RMP-facility owner or operator comply with the emergency response program requirements of § 68.95. Section 68.95 requires the owner or operator to develop an emergency response program that includes an emergency response plan, procedures for use, inspection and maintenance of response equipment, training for responding employees, and procedures to review and update the program.

Alternatives to this provision are similar to the proposed requirements. One alternative that imposes the same costs as the proposed option would eliminate the option for local officials to request that a facility owner or operator comply with the requirements of § 68.95. A second alternative is a high cost alternative and would require all facilities with Program 2 or Program 3 processes to comply with § 68.95, regardless of local response capability. This would be analogous to the requirements under the Oil Pollution Prevention regulation (40 CFR part 112) where all facilities subject to the FRP provisions at § 112.20 are required to prepare and implement an emergency response plan for oil discharges into navigable waters or adjoining shorelines.

Exercises—(Proposed Revisions Apply to New § 68.96)

Notification Exercises. All facilities with Program 2 or Program 3 processes would be required to conduct a notification exercise annually to ensure that the contact list to be used in an emergency is complete, accurate, and up-to-date.

Tabletop and Field Exercises. The proposed rule would require responding facilities to conduct annual exercises of their emergency response plans and invite local emergency response officials to participate. Under the low cost alternative, facilities would conduct tabletop exercises annually. Under the proposed rule, which is the medium cost alternative, facilities would conduct a full field exercise at least once every five years and tabletop exercises annually in the interim years. Facilities with an RMP reportable accident would also have to conduct a full field exercise within a year of an RMP reportable accident, but this may not impose any additional burden under the medium alternative as it would count as the required field exercise for the next 5-year period. Under the high cost alternative, facilities would conduct full field exercises annually.

Information Availability—(Proposed Revisions Apply to New § 68.205 and Existing § 68.210)

The proposed rule would require all facilities to disclose certain chemical hazard information to the public. The facility or its parent company, if applicable, would have to make the information available in an easily accessible manner, which might be presenting information on a company Web site, posting the information at public libraries, publishing it in local papers, or other means appropriate for particular communities and facilities. The information to be disclosed includes names of regulated substances at the facility; SDS; accident history information; emergency response program information; and LEPC or local response agency contact information.

In addition, facility owners or operators would be required to provide information upon request to the LEPC or other local response agencies on all of the following that apply to the facility: Names and quantities of regulated substances; five-year RMP reportable accident history; summaries of compliance audit reports; summaries of incident investigation reports; summaries of implementation of IST; and information on emergency response exercises, including schedules for upcoming exercises. Facilities owners or operators would be required to update this information annually. Although EPA did not analyze alternatives for this provision, the different applicability for the STAA provision alternatives increases the cost of the medium/high alternative for disclosure to the LEPC because more facilities would have to report on that analysis.

Public Meeting—(Proposed Revisions Apply to § 68.210)

The proposed rule would require facilities to hold a public meeting for the local community within 30 days of an RMP reportable accident. The medium cost alternative would require Program 2 and Program 3 facilities to hold a public meeting at least once every 5 years and within 30 days of an RMP reportable accident. The high cost alternative would require all facilities (*i.e.,* including Program 1 facilities) to hold a public meeting at least once every 5 years and within 30 days of an RMP reportable accident.

3. Summary of Costs

Approximately 12,500 facilities have filed current RMPs with EPA and are potentially affected by the proposed rule changes. These facilities range from petroleum refineries and large chemical manufacturers to water and wastewater treatment systems; chemical and petroleum wholesalers and terminals; food manufacturers, packing plants, and other cold storage facilities with ammonia refrigeration systems; agricultural chemical distributors; midstream gas plants; and a limited number of other sources that use RMP-regulated substances.

Table 16 presents the number of facilities according to the latest RMP reporting as of February 2015 by industrial sector and chemical use.

TABLE 16—NUMBER OF AFFECTED FACILITIES BY SECTOR

Sector	NAICS Codes	Total facilities	Chemical uses
Administration of environmental quality programs (*i.e.,* governments).	924	1,923	Use chlorine and other chemicals for treatment.
Agricultural chemical distributors/wholesalers	111, 112, 115, 42491	3,667	Store ammonia for sale; some in NAICS 111 and 115 use ammonia as a refrigerant.
Chemical manufacturing	325	1,466	Manufacture, process, store.

TABLE 16—NUMBER OF AFFECTED FACILITIES BY SECTOR—Continued

Sector	NAICS Codes	Total facilities	Chemical uses
Chemical wholesalers	4246	333	Store for sale.
Food and beverage manufacturing	311, 312	1,476	Use (mostly ammonia as a refrigerant).
Oil and gas extraction	211	741	Intermediate processing (mostly regulated flammable substances and flammable mixtures).
Other	44, 45, 48, 54, 56, 61, 72	248	Use chemicals for wastewater treatment, refrigeration, store chemicals for sale.
Other manufacturing	313, 326, 327, 33	384	Use various chemicals in manufacturing process, waste treatment.
Other wholesale	423, 424	302	Use (mostly ammonia as a refrigerant).
Paper manufacturing	322	70	Use various chemicals in pulp and paper manufacturing.
Petroleum and coal products manufacturing	324	156	Manufacture, process, store (mostly regulated flammable substances and flammable mixtures).
Petroleum wholesalers	4247	276	Store for sale (mostly regulated flammable substances and flammable mixtures).
Utilities	221 (except 22131, 22132)	343	Use chlorine (mostly for water treatment).
Warehousing and storage	493	1,056	Use mostly ammonia as a refrigerant.
Water/wastewater Treatment Systems	22131, 22132	102	Use chlorine and other chemicals.
Total		12,542	

Table 17 presents a summary of the annualized costs estimated in the regulatory impact analysis. In total, EPA estimates annualized costs of $158.3 million at a 3% discount rate and $161.0 million at a 7% discount rate.

TABLE 17—SUMMARY OF ANNUALIZED COSTS

[Millions, 2014 dollars]

Provision	3 (percent)	7 (percent)
Third-party Audits	$5.0	$5.0
Incident Investigation/Root Cause	0.8	0.8
STAA	34.8	34.8
Coordination	6.3	6.3
New Responders*	33.0	35.6
Notification Exercises	1.4	1.4
Facility Exercises	60.7	60.7
Information Sharing (LEPC)	11.7	11.7
Information Sharing (Public)	4.0	4.0
Public Meeting	0.4	0.4
Rule Familiarization	0.3	0.3
Total Cost+	158.3	161.0

*Reflects costs for some facilities to convert from ''non-responding'' to ''responding'' as a result of improved coordination with local emergency response officials.

+Totals may not sum due to rounding.

The largest average annual cost of the proposed rule is the exercise cost for current responders ($60.7 million), followed by new responders ($35.6 million), STAA ($34.8 million), and information sharing (LEPC) ($11.7 million). The remaining provisions impose average annual costs under $10 million, including coordination ($6.3 million), third-party audits ($5.0 million), information sharing (public) ($4.0 million), notification exercises ($1.4 million), incident investigation/root cause analysis ($0.8 million), public meetings ($0.4 million), and rule familiarization ($0.3 million).

The proposed rule includes three prevention program provisions—third party audits, root cause analysis, and STAA—involving information collection and analysis activities that can lead to a wide range of outcomes, and therefore costs, if and when the owner acts upon the findings and/or recommendations generated by the audit, investigation, or analysis. Although resolving audit and investigation findings is required under the existing rule provisions, and the proposed rule does not require implementation of feasible IST alternatives, EPA believes it is possible that there may be costs associated with resolving findings from the proposed third-party audit and root cause analysis provisions that go beyond the costs of the existing provisions, and that some owners or operators may have additional costs due to voluntary implementation of IST. Due to the wide range of outcomes from these proposed provisions and the significant uncertainties associated with their costs, EPA seeks further information on their potential costs, and whether these costs should accrue to this proposal. What types of costs result from independent audits (other than the cost of the audit) that are different from self-audit costs? What types of costs result from root cause investigations as compared to non-root-cause investigations? For the STAA provisions, what information exists to project what changes facilities

are likely to voluntarily undertake? EPA particularly requests cost data or studies for implementation of IST changes from any commenters who may prefer the high option for this provision, which would require implementation of feasible IST alternatives.

Summary of Potential Benefits

EPA anticipates that promulgation and implementation of this rule would result in a reduction of the frequency and magnitude of damages from releases. Accidents and releases from RMP facilities occur every year, resulting in fires and explosions, property damage, acute and chronic exposures of workers and nearby residents to hazardous materials, and resultant damages to health. Although we are unable to quantify what specific damage reductions may occur as a result of these proposed revisions, we are able to present data on the total damages that currently occur at RMP facilities each year. The data presented are based on a 10-year baseline period, summarizing RMP accident impacts and, when possible, monetizing them. EPA expects that some portion of future damages would be prevented through implementation of a final rule. Table 18 presents a summary of the quantified damages identified in the analysis.

TABLE 18—SUMMARY OF QUANTIFIED DAMAGES

	Unit value	10-Year total	Average/year	Average/ accident
On-site				
Fatalities	$8,583,113	$497,820,554	$49,782,055	$328,161
Injuries	50,000	105,150,000	10,515,000	69,314
Property Damage	.....	2,054,895,236	205,489,524	1,354,578
On-site Total	.....	2,657,865,790	265,786,579	1,752,053
Offsite				
Fatalities	$8,583,113	$8,583,113	$858,311	$5,658
Hospitalizations	36,000	6,804,000	680,400	4,485
Medical Treatment	1,000	14,807,000	1,480,700	9,761
Evacuations	181	6,992,327	699,233	4,609
Sheltering in Place	91	40,920,849	4,092,085	26,975
Property Damage	.....	11,352,105	1,135,211	7,483
Offsite Total	.....	89,459,394	8,945,939	58,971
Total	.....	2,747,325,184	274,732,518	1,811,024

EPA monetized both on-site and offsite damages. EPA estimated total average annual on-site damages of $265.8 million. The largest monetized average annual on-site damage was avoided on-site property damage, which resulted in an average annual damage of approximately $205.5 million. The next largest impact was avoided on-site fatalities ($49.8 million) and injuries ($10.5 million).

EPA estimated total average annual offsite damages of $8.9 million. The largest monetized average annual offsite damage was from sheltering in place ($4.1 million), followed by medical treatment ($1.5 million), property damage ($1.1 million), fatalities ($0.9 million), evacuations ($0.7 million), and hospitalizations ($0.7 million).

In total, EPA estimated monetized potential damages of $275 million per year. However, the monetized impacts omit many important categories of accident impacts including lost productivity, the costs of emergency response, transaction costs, property value impacts in the surrounding community (that overlap with other benefit categories), and environmental impacts. Also not reflected in the 10-year baseline costs are the impacts of non-RMP accidents at RMP facilities and any potential impacts of rare high consequence catastrophes. A final omission is related to the information provision. Reducing the probability of chemical accidents and the severity of their impacts, and improving information disclosure by chemical facilities, as the proposed provisions intend, would provide benefits to potentially affected members of society.

Table 19 summarizes four broad social benefit categories related to accident prevention and mitigation including prevention of RMP accidents, mitigation of RMP accidents, prevention and mitigation of non-RMP accidents at RMP facilities, and prevention of major catastrophes. The table explains each and identifies ten associated specific benefit categories, ranging from avoided fatalities to avoided emergency response costs. Table 19 also highlights and explains the information disclosure benefit category and identifies two specific benefits associated with it: Improved efficiency of property markets and allocation of emergency resources.

TABLE 19—SUMMARY OF SOCIAL BENEFITS OF PROPOSED RULE PROVISIONS

Broad benefit category	Explanation	Specific benefit categories
Accident Prevention	Prevention of future RMP facility accidents	• Reduced Fatalities. • Reduced Injuries. • Reduced Property Damage. • Fewer People Sheltered in Place. • Fewer Evacuations. • Avoided Lost Productivity. • Avoided Emergency Response Costs. • Avoided Transaction Costs. • Avoided Property Value Impacts.* • Avoided Environmental Impacts.
Accident Mitigation	Mitigation of future RMP facility accidents	
Non-RMP accident prevention and mitigation	Prevention and mitigation of future non-RMP accidents at RMP facilities.	
Avoided Catastrophes	Prevention of rare but extremely high consequence events.	
Information Disclosure	Provision of information to the public and LEPCs.	• Improved efficiency of property markets. • Improved resource allocation.

* These impacts partially overlap with several other categories such as reduced health and environmental impacts.

B. Paperwork Reduction Act (PRA)

The information collection activities in this proposed rule have been submitted for approval to the OMB under the PRA. The Information Collection Request (ICR) document that the EPA prepared has been assigned EPA ICR number 2537.01. You can find a copy of the ICR in the docket for this rule, and it is briefly summarized here.

This ICR would amend a previously approved ICR (1656.15), OMB Control No. 2050–0144. That ICR covers the risk management program rule, originally promulgated on June 20, 1996; the current rule, including previous amendments, is codified as 40 CFR part 68. This ICR addresses the following proposed information requirements that are part of a proposed revision to the rule:

(1) Make certain information related to the risk management program available to the local community.

(2) Provide information, upon request, to the LEPC and local emergency response officials with summaries of certain activities under the risk management program.

(3) Hold a public meeting within 30-days of an accident subject to reporting under § 68.42.

(4) Hire a third-party to conduct the compliance audit after a reportable release.

(5) Conduct and document a root cause analysis after a reportable release.

(6) Conduct and document an incident investigation, including root cause analysis, after a near miss.

(7) Conduct and document a safer technology and alternatives analysis.

(8) Meet and coordinate with local responders to ensure adequate response capability exists.

(9) Conduct a notification drill to verify information.

(10) Conduct and document emergency response exercises.

(11) Come into compliance with requirements for developing an emergency response program, including developing an emergency response plan, conducting emergency response exercises, documenting training, and providing information to the LEPC.

EPA believes that the RMP regulations have been effective in preventing and mitigating chemical accidents in the United States. However, EPA is proposing revisions to further protect human health and the environment from chemical hazards through advancement of PSM based on lessons learned—resulting in better coordination between facilities, LEPC's, and the public. State and local authorities will use the information in RMPs to modify and enhance their community response plans. The agencies implementing the RMP rule will use RMPs to evaluate compliance with part 68 and to identify sources for inspection because they may pose significant risks to the community. Citizens may use the information to assess and address chemical hazards in their communities and to respond appropriately in the event of a release of a regulated substance. These revisions are a result of a review of the existing Risk Management Program and are proposed under the statutory authority provided by section 112(r) of the CAA as amended (42 U.S.C. 7412(r)).

Some of the elements mandated in the regulation for the RMP may require the submittal of data viewed as proprietary, trade secret, or confidential. As described above, EPA has adopted procedures for sources to claim certain information as confidential business information. EPA encourages facilities that have CBI claims to submit substantiation with the RMP.

Respondents/affected entities: Manufacturers, utilities, warehouses, wholesalers, food processors, ammonia retailers, and gas processors.

Respondent's obligation to respond: Mandatory (CAA sections 112(r)(7)(B)(i) and (ii), CAA section 112(r)(7)(B)(iii), 114(c), CAA 114(a)(1)).

Estimated number of respondents: 12,542.

Frequency of response: On occasion.

Total estimated burden: 623,970 hours (per year). Burden is defined at 5 CFR 1320.3(b).

Total estimated cost: $55,278,216 (per year), includes $4,303,435 annualized capital or operation & maintenance costs.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number. The OMB control numbers for the EPA's regulations in 40 CFR are listed in 40 CFR part 9.

Submit your comments on the Agency's need for this information, the accuracy of the provided burden estimates and any suggested methods for minimizing respondent burden to the EPA using the docket identified at the beginning of this rule. You may also send your ICR-related comments to OMB's Office of Information and Regulatory Affairs via email to *oria_submissions@omb.eop.gov*, Attention: Desk Officer for the EPA. Since OMB is required to make a decision concerning the ICR between 30 and 60 days after receipt, OMB must receive comments no later than April 13, 2016. The EPA will respond to any ICR-related comments in the final rule.

C. Regulatory Flexibility Act (RFA)

Pursuant to section 603 of the RFA, the EPA prepared an initial regulatory flexibility analysis (IRFA) that examines the impact of the proposed rule on small entities along with regulatory alternatives that could minimize that impact. The complete IRFA is available for review in the docket and is summarized here.

1. Why EPA Is Considering This Action

The purpose of this action is to improve safety at facilities that use and distribute hazardous chemicals. In response to catastrophic chemical facility incidents in the United States, including the explosion that occurred at the West Fertilizer facility in West, Texas, on April 17, 2013 that killed 15 people, President Obama issued Executive Order 13650, ''Improving Chemical Facility Safety and Security,'' on August 1, 2013. Section 6(a)(i) of Executive Order 13650 requires that various Federal agencies develop options for improved chemical facility safety and security, including modernizing regulations. As a result, EPA is proposing revisions to the Risk Management Program (40 CFR part 68). For more information on Executive Order 13650, see section II. Background of this document.

2. Objectives of, and Legal Basis for, the Proposed Rule

EPA believes that the RMP regulations have been effective in preventing and mitigating chemical accidents in the United States; however, EPA believes that revisions could further protect human health and the environment from chemical hazards through the advancement of process safety based on lessons learned. These revisions are a result of a review of the existing Risk Management Program and information gathered from the RFI and Executive Order listening sessions, and are proposed under the statutory authority provided by CAA section 112(r) as amended (42 U.S.C. 7412(r)).

3. Estimate of the Number of Small Entities to Which the Proposed Rule Will Apply

The RMP rule affects a broad range of sectors (296 separate NAICS codes are listed in RMP filings; 240 of these are associated with small entities). The RMP data include facility and parent company name as well as the number of full time equivalents (FTE) for the facility and the NAICS codes. To develop an estimate of the number of small entities, the analysis required a series of reviews of the data to identify the large entities and the small entities that were part of small firms owning multiple facilities. The data were reviewed to identify parent companies that were clear from the facility name, but not included in the parent company field. That made it possible to determine the total FTE for facilities belonging to the same parent company and compare that number to the Small Business Administration (SBA) standard (when in FTEs). If the total FTE exceeded the standard, all the facilities were classified as large. Where the facilities listed different NAICS codes, the analysis applied either the code used for a majority of the facilities or, if no single code dominated, the code with the highest threshold. For example, if a firm had facilities in sectors where the standards were 500 and 1,000 FTE, the 1,000 FTE standards was used to determine if the firm was large.

For remaining facilities, if there were multiple facilities belonging to a single firm and the total FTE approached the threshold or if the name included ''USA'' or ''US holdings,'' which implied an international company, Internet searches were conducted to identify whether the facilities belonged to a firm with other facilities or employees.

The RFA defines small governments as governments of cities, counties, towns, townships, villages, school districts, or special districts, with a population of less than fifty thousand.[207] Most governmental RMP facilities are water and wastewater treatment systems and listed a city or county as the owning entity. A check of budgets that were available for some of the smallest cities indicated that (1) the systems are sub-agencies of the city/county and (2) obtain some revenues from the general fund although most of their revenues are derived from user fees. To determine which facilities belong to small governments, the populations for each of cities or counties were determined by checking the 2014 estimates from the Census. For special water and irrigation districts, their Internet sites were checked for information on the population served. Table 20 below presents the number of small and large facilities by program level.

TABLE 20—NUMBER OF FACILITIES OWNED BY SMALL AND LARGE ENTITIES BY PROGRAM LEVEL

RMP program	Small private	Large private	Small government	Large government	Total
Program 3	3,545	6,097	451	522	10,615
Program 2	174	176	521	414	1,285
Program 1	213	414	6	9	642
Total	3,932	6,687	978	945	12,542

4. Projected Reporting, Recordkeeping and Other Compliance Requirements of the Proposed Rule

Under the proposed rule, all facilities would be required to make certain information available to the public and, upon request, to the LEPC or local emergency response officials. Program 1 facilities would not likely have to spend more than an hour a year on this disclosure because the information disclosed to the public is information every facility should have readily available and because the additional information that would be provided, upon request, to the LEPC relates to provisions that do not apply to Program 1 facilities. Therefore, the IRFA has not considered Program 1 small facilities in the analysis of impacts.

Program 2 and Program 3 facilities would incur the same costs for the other proposed provisions except the STAA. Each facility would be required to update information to be disclosed annually, coordinate with the local responders, and conduct a notification drill annually. If the facility is a responder, it would have to hold an annual exercise, including at least one full field exercise every 5 years. Program 3 facilities in NAICS codes 322, 324, and 325 would have to conduct an STAA as part their PHA every 5 years.

If a facility has an accident, it would incur costs to hold a public meeting within 30 days of an RMP reportable accident. It would also incur additional costs for obtaining a third-party to conduct their next scheduled compliance audit and to conduct a root cause analysis as part of the incident investigation. Facilities would also be required to conduct root cause investigations of near misses. Finally, if

[207] 5 U.S.C. 602.

a facility has to become a responder, it would incur costs to develop an emergency response plan, train personnel to respond, purchase and maintain equipment, and conduct exercises.

Table 21 presents three sets of costs: low year, annualized, and high year (excludes costs incurred after an accident or a near miss). Low-year costs represent costs for years in which routine annual costs apply. These include costs for coordinating with local responders, conducting notification exercises (applies to all Program 2 and Program 3 facilities), conducting tabletop exercises (applies only to responders), and updating disclosure information to LEPC and the public. High-year costs represent a year in which every applicable provision would occur, except costs incurred after an accident or ''near miss.'' This includes the routine annual costs and periodic costs that apply either every 3 or 5 years (*i.e.,* field exercise in lieu of a tabletop exercise, public meeting, all public disclosure requirements, and STAA). Because the STAA provisions would only apply to a subset of facilities (*i.e.,* those in NAICS 322, 324, and 325), these facilities are broken out separately in the last two rows of the table. Complex facilities are those categorized as NAICS 324 or 325 and simple facilities are all others. Annualized costs average the low costs incurred for four years with the high costs incurred every fifth year.

TABLE 21—LOW, ANNUALIZED, AND HIGH YEAR COMBINED COSTS FOR SMALL ENTITIES BY GROUP

	Low year cost		Annualized		High year cost	
	Simple	Complex	Simple	Complex	Simple	Complex
Program 2 and Program 3 facilities (excludes Program 3 facilities subject to STAA)						
Non Responder	$808	$1,223	$808	$1,223	$808	$1,223
Responder 0–19 FTE	6,743	9,289	8,158	10,898	9,572	12,507
Responder 20+ FTE	7,870	10,761	11,885	15,261	15,900	19,761
Program 3 facilities subject to STAA						
Non Responder	n/a	1,223	n/a	17,295	n/a	33,366
Responder <20 FTE	n/a	9,289	n/a	26,970	n/a	44,650

5. Related Federal Rules

The Risk Management Program is one of several programs regarding chemical facility safety and security. Executive Order 13650 directed Federal agencies to identify ways to modernize policies, regulations, and standards to enhance safety and security in chemical facilities. The Executive Order established a Chemical Facility Safety and Security Working Group to oversee this effort, which is tri-chaired by the EPA, DOL, and DHS. Members of the Working Group (at the management and staff level) regularly share information in order to coordinate activities on any work involving revisions in regulations, such as revisions to OSHA's PSM standard and DHS' CFATS regulations. These efforts also serve to avoid unnecessary duplication, overlap and conflicts with the Risk Management Program requirements.

OSHA's 29 CFR 1910.119 PSM standard. Mandated by the CAAA of 1990 and issued in 1992, the PSM standard sets requirements for the management of highly hazardous substances to prevent and mitigate hazards associated with catastrophic releases of flammable, explosive, reactive, and toxic chemicals that may endanger workers. The PSM standard covers the manufacturing of explosives and processes involving threshold quantities of flammable liquids and flammable gasses, as well as 137 other highly hazardous chemicals.

The OSHA PSM standard, similar to the EPA RMP rule, aims to prevent or minimize the consequences of accidental chemical releases through implementation of management program elements that integrate technologies, procedures, and management practices. The EPA RMP regulation closely tracks the accident prevention measures contained in the OSHA PSM standard because Section 112(r)(7)(D) of the CAA requires EPA to coordinate the RMP regulation with ''any requirements established for comparable purposes'' by OSHA. Consequently, the OSHA PSM standard and EPA RMP regulation are closely aligned in content, policy interpretations, Agency guidance, and enforcement.

Since the inception of these regulations, EPA and OSHA have coordinated closely on their implementation in order to minimize regulatory burden and avoid conflicting requirements for regulated facilities. For example, owners and operators of RMP covered processes also subject to the OSHA PSM standard will generally have met their RMP accident prevention program obligations if they have properly implemented their PSM program.

Occupational Safety and Health Act General Duty Clause. Section 5(a)(1) of the Occupational Safety and Health (OSH) Act requires employers to provide its employees with a workplace free from recognized hazards that are causing, or are likely to, cause death or serious physical harm.

EPA's EPCRA regulations (40 CFR 350–372). Following the 1984 release of approximately 40 tons of MIC into the air in Bhopal, India, that killed over 3,700 people and the 1985 leak of 500 gallons of aldicarb oxime from a Union Carbide facility in Institute, West Virginia, Congress passed EPCRA in October 1986. The purpose of EPCRA is twofold: (1) To encourage and support emergency planning efforts at the state and local levels, and (2) to provide the public and local governments with information concerning potential chemical hazards present in their communities.

EPCRA created state and local infrastructure designed to (1) prepare for and mitigate the effects of a chemical incident and (2) ensure that information on chemical risks in the community is provided to the first responders and the public. These state and local entities are the SERCs, TERCs, LEPCs, and TEPCs. Representatives on the LEPCs include local officials and planners, facility owners and operators, first responders, health and hospital personnel, environmental groups, and citizen/members of the public.

A central requirement of LEPCs and TEPCs is to develop a local emergency response plan. These plans are required to:

- Identify facilities and transportation routes of extremely hazardous substances and assess the risk based on chemical information from facilities;
- Describe on-site and offsite emergency response procedures;
- Designate a community coordinator and facility emergency coordinator(s) to implement the plan;
- Describe emergency notification procedures;
- Describe how to determine the probable affected area and population by releases (including identification of critical community receptors and assets);
- Describe local emergency equipment and facilities and the persons responsible for them;
- Describe evacuation plans;
- Identify the training program for emergency responders (including schedules); and
- Identify the methods and schedules for exercising emergency response plans.

Under the community right-to-know section of EPCRA, certain facilities that manufacture, process, or store any hazardous chemicals are required to submit an SDS or list of hazardous chemicals, grouped into hazard categories, to SERCs, TERCs, LEPCs, TEPCs, and local fire departments. Under the Hazard Communication Standard, OSHA requires SDSs that describe the properties, hazards, and health effects of these chemicals as well as emergency response procedures and appropriate personal protection equipment. Facilities must also annually report their inventories of all on-site chemicals for which SDSs are required that are stored above reporting threshold quantities to SERCs, LEPCs, and local fire departments. LEPCs must use information about chemical inventories at facilities and SDSs in developing their local emergency plans; this information must also be available to the public.

Standards for Owners and Operators of Hazardous Waste Treatment, Storage, and Disposal Facilities (40 CFR 264 and 265). These regulations establish minimum national standards which define the acceptable management of hazardous waste including requirements for arrangements that owners and operators of hazardous waste facilities make with local authorities. In sections 264.37 and 265.37, hazardous waste generators are required to attempt to make arrangements for emergency response activities with local authorities, and document the refusal of local or State authorities to complete such arrangements in the operating record.

CAA section 112(r)(1) general duty clause. The statute requires facility owners and operators to identify hazards; design, maintain and safely operate a facility; and prevent and minimize releases of any regulated substances under § 112(r)(3) (40 CFR part 130) and ''any other extremely hazardous substance.'' [208]

DHS's 6 CFR part 27 CFATS rule. The CFATS program, established in 2007, regulates chemical facilities that present a high level of security risk to ensure they have security measures in place to reduce the risks associated with their possession of chemicals of interest (COI). There are 325 COI and 137 of the 140 RMP regulated substances are included on the list of COI.

The CFATS program requires the development, submission, and implementation of Site Security Plans (SSPs) (or Alternative Security Programs in lieu of SSPs), which document the security measures high-risk chemical facilities use to satisfy the applicable risk-based performance standards (RBPS) under CFATS. These plans are not ''one-size-fits-all,'' but in-depth, highly customized, and dependent on each facility's unique circumstances.

Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) requirements for explosives. ATF is responsible for enforcing Federal explosives laws that govern commerce in explosives in the United States, including licensing, storage, recordkeeping, and conduct of business. ATF conducts inspections of Federal explosives licensees who manufacture, import, sell, or store explosives in the United States to ensure that explosives are managed in accordance with Federal law.

6. Description of Alternatives to the Proposed Rule

The RIA analyzed the proposed new requirements and revisions to existing requirements as well as several alternatives for each. In most cases, EPA chose regulatory alternatives that had reduced impacts on small businesses relative to other alternatives that EPA considered. In this section, we discuss each regulatory provision, explain whether and how the proposed provision minimizes impacts on small businesses, and discuss additional recommendations resulting from the SBAR Panel that could further mitigate small business impacts. EPA has requested comment on these recommendations.

Third-Party Audits—(Proposed Revisions Apply to Existing §§ 68.58 and 68.79 and New §§ 68.59 and 68.80)

EPA evaluated three options for this provision and selected the lowest cost alternative, which would apply the requirement only to sources with Program 2 and/or Program 3 processes that have had an RMP reportable accident. The other alternatives would have required that all compliance audits be conducted by third parties for sources with either Program 3 processes or Program 2 and Program 3 processes. Limiting the applicability of this proposed provision to sources that have had RMP reportable accidents minimizes its impact to the overall universe of RMP facilities, and particularly to small businesses. As indicated in Exhibit 5–25 in the RIA, the estimated cost of the high option ($96.2 million annualized) is nearly 20 times higher than the estimated costs of the proposed option ($5.0 million annualized). Furthermore, a majority of the costs for the proposed option would likely be borne by large businesses, as historically, most RMP accidents have occurred at facilities that do not meet SBA small business criteria. Table 22 shows the percentage of accidents from 2004–2013 that occurred at small and large facilities.

TABLE 22—PERCENTAGE OF ACCIDENTS AT SMALL AND LARGE RMP FACILITIES, 2004–2013

Sector	Program 1		Program 2		Program 3		Total
	Small	Large	Small	Large	Small	Large	
NAICS 325—Chemical Manufacturing	0	6	1	5	53	465	530
NAICS 311, 312—Food/Beverage Manufacturers	0	0	2	0	58	210	270
NAICS 322—Paper Manufacturing	0	0	0	0	9	37	46

[208] Although the term ''any other extremely hazardous substance'' is not defined, the legislative history of the 1990 CAA amendments indicates that the term would include any agent ''which may or may not be listed or otherwise identified by any Government agency which may as the result of short-term exposures associated with releases to the air cause death, injury or property damage due to its toxicity, reactivity, flammability, volatility, or corrosivity.'' See: *http://www2.epa.gov/sites/production/files/2013-10/documents/gdcregionalguidance.pdf.*

TABLE 22—PERCENTAGE OF ACCIDENTS AT SMALL AND LARGE RMP FACILITIES, 2004–2013—Continued

Sector	Program 1		Program 2		Program 3		Total
	Small	Large	Small	Large	Small	Large	
NAICS 331, 332, 333, 334, 336, 339—Other Manufacturing	0	0	4	0	12	27	43
NAICS 11, 12, 15, 42491—Agricultural Chemical Distributors	0	0	0	0	91	65	156
NAICS 4246, 4247—Chemical/petroleum wholesale	0	2	0	0	7	29	38
NAICS 4244, 4245—Other wholesale	0	0	0	0	7	13	20
NAICS 493—Warehouse	0	1	0	0	18	53	72
NAICS 324—Petroleum and Coal Products Manufacturing	2	6	0	0	15	146	169
NAICS 22131, 22132—Water/POTW	0	0	14	20	17	24	75
NAICS 211—Oil/Gas exploration	4	4	1	0	10	34	53
Other	3	7	7	4	7	17	45
Total	9	26	29	29	304	1,120	1,517

While the proposed third-party audit provision should have fairly low impact on small businesses, the SBAR Panel made additional recommendations to further minimize the impacts of this provision on small businesses. The Panel recommended that EPA consider proposing streamlined independence requirements for small businesses (*i.e.* based on size of the facility). The Panel also recommended that EPA limit the independence criteria to individuals participating in the audit rather than the entire company. The Panel further recommended that EPA seek comments on:

- Eliminating the independence requirement, in its entirety, and retaining existing requirement for compliance audits;
- Limiting applicability of the third-party audit provision by only requiring third-party audits, for Program 3 facilities, triggered by major accidents that have offsite impacts and how to define or characterize ''major accidents with offsite impacts'';
- Deleting the current PE requirement and considering other independent accreditation for third-party auditors which also carry ethical requirements, such as CSP, CIH, CFPS, CHMM, CPEA, or CPSA; and
- The impacts a third-party auditor may have on a facility's security and the measures that should be included in the rule provision to protect facilities from terrorism or release of CBI from a third-party auditor.

EPA incorporated preamble language to address these Panel recommendations in section IV.B of this document.

Incident Investigation/Root Cause Analysis—(Proposed Revisions Apply to §§ 68.60 and 68.81)

In this case, EPA considered two potential regulatory options, and proposed the higher cost option, which would apply the requirement for an incident root cause analysis to all RMP-reportable accidents and near misses involving Program 2 and Program 3 processes. The lower cost option would apply the requirement to accidents and near misses at only Program 3 processes. Although the Agency chose the higher cost option, this provision is estimated to be one of the least costly provisions of the proposed rule. In fact, the costs for both options considered were nearly indistinguishable—as indicated in Exhibit 5–25 in the RIA, both the low and proposed options are estimated to cost approximately $0.8 million annually. Therefore, EPA believes that the additional safety benefit of requiring owners and operators of Program 2 processes to also conduct root cause analyses after incidents and near misses was warranted.

The SBAR Panel also made recommendations to further minimize the impacts of this provision on small businesses. The Panel recommended that EPA clarify our intent that incident investigations are not intended to cover minor accidents or minor near misses that could not reasonably have resulted in a catastrophic release. The Panel further recommended that EPA consider proposing to require root cause analysis only for reportable releases, not including near misses. The Panel recommended that EPA clarify in the preamble the comparative advantages of a root cause analysis to the current incident investigation requirements in §§ 68.60 and 68.81 of the rule. Finally, the Panel recommended that EPA seek comments on:

- Whether the root cause analysis requirement should be eliminated;
- The revised definition of catastrophic release and whether it should be limited to loss of life, serious injury or significant damage or loss of offsite property; and
- Examples of near misses.

EPA incorporated preamble language to address these Panel recommendations in section IV.A of this document.

STAA—(Proposed Revisions Apply to § 68.67)

For STAA, EPA examined three potential alternative regulatory options, and chose the least costly option. The proposed option, which would apply the STAA requirement to Program 3 processes in NAICS 322 (paper manufacturing), 324 (petroleum and coal products manufacturing), and 325 (chemical manufacturing), costs $34.8 million annually and is approximately half as costly as the medium option ($71.7 million annually), which would apply the requirement to all Program 3 processes, and likely far less costly than the high option, which would require implementation of feasible safer alternatives for all Program 3 processes.

The low-cost STAA option not only minimizes the overall number of sources that are subject to it, but is also biased toward larger sources. This is because the three sectors selected for regulation under this proposed provision all have a lower percentage of small entities than the overall percentage of small entities within the RMP facility universe. As indicated in Table 23, approximately 39% of facilities regulated under the RMP regulation are owned by small entities. In comparison, NAICS 322 (paper manufacturing) has about 20% RMP-regulated small businesses within the sector, while NAICS 324 (petroleum and coal products manufacturing) and 325 (chemical manufacturing) each have approximately 10% small businesses.

TABLE 23—PERCENTAGE OF SMALL BUSINESSES IN NAICS 322, 324, 325 AND OVERALL

Sector	Small	Total	Percentage small
NAICS 322—Paper Manufacturing	9	46	19.6
NAICS 324—Petroleum and Coal Products Manufacturing	17	169	10.1
NAICS 325—Chemical Manufacturing	54	530	10.2
All Sectors	4,910	12,542	39.1

The SBAR Panel also made recommendations to further minimize the impacts of this provision on small businesses. The Panel recommended that EPA explain what evidence we have that caused us to reconsider the 1996 assessment that IST analysis was unlikely to yield additional benefits. The Panel further recommended that EPA seek comments on:

- Whether to eliminate this requirement;
- Limiting this provision to require analyses only to be conducted at the design stage of new processes; and
- Exempting batch toll manufacturers from this requirement.

EPA incorporated preamble language to address these Panel recommendations in section IV.C of this document.

Emergency Response Program Coordination With Local Responders—(Proposed Revisions Apply to §§ 68.90, New 68.93, and 68.95)

The proposed option (medium option) would require all facilities with Program 2 or Program 3 processes to coordinate with local response agencies annually and document coordination activities. This option would also allow the LEPC or local emergency response officials to require that the RMP-facility owner or operator comply with the emergency response program requirements of § 68.95. EPA considered, but did not propose, the more stringent option of requiring all facilities with Program 2 or Program 3 processes to implement an emergency response program and respond to accidental releases at the facility. The proposed option is estimated to cost $6.3 million annually and is far less costly than the high option, which would likely have exceeded $100 million annually. Therefore, by selecting the medium option, EPA substantially reduced the cost impact for the many small entities that may rely on local response organizations to respond to accidental releases at the source (see Exhibit 3–8 and Appendix B in the RIA for more information on the number, size, and industrial categories of non-responding facilities).

While EPA does not believe it is necessary to require that all facilities develop an in-house response capability, the Agency believes that non-responding facilities, even if they are small businesses, must still coordinate with local public responders so that they are prepared to handle emergencies at the facility. EPA expects that these coordination activities will result in some sources, including some small entities, becoming responding facilities, which may involve additional costs for those facilities (see section 5.6 of the RIA). EPA believes this is necessary to meet the objectives of Clean Air Act section 112(r), which requires the Agency to promulgate regulations to (among other things) provide for a prompt emergency response to any accidental releases in order to protect human health and the environment. We also note that the 2013 accident at West Fertilizer, which was one of several accidents that triggered the Executive Order that ultimately led to this rule proposal, occurred at a facility that would likely have been considered a small entity under the established SBA criteria. The Agency believes it is appropriate to require that such facilities conduct adequate emergency coordination, and if necessary, develop adequate emergency response capabilities, even if they are small.

The SBAR Panel also made recommendations to further minimize the impacts of this provision on small businesses. The Panel recommended that EPA explain how coordination should occur between local emergency response officials and small facilities and clarify requirements for facilities that make a ''good faith'' effort to coordinate with local emergency response officials. The Panel also recommended that EPA seek comment on the proposed frequency for annual coordination. EPA incorporated preamble language to address these Panel recommendations in section V.A of this document.

Exercises—(Proposed Revisions Apply to New § 68.96)

Notification Exercises. The proposed rule would require all facilities with Program 2 or Program 3 processes to annually conduct an emergency notification exercise to ensure that their emergency contact list is complete, accurate, and up-to-date. This proposed provision is expected to be one of the least costly rule provisions at $1.4 million annually (only the incident investigation root cause analysis and public meetings provisions are estimated to cost less). Therefore EPA did not consider any alternatives to reduce the impact of this provision on small businesses, nor did the SBAR Panel make any such recommendations.

Tabletop and Field Exercises

The proposed option was the medium option, and would require responding facilities to conduct a full field exercise at least once every five years and tabletop exercises annually in the interim years. This option was substantially less costly than the high option ($61 million vs $104 million annually), which would require annual field exercises. As this provision only affects responding facilities, which tend to more often be large facilities (see Exhibit 3–8 in the RIA), EPA has proposed an option that mitigates the impact on small entities. EPA also considered a low option that would only require annual tabletop exercises. This option would have saved approximately $11 million annually. We did not propose the low option because the Agency believes that periodic field exercises are an important component of a comprehensive emergency response program. Nevertheless, this was also a recommendation from the SBAR panel and we have requested comment on the low option provision in the preamble to the proposed rule.

The SBAR Panel also made other recommendations to further minimize the impacts of this provision on small businesses. The Panel recommended that EPA clarify that participation by local responders is not required for a facility to comply with exercise requirements and that field exercises and drills required by other state and Federal regulations could meet this requirement if the facility's emergency response plan is tested as part of those exercises. The Panel also recommended that EPA seek comments on:

- Whether the exercise provision should be eliminated;

• How to address postponement and rescheduling issues (which SERs have indicated may take up to a year);
• Limiting the requirement to only tabletop exercises; and
• The frequency of required field and tabletop exercises.

EPA incorporated preamble language to address these Panel recommendations in section V.B of this document.

Information Availability—(Proposed Revisions Apply to New § 68.205 and Existing § 68.210)

There are three proposed information disclosure requirements. Under the proposed requirements, all facilities would be required to make certain information available to the public. Upon receiving a request from their LEPC or local emergency response official, regulated facilities would also be required to provide certain information to the LEPC or emergency response officials. Lastly, facilities would be required to hold public meetings within 30 days of any RMP reportable accident. In the preamble to the proposed rule, EPA has requested public comments on whether all regulated facilities should be required to hold a public meeting every five years and after an RMP reportable accident, or whether a requirement for periodic and post-accident public meetings should be limited to only Program 2 and Program 3 facilities. Although EPA has not proposed specific alternatives to minimize the impact of the information disclosure provisions on small businesses, the Agency believes that in general, smaller facilities will bear lower costs to comply with these provisions. By requiring certain information disclosure elements (*i.e.,* incident investigation and public meeting provisions) only following an RMP reportable accident, EPA is minimizing the impact to the overall universe of RMP facilities, and particularly to small businesses. Most RMP reportable accidents have generally occurred at facilities that do not meet SBA small business criteria (see Exhibit 7–11 in the RIA). Also, small facilities will generally have fewer processes, fewer chemicals, fewer accidental releases, etc., on which to provide information to LEPCs and the public.

The SBAR Panel also made recommendations to further minimize the impacts of this provision on small businesses. The Panel recommended that EPA:

• Consider only requiring facilities to develop chemical hazard information summaries and allowing LEPCs to make reasonable requests for additional information;
• Make chemical hazard information available upon request by the LEPC rather than requiring it to be automatically submitted by the facility;
• Require that a public meeting be held only after an RMP reportable accident; and
• Allow public meetings to be combined with any meeting open to the general public (*e.g.* city council, municipal board, or LEPC meeting).

The Panel also recommended that EPA seeks comments on:

• Narrowing the approach to require a one page summary of each significant chemical hazard during a fire identifying the product, its properties, its location and firefighting measures for responders—a one-page summary of information that addresses chemical hazard information and emergency response measures;
• Limiting the amount of information to be shared with LEPCs;
• Whether EPA should specify a format for summary information to make it easier for local officials to find and interpret the information that they need:
• Ways to limit the scope of the information elements shared with the public as well as the format in which information should be provided (*e.g.* a one-page summary of information that addresses chemical hazard information and emergency response measures);
• Whether the existing RMP data, including the executive summary, are adequate for the public in the absence of a specific request, and
• Whether additional information should only be provided to the public upon request.
• Whether it is appropriate to require public meetings;
• Whether to eliminate the public meeting requirement and instead require the facility to schedule a meeting with the LEPC and/or emergency responders 60 to 90 days after an accident or incident;
• Whether public meetings should be held upon request (*e.g.,* LEPC or its community equivalent) rather than automatically within an established timeframe; and
• Extending the timeframe from 30 to 90 days or whether there is a more appropriate timeframe for scheduling a meeting following an RMP reportable accident and who should be included in the invitation (*e.g.* limit to local emergency response officials and LEPCs).

EPA incorporated preamble language to address these Panel recommendations in section VI of this document. EPA also revised the proposed rule to incorporate the following two Panel recommendations as the proposed options:

• Make chemical hazard information available upon request by the LEPC rather than requiring it to be automatically submitted by the facility; and
• Require that a public meeting be held only after an RMP reportable accident.

7. Small Business Advocacy Review

As required by section 609(b) of the RFA, the EPA also convened a SBAR Panel to obtain advice and recommendations from SERs that potentially would be subject to the rule's requirements. The SBAR Panel evaluated the assembled materials and small-entity comments on issues related to elements of an IRFA. The SBAR report contains the recommendations to the EPA Administrator from the three Federal Panel members (EPA, the Small Business Administration Office of Advocacy and the OMB Office of Information and Regulatory Affairs). This proposal was informed by the small entity comments and the Panel report recommendations were used in the development of this proposal, as provided in section 609(b) of the RFA. A copy of the full SBAR Panel Report is available in the rulemaking docket.

D. Unfunded Mandates Reform Act (UMRA)

This action contains a Federal mandate under UMRA, 2 U.S.C. 1531–1538, that may result in expenditures of $100 million or more for state, local, and tribal governments, in the aggregate, or the private sector in any one year. Accordingly, the EPA has prepared a written statement required under section 202 of UMRA. The statement is included in the docket for this action and briefly summarized here.

Over the 16 years of implementing the RMP program and, most recently through Executive Order 13650 listening sessions, webinars, and consultations, EPA has engaged states and local communities to discuss chemical safety issues. In the nine Executive Order 13650 Improving Chemical Facility Safety and Security listening sessions and webinars, held between November 2013 and January 2014, states and local communities identified lack of chemical facility participation and coordination in local emergency contingency planning as a key barrier to successful local community preparedness. Additionally, EPA has had consultations with states and local communities through participation in the NASTTPO annual meetings to discuss key issues related to chemical facility and local community coordination and what areas of the RMP regulations need to be modernized to facilitate this coordination and improve local emergency preparedness and prevention. Key priority options discussed with NASTTPO states and local communities included: Improving emergency response coordination between RMP facilities and LEPCs/first

responder and requiring emergency response exercises of the RMP facility plan to involve LEPCs, first responders and emergency response personnel.

This action may significantly or uniquely affect small governments. The EPA consulted with small governments concerning the regulatory requirements that might significantly or uniquely affect them. Through the July 31, 2014, RFI (79 FR 44604), EPA sought feedback from governmental entities while formulating the proposed revisions in this action. Additionally, EPA participated in ongoing consultations with affected SERs (including small governmental entities) through the SBAR panel. EPA convened an SBAR panel in accordance with the requirements of the RFA, as amended by the Small Business Regulatory Enforcement Fairness Act (SBREFA).

E. Executive Order 13132: Federalism

This action does not have Federalism implications. The EPA believes, however, that these proposed regulatory revisions may be of significant interest to local governments. Consistent with the EPA's policy to promote communications between the EPA and state and local governments, and to better understand the concerns of local governments, EPA sought feedback through the July 31, 2014, RFI (79 FR 44604). Additionally, consultations with governmental entities occurred through the SBREFA process.

F. Executive Order 13175: Consultation and Coordination With Indian Tribal Governments

This action has tribal implications. However, it will neither impose substantial direct compliance costs on federally recognized tribal governments, nor preempt tribal law. EPA will be consulting with tribal officials as it develops this regulation to permit them to have meaningful and timely input into its development. Consultation will include conference calls, webinars, and meetings with interested tribal representatives to ensure that their concerns are addressed before the rule is finalized. In the spirit of Executive Order 13175 and consistent with EPA policy to promote communications between EPA and tribal governments, EPA specifically solicits comment on this proposed rule from tribal officials.

G. Executive Order 13045: Protection of Children From Environmental Health Risks and Safety Risks

This action is not subject to Executive Order 13045 because the EPA does not believe the environmental health risks or safety risks addressed by this action present a disproportionate risk to children. The EPA believes that the proposed revisions to the Risk Management Program regulations would further protect human health, including the health of children, through advancement of process safety.

H. Executive Order 13211: Actions That Significantly Affect Energy Supply, Distribution or Use

This proposed action is not a ''significant energy action'' because it is not likely to have a significant adverse effect on the supply, distribution, or use of energy. This proposed action is not anticipated to have notable impacts on emissions, costs or energy supply decisions for the affected electric utility industry.

I. National Technology Transfer and Advancement Act (NTTAA)

This action involves technical standards. The EPA proposes to require third-party auditors to be experienced with applicable RAGAGEP, which include Voluntary Consensus Standards as well as other measures, for regulated processes being audited. Numerous different standards apply to processes regulated under the proposed rule and their application will vary depending on the particular process and chemicals involved. EPA is not proposing to list all the various codes, standards and practices that would apply to the wide variety of chemical processes covered by this rule as doing so would be impracticable, given that this rule affects sectors across many industries and listing the applicable RAGAGEP measures would require the EPA to update that list every time there was a change in the industry standards or best practices. The proposed rule would require third-party auditors to be familiar with standards applicable to processes they audit, and to obtain their own copies of applicable standards where needed. Auditors must be knowledgeable of applicable consensus standards because the accident prevention program provisions of the existing rule (subparts C and D) require owners or operators to comply with RAGAGEP. Therefore, auditors must be knowledgeable of those practices in order to perform an effective audit. EPA seeks comment on this proposed RAGAGEP requirement.

J. Executive Order 12898: Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations

The EPA believes the human health or environmental risk addressed by this action will not have potential disproportionately high and adverse human health or environmental effects on minority, low income, or indigenous populations. The results of this evaluation are included in the RIA, located in the docket.

List of Subjects

40 CFR part 68

Environmental protection, Administrative practice and procedure, Air pollution control, Chemicals, Hazardous substances, Intergovernmental relations, Reporting and recordkeeping requirements.

Dated: February 25, 2016.

Gina McCarthy,

Administrator.

For the reasons set out in the preamble, title 40, chapter I, part 68, of the Code of Federal Regulations is proposed to be amended as follows:

PART 68—CHEMICAL ACCIDENT PREVENTION PROVISIONS

■ 1. The authority citation for part 68 continues to read as follows:

Authority: 42 U.S.C. 7412(r), 7601(a)(1), 7661–7661f.

■ 2. Amend § 68.3 by:
■ a. Adding in alphabetical order the definition ''Active measures'';
■ b. Revising the definition ''Catastrophic release'', and
■ c. Adding in alphabetical order, the definitions, ''CBI'', ''Feasible'', ''Inherently safer technology or design'', ''LEPC'', ''Passive measures'', ''Procedural measures'', ''Root cause'', and ''Third-party audit''.

The additions and revisions read as follows:

§ 68.3 Definitions.

* * * * *

Active measures means risk management measures or engineering controls that rely on mechanical, or other energy input to detect and respond to process deviations. Examples of active measures include alarms, safety instrumented systems, and detection hardware (such as hydrocarbon sensors).

* * * * *

Catastrophic release means a major uncontrolled emission, fire, or explosion, involving one or more regulated substances that results in deaths, injuries, or significant property damage on-site, or known offsite deaths, injuries, evacuations, sheltering in place, property damage, or environmental damage.

CBI means confidential business information.

* * * * *

Feasible means capable of being successfully accomplished within a reasonable time, accounting for economic, environmental, legal, social, and technological factors. Environmental factors would include consideration of potential transferred risks for new risk reduction measures.

* * * * *

Inherently safer technology or design means risk management measures that minimize the use of regulated substances, substitute less hazardous substances, moderate the use of regulated substances, or simplify covered processes in order to make accidental releases less likely, or the impacts of such releases less severe.

* * * * *

LEPC means local emergency planning committee as established under 42 U.S.C. 11001(c).

* * * * *

Passive measures means risk management measures that use design features that reduce the hazard without human, mechanical, or other energy input. Examples of passive measures include pressure vessel designs, dikes, berms, and blast walls.

* * * * *

Procedural measures means risk management measures such as policies, operating procedures, training, administrative controls, and emergency response actions to prevent or minimize incidents.

* * * * *

Root cause means a fundamental, underlying, system-related reason why an incident occurred that identifies a correctable failure(s) in management systems.

* * * * *

Third-party audit means a compliance audit conducted pursuant to the requirements of §§ 68.59 and/or 68.80, by an entity (individual or firm) meeting the competency, independence and impartiality criteria in those sections.

* * * * *

■ 3. Amend § 68.10 by:

■ a. Revising paragraphs (a) introductory text; (a)(2) and (3); and adding paragraph (a)(4);

■ b. Redesignating paragraphs (b) through (f) as paragraphs (f) through (j);

■ c. Adding new paragraphs (b) through (e); and

■ d. Revising the newly designated paragraph (f)(2).

The revisions and additions read as follow:

§ 68.10 Applicability.

(a) Except as provided in paragraphs (b) through (e) of this section, an owner or operator of a stationary source that has more than a threshold quantity of a regulated substance in a process, as determined under § 68.115, shall comply with the requirements of this part no later than the latest of the following dates:

* * * * *

(2) Three years after the date on which a regulated substance is first listed under § 68.130;

(3) The date on which a regulated substance is first present above a threshold quantity in a process; or

(4) For any revisions to this part, the effective date of the final rule.

(b) Within 1 year of [DATE 1 YEAR AFTER THE EFFECTIVE DATE OF THE FINAL RULE] the owner or operator of a stationary source shall comply with the emergency response coordination activities in § 68.93(a) and (b).

(c) Within 3 years of the LEPC or equivalent requesting in writing, pursuant to § 68.90(b)(2), the owner or operator must develop and implement an emergency response program in accordance with § 68.95.

(d) By [DATE 4 YEARS AFTER THE EFFECTIVE DATE OF THE FINAL RULE], the owner or operator shall comply with the following provisions promulgated on [PUBLICATION DATE OF FINAL RULE]:

(1) Third-party audit provisions in §§ 68.58(f), 68.58(g), 68.58(h), 68.59, 68.79(f), 68.79(g), 68.79(h), and 68.80;

(2) Incident investigation root cause analysis provisions in §§ 68.60(d)(7) and 68.81(d)(7) and the incident root cause category information provision in § 68.42(b)(10);

(3) Safer technology and alternative analysis provisions in § 68.67(c)(8);

(4) Emergency response exercise provisions of § 68.96, and;

(5) Availability of information provisions in §§ 68.205, 68.210(b), 68.210(c), and 68.210(d).

(e) By [DATE 5 YEARS AFTER EFFECTIVE DATE OF THE FINAL RULE], the owner or operator shall comply with the risk management plan provisions of subpart G promulgated on [PUBLICATION DATE OF FINAL RULE].

(f) * * *

(2) The distance to a toxic or flammable endpoint for a worst-case release assessment conducted under subpart B and § 68.25 is less than the distance to any public receptor, as defined in § 68.3; and

* * * * *

■ 4. Amend § 68.12 by:

■ a. Revising paragraphs (c)(4) and (5), and adding paragraph (c)(6); and

■ b. Revising paragraphs (d)(4) and (5), and adding paragraph (d)(6).

The revisions and additions read as follows:

§ 68.12 General requirements.

* * * * *

(c) * * *

(4) Coordinate response actions with local emergency planning and response agencies as provided in § 68.93;

(5) Develop and implement an emergency response program, and conduct exercises, as provided in §§ 68.90 to 68.96; and

(6) Submit as part of the RMP the data on prevention program elements for Program 2 processes as provided in § 68.170.

(d) * * *

(4) Coordinate response actions with local emergency planning and response agencies as provided in § 68.93;

(5) Develop and implement an emergency response program, and conduct exercises, as provided in §§ 68.90 to 68.95 96 of this part; and

(6) Submit as part of the RMP the data on prevention program elements for Program 3 processes as provided in § 68.175.

■ 5. Amend § 68.42 by redesignating paragraphs (b)(10) and (b)(11) as paragraphs (b)(11) and (b)(12) and adding a new paragraph (b)(10) to read as follows:

§ 68.42 Five-year accident history.

* * * * *

(b) * * *

(10) Categories of root causes identified based on the root cause analysis required in the incident investigation in accordance with § 68.60(d)(7) or § 68.81(d)(7);

* * * * *

■ 6. Amend § 68.48 by revising paragraph (a)(1) to read as follows:

§ 68.48 Safety information.

(a) * * *

(1) Safety Data Sheets (SDS) that meet the requirements of 29 CFR 1910.1200(g);

* * * * *

■ 7. Amend § 68.50 by revising paragraph (a)(2) to read as follows:

§ 68.50 Hazard review.

(a) * * *

(2) Opportunities for equipment malfunctions or human errors that could cause an accidental release, including findings from incident investigations;

* * * * *

■ 8. Amend § 68.54 by revising paragraphs (a), (b), and (d); and Adding a new paragraph (e) to read as follows:

§ 68.54 Training.

(a) The owner or operator shall ensure that each employee presently involved

in operating a process, and each employee newly assigned to a covered process have been trained or tested competent in the operating procedures provided in § 68.52 that pertain to their duties. For those employees already operating a process on June 21, 1999, the owner or operator may certify in writing that the employee has the required knowledge, skills, and abilities to safely carry out the duties and responsibilities as provided in the operating procedures.

(b) Refresher training. Refresher training shall be provided at least every three years, and more often if necessary, to each employee involved in operating a process to ensure that the employee understands and adheres to the current operating procedures of the process. The owner or operator, in consultation with the employees operating the process, shall determine the appropriate frequency of refresher training.

* * * * *

(d) The owner or operator shall ensure that employees involved in operating a process are trained in any updated or new procedures prior to startup of a process after a major change.

(e) For the purposes of this section, the term employee also includes supervisors responsible for directing process operations.

■ 9. Amend § 68.58 by revising paragraph (a) and adding paragraphs (f) through (h) to read as follows:

§ 68.58 Compliance audits.

(a) The owner or operator shall certify that they have evaluated compliance with the provisions of this subpart for each covered process, at least every three years to verify that the procedures and practices developed under the rule are adequate and are being followed. When required as set forth in paragraph (f), the compliance audit shall be a third-party audit.

* * * * *

(f) *Third-party audit applicability.* The next required compliance audit shall be a third-party audit when one of the following conditions apply:

(1) An accidental release meeting the criteria in § 68.42(a) from a covered process at a stationary source has occurred; or

(2) An implementing agency requires a third-party audit based on non-compliance with the requirements of this subpart, including when a previous third-party audit failed to meet the competency, independence, or impartiality criteria of § 68.59(b).

(g) *Implementing agency notification and appeals.* (1) If an implementing agency makes a preliminary determination that a third-party audit is necessary pursuant to paragraph (f)(2) of this section, the implementing agency will provide written notice to the owner or operator stating the reasons for the implementing agency's determination.

(2) Within 30 days of receipt of such written notice, the owner or operator may provide information and data to, and may consult with, the implementing agency on the determination. Thereafter, the implementing agency will provide a final determination to the owner or operator.

(3) If the final determination requires a third-party audit, the owner or operator shall comply with the requirements of § 68.59, pursuant to the schedule in paragraph (h) of this section.

(4) *Appeals.* The owner or operator may appeal a final determination made by an implementing agency under paragraph (g)(2) of this section within 30 days of receipt of the final determination. The appeal shall be made to the EPA Regional Administrator, or for determinations made by other implementing agencies, the administrator or director of such implementing agency. The appeal shall contain a clear and concise statement of the issues, facts in the case, and any relevant additional information. In reviewing the appeal, the implementing agency may request additional information from the owner or operator. The implementing agency will provide a written, final decision on the appeal to the owner or operator.

(h) *Schedule for conducting a third-party audit.* The audit and audit report shall be completed, and the audit report submitted to the implementing agency pursuant to § 68.59(c)(3) as follows, unless a different timeframe is specified by the implementing agency:

(1) Within 12 months of when any third-party audit is required pursuant to paragraphs (f) and/or (g) of this section; or

(2) Within three years of completion of the previous compliance audit, whichever is sooner.

■ 10. Section 68.59 is added to subpart C to read as follows:

§ 68.59 Third-party audits.

(a) *Applicability.* The owner or operator shall engage a third-party auditor to evaluate compliance with the provisions of this subpart in accordance with the requirements of this section when either criterion of § 68.58(f) is met.

(b*) Auditor qualifications.* The owner or operator shall determine and document that the auditor and/or audit team are independent and impartial, and that the auditor's or audit team's credentials address the following competency requirements:

(1) *Competency requirements.* The auditor/auditor team shall be:

(i) Knowledgeable with the requirements of this part;

(ii) Experienced with the stationary source type and processes being audited and applicable recognized and generally accepted good engineering practices;

(iii) Trained or certified in proper auditing techniques; and

(iv) A licensed Professional Engineer (PE), or shall include a licensed PE on the audit team.

(2) *Independence and impartiality requirements.* The auditor/audit team shall:

(i) Act impartially when performing all activities under this section;

(ii) Receive no financial benefit from the outcome of the audit, apart from payment for the auditing services;

(iii) Not have conducted past research, development, design, construction services, or consulting for the owner or operator within the last 3 years. For purposes of this requirement, consulting does not include performing or participating in third-party audits pursuant to § 68.59 or § 68.80;

(iv) Not provide other business or consulting services to the owner or operator, including advice or assistance to implement the findings or recommendations in an audit report, for a period of at least 3 years following submission of the final audit report;

(v) Ensure that all personnel involved in the audit sign and date the conflict of interest statement in § 68.59(c)(1)(v); and

(vi) Ensure that all personnel involved in the audit do not accept future employment with the owner or operator of the stationary source for a period of at least 3 years following submission of the final audit report. For purposes of this requirement, employment does not include performing or participating in third-party audits pursuant to § 68.59 or § 68.80.

(3) The auditor shall have written policies and procedures to ensure that all personnel comply with the competency, independence, and impartiality requirements of this section.

(c) *Third-party audit report.* The owner or operator shall ensure that the auditor prepares and submits an audit report as follows:

(1) The scope and content of each audit report shall:

(i) Identify the lead auditor or manager, participating individuals, and any other key persons participating in

the audit, including names, titles, and summaries of qualifications demonstrating that the competency requirements in paragraph (b)(1) of this section are met;

(ii) Document the auditor's evaluation, for each covered process, of the owner or operator's compliance with the provisions of this subpart to determine whether the procedures and practices developed by the owner or operator under this rule are adequate and being followed;

(iii) Document the findings of the audit, including any identified compliance or performance deficiencies;

(iv) Include a summary of the owner's or operator's comments on, and identify any adjustments made by the auditor to, any draft audit report provided by the auditor to the owner or operator for review or comment; and

(v) Include the following certification, signed and dated by the auditor or supervising manager for the audit:

I certify that this RMP compliance audit report was prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information upon which the audit is based. I further certify that the audit was conducted and this report was prepared pursuant to the requirements of subpart C of 40 CFR part 68 and all other applicable auditing, competency, independence, impartiality, and conflict of interest standards and protocols. Based on my personal knowledge and experience, and inquiry of personnel involved in the audit, the information submitted herein is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment for knowing violations.

(2) The auditor shall retain copies of all audit reports and related records for a period of five years, and make them available if directed by the owner or operator, to the owner or operator and/or the implementing agency.

(3) The auditor shall submit the audit report to the implementing agency at the same time, or before, it provides it to the owner or operator.

(4) The audit report and related records shall not be privileged as attorney-client communications or attorney work products, even if written for or reviewed by legal staff.

(d) *Third-party audit findings.* (1) *Findings response report.* As soon as possible, but no later than 90 days after receiving the final audit report, the owner or operator shall determine an appropriate response to each of the findings in the audit report, and develop and provide to the implementing agency a findings response report that includes:

(i) A copy of the final audit report;

(ii) An appropriate response to each of the audit report findings;

(iii) A schedule for promptly addressing deficiencies; and

(iv) A certification, signed and dated by a senior corporate officer, or an official in an equivalent position, of the owner or operator of the stationary source, stating:

I certify under penalty of law that the attached RMP compliance audit report was received, reviewed, and responded to under my direction or supervision by qualified personnel. I further certify that appropriate responses to the findings have been identified and deficiencies were corrected, or are being corrected, consistent with the requirements of subpart C of 40 CFR part 68, as documented herein. Based on my personal knowledge and experience, or inquiry of personnel involved in evaluating the report findings and determining appropriate responses to the findings, the information submitted herein is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment for knowing violations.

(2) *Schedule to address deficiencies.* The owner or operator shall implement the schedule to address deficiencies identified in the audit findings response report in paragraph (d)(1)(iii) of this section and document the action taken to address each deficiency, along with the date completed.

(3) *Submission to board of directors.* The owner or operator shall immediately provide a copy of each document required under paragraphs (d)(1) and (d)(2) of this section, when completed, to the owner or operator's audit committee of the Board of Directors, or other comparable committee, if one exists.

(e) *Recordkeeping.* The owner or operator shall retain at the stationary source, the following:

(1) The two most recent third-party audit reports, related findings response reports, documentation of actions taken to address deficiencies, and related records. This requirement does not apply to any document that is more than five years old.

(2) Copies of all draft third-party audit reports. The owner or operator shall provide draft third-party audit reports to the implementing agency upon request. This requirement does not apply to any draft audit reports that are more than five years old.

■ 11. Amend § 68.60 by:

■ a. Revising paragraph (a);

■ b. Redesignating paragraphs (c) through (f) as paragraphs (d) through (g);

■ c. Adding a new paragraph (c); and

■ d. Revising the newly designated paragraphs (d) and (g).

The revisions and additions read as follows:

§ 68.60 Incident investigation.

(a) The owner or operator shall investigate each incident that:

(1) Resulted in a catastrophic release (including when the affected process is decommissioned or destroyed following, or as the result of, an incident); or

(2) Could reasonably have resulted in a catastrophic release (*i.e.,* was a near miss).

* * * * *

(c) An incident investigation team shall be established and consist of at least one person knowledgeable in the process involved and other persons with appropriate knowledge and experience to thoroughly investigate and analyze the incident.

(d) A report shall be prepared at the conclusion of the investigation. The report shall be completed within 12 months of the incident, unless the implementing agency approves, in writing, an extension of time. The report shall include:

(1) Date, time, and location of incident;

(2) Date investigation began;

(3) A description of the incident, in chronological order, providing all relevant facts;

(4) The name and amount of the regulated substance involved in the release (*e.g.,* fire, explosion, toxic gas loss of containment) or near miss and the duration of the event;

(5) The consequences, if any, of the incident including, but not limited to: injuries, fatalities, the number of people evacuated, the number of people sheltered in place, and the impact on the environment;

(6) Emergency response actions taken;

(7) The factors that contributed to the incident including the initiating event, direct and indirect contributing factors, and root causes. Root causes shall be determined by conducting an analysis for each incident using a recognized method; and

(8) Any recommendations resulting from the investigation and a schedule for addressing them.

* * * * *

(g) Incident investigation reports shall be retained for five years.

■ 12. Amend § 68.65 by revising the first sentence of paragraph (a) and the note to paragraph (b) to read as follows:

§ 68.65 Process safety information.

(a) The owner or operator shall complete a compilation of written process safety information before conducting any process hazard analysis required by the rule, and shall keep process safety information up-to-date.

* * *

(b) * * *

Note to paragraph (b): Safety Data Sheets (SDS) meeting the requirements of 29 CFR 1910.1200(g) may be used to comply with this requirement to the extent they contain the information required by this subparagraph.

* * * * *

■ 13. Amend § 68.67 by:

■ a. Revising paragraph (c)(2);

■ b. In paragraph (c)(6) removing the word ''and'';

■ c. In paragraph (c)(7) removing the period at the end of the paragraph and adding ''; and'' in its place; and

■ d. Adding paragraph (c)(8).

The revisions and additions read as follows:

§ 68.67 Process hazard analysis.

* * * * *

(c) * * *

(2) The findings from all incident investigations required under section 68.81, as well as any other potential failure scenarios;

* * * * *

(8) For processes in NAICS 322, 324, and 325, safer technology and alternative risk management measures applicable to eliminating or reducing risk from process hazards.

(i) The owner or operator shall consider, in the following order of preference, inherently safer technology or design, passive measures, active measures, and procedural measures. A combination of risk management measures may be used to achieve the desired risk reduction.

(ii) The owner or operator shall determine the feasibility of the inherently safer technologies and designs considered.

* * * * *

■ 14. Amend § 68.71 by adding paragraph (d) to read as follows:

§ 68.71 Training.

* * * * *

(d) For the purposes of this section, the term employee also includes supervisors with process operational responsibilities.

■ 15. Amend § 68.79 by revising paragraph (a) and adding paragraphs (f) through (h) to read as follows:

§ 68.79 Compliance audits.

(a) The owner or operator shall certify that they have evaluated compliance with the provisions of this subpart for each covered process, at least every three years to verify that the procedures and practices developed under the rule are adequate and are being followed. When required as set forth in paragraph (f), the compliance audit shall be a third-party audit.

* * * * *

(f) *Third-party audit applicability.* The next required compliance audit shall be a third-party audit when one of the following conditions apply:

(1) An accidental release meeting the criteria in § 68.42(a) from a covered process at a stationary source has occurred; or

(2) An implementing agency requires a third-party audit based on non-compliance with the requirements of this subpart, including when a previous third-party audit failed to meet the competency, independence, or impartiality criteria of § 68.80(b).

(g) *Implementing agency notification and appeals.* (1) If an implementing agency makes a preliminary determination that a third-party audit is necessary pursuant to paragraph (f)(2) of this section, the implementing agency will provide written notice to the owner or operator stating the reasons for the implementing agency's determination.

(2) Within 30 days of receipt of such written notice, the owner or operator may provide information and data to, and may consult with, the implementing agency on the determination. Thereafter, the implementing agency will provide a final determination to the owner or operator.

(3) If the final determination requires a third-party audit, the owner or operator shall comply with the requirements of § 68.80, pursuant to the schedule in paragraph (h) of this section.

(4) *Appeals.* The owner or operator may appeal a final determination made by an implementing agency under paragraph (g)(2) of this section within 30 days of receipt of the final determination. The appeal shall be made to the EPA Regional Administrator, or for determinations made by other implementing agencies, the administrator or director of such implementing agency. The appeal shall contain a clear and concise statement of the issues, facts in the case, and any relevant additional information. In reviewing the appeal, the implementing agency may request additional information from the owner or operator. The implementing agency will provide a written, final decision on the appeal to the owner or operator.

(h) *Schedule for conducting a third-party audit.* The audit and audit report shall be completed, and the audit report submitted to the implementing agency pursuant to § 68.80(c)(3) as follows, unless a different timeframe is specified by the implementing agency:

(1) Within 12 months of when any third-party audit is required pursuant to paragraphs (f) and/or (g) of this section; or

(2) Within three years of completion of the previous compliance audit, whichever is sooner.

■ 16. Section 68.80 is added to subpart D to read as follows:

§ 68.80 Third-party audits.

(a) *Applicability.* The owner or operator shall engage a third-party auditor to evaluate compliance with the provisions of this subpart in accordance with the requirements of this section when either criterion of § 68.79(f) is met.

(b) *Auditor qualifications.* The owner or operator shall determine and document that the auditor and/or audit team are independent and impartial, and that the auditor's or audit team's credentials address the following competency requirements:

(1) *Competency requirements.* The auditor/auditor team shall be:

(i) Knowledgeable with the requirements of this part;

(ii) Experienced with the stationary source type and processes being audited and applicable recognized and generally accepted good engineering practices;

(iii) Trained or certified in proper auditing techniques; and

(iv) A licensed PE, or shall include a licensed PE on the audit team.

(2) *Independence and impartiality requirements.* The auditor/audit team shall:

(i) Act impartially when performing all activities under this section;

(ii) Receive no financial benefit from the outcome of the audit, apart from payment for the auditing services;

(iii) Not have conducted past research, development, design, construction services, or consulting for the owner or operator within the last 3 years. For purposes of this requirement, consulting does not include performing or participating in third-party audits pursuant to § 68.59 or § 68.80;

(iv) Not provide other business or consulting services to the owner or operator, including advice or assistance to implement the findings or recommendations in an audit report, for a period of at least 3 years following submission of the final audit report;

(v) Ensure that all personnel involved in the audit sign and date the conflict of interest statement in § 68.59(c)(1)(v); and

(vi) Ensure that all personnel involved in the audit do not accept future employment with the owner or operator of the stationary source for a period of at least 3 years following submission of

the final audit report. For purposes of this requirement, employment does not include performing or participating in third-party audits pursuant to §§ 68.59 or 68.80.

(3) The auditor shall have written policies and procedures to ensure that all personnel comply with the competency, independence, and impartiality requirements of this section.

(c) *Third-party audit report.* The owner or operator shall ensure that the auditor prepares and submits an audit report as follows:

(1) The scope and content of each audit report shall:

(i) Identify the lead auditor or manager, participating individuals, and any other key persons participating in the audit, including names, titles, and summaries of qualifications demonstrating that the competency requirements in paragraph (b)(1) of this section are met;

(ii) Document the auditor's evaluation, for each covered process, of the owner or operator's compliance with the provisions of this subpart to determine whether the procedures and practices developed by the owner or operator under this rule are adequate and being followed;

(iii) Document the findings of the audit, including any identified compliance or performance deficiencies;

(iv) Include a summary of the owner's or operator's comments on, and identify any adjustments made by the auditor to, any draft audit report provided by the auditor to the owner or operator for review or comment; and

(v) Include the following certification, signed and dated by the auditor or supervising manager for the audit:

''I certify that this RMP compliance audit report was prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information upon which the audit is based. I further certify that the audit was conducted and this report was prepared pursuant to the requirements of subpart D of 40 CFR part 68 and all other applicable auditing, competency, independence, impartiality, and conflict of interest standards and protocols. Based on my personal knowledge and experience, and inquiry of personnel involved in the audit, the information submitted herein is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment for knowing violations.''

(2) The auditor shall retain copies of all audit reports and related records for a period of five years, and make them available if directed by the owner or operator, to the owner or operator and/or the implementing agency.

(3) The auditor shall submit the audit report to the implementing agency at the same time, or before, it provides it to the owner or operator.

(4) The audit report and related records shall not be privileged as attorney-client communications or attorney work products, even if written for or reviewed by legal staff.

(d) *Third-party audit findings.* (1) *Findings response report.* As soon as possible, but no later than 90 days after receiving the final audit report, the owner or operator shall determine an appropriate response to each of the findings in the audit report, and develop and provide to the implementing agency a findings response report that includes:

(i) A copy of the final audit report;

(ii) An appropriate response to each of the audit report findings;

(iii) A schedule for promptly addressing deficiencies; and

(iv) A certification, signed and dated by a senior corporate officer, or an official in an equivalent position, of the owner or operator of the stationary source, stating:

''I certify under penalty of law that the attached RMP compliance audit report was received, reviewed, and responded to under my direction or supervision by qualified personnel. I further certify that appropriate responses to the findings have been identified and deficiencies were corrected, or are being corrected, consistent with the requirements of subpart D of 40 CFR part 68, as documented herein. Based on my personal knowledge and experience, or inquiry of personnel involved in evaluating the report findings and determining appropriate responses to the findings, the information submitted herein is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment for knowing violations.''

(2) *Schedule to address deficiencies.* The owner or operator shall implement the schedule to address deficiencies identified in the audit findings response report in paragraph (d)(1)(iii) of this section and document the action taken to address each deficiency, along with the date completed.

(3) *Submission to board of directors.* The owner or operator shall immediately provide a copy of each document required under paragraphs (d)(1) and (d)(2) of this section, when completed, to the owner or operator's audit committee of the Board of Directors, or other comparable committee, if one exists.

(e) *Recordkeeping.* The owner or operator shall retain at the stationary source, the following:

(1) The two most recent third-party audit reports, related findings response reports, documentation of actions taken to address deficiencies, and related records. This requirement does not apply to any document that is more than five years old.

(2) Copies of all draft third-party audit reports. The owner or operator shall provide draft third-party audit reports to the implementing agency upon request. This requirement does not apply to any draft audit reports that are more than five years old.

■ 17. Amend § 68.81 by revising paragraphs (a), (d) introductory text, (d)(1), (d)(3) through (5), and adding paragraphs (d)(6) through (8) to read as follows:

§ 68.81 Incident investigation.

(a) The owner or operator shall investigate each incident that:

(1) Resulted in a catastrophic release (including when the affected process is decommissioned or destroyed following, or as the result of, an incident); or

(2) Could reasonably have resulted in a catastrophic release (*i.e.,* was a near miss).

* * * * *

(d) A report shall be prepared at the conclusion of the investigation. The report shall be completed within 12 months of the incident, unless the implementing agency approves, in writing, an extension of time. The report shall include:

(1) Date, time, and location of incident;

* * * * *

(3) A description of the incident, in chronological order, providing all relevant facts;

(4) The name and amount of the regulated substance involved in the release (*e.g.,* fire, explosion, toxic gas loss of containment) or near miss and the duration of the event;

(5) The consequences, if any, of the incident including, but not limited to: Injuries, fatalities, the number of people evacuated, the number of people sheltered in place, and the impact on the environment;

(6) Emergency response actions taken;

(7) The factors that contributed to the incident including the initiating event, direct and indirect contributing factors, and root causes. Root causes shall be determined by conducting an analysis for each incident using a recognized method; and

(8) Any recommendations resulting from the investigation and a schedule for addressing them.

* * * * *

■ 18. Revise § 68.90 to read as follows:

§ 68.90 Applicability.

(a) *Non-responding stationary source.* The owner or operator of a stationary source need not comply with § 68.95 of this part provided that:

(1) The coordination activities required under § 68.93 indicate that adequate local public emergency response capabilities are available to appropriately respond to any accidental release of the regulated substances at the stationary source;

(2) Appropriate mechanisms are in place to notify emergency responders when there is a need for a response; and

(3) The LEPC or equivalent has not requested in writing that the owner or operator comply with the requirements of § 68.95.

(b) *Responding stationary source.* The owner or operator of a stationary source shall coordinate response activities as described in § 68.93. The owner or operator shall also comply with the requirements of § 68.95 when:

(1) The outcome of the response coordination activities demonstrates that local public emergency response capabilities are not adequate to appropriately respond to an accidental release of the regulated substances at the stationary source; or

(2) The LEPC or equivalent requests in writing that the owner or operator of the stationary source comply with the requirements of § 68.95.

■ 19. Section 68.93 is added to subpart E to read as follows:

§ 68.93 Emergency response coordination activities.

The owner or operator of a stationary source shall coordinate response needs with local emergency planning and response organizations to ensure resources and capabilities are in place to respond to an accidental release of a regulated substance.

(a) Coordination shall occur at least annually, and more frequently if necessary, to address changes: At the source; in the source's emergency action plan; in local authorities' response resources and capabilities; or in the local community emergency response plan.

(b) The owner or operator shall document coordination with local authorities, including: The names of individuals involved and their contact information (phone number, email address, and organizational affiliations); dates of coordination activities; and nature of coordination activities.

(c) The owner or operator shall coordinate potential response actions as follows:

(1) For stationary sources with any regulated toxic substance held in a process above the threshold quantity, the owner or operator shall coordinate potential response actions with the LEPC or equivalent and ensure that the stationary source is included in the community emergency response plan developed under 42 U.S.C. 11003; and/or

(2) For stationary sources with only regulated flammable substances held in a process above the threshold quantity, the owner or operator shall coordinate response actions with the local fire department.

■ 20. Amend § 68.95 by:

■ a. Revising paragraph (a)(1)(i);

■ b. Adding a sentence to the end of paragraph (a)(4); and

■ c. Revising paragraph (c).

The revisions and addition read as follows:

68.95 Emergency response program.

(a) * * *

(1) * * *

(i) Procedures for informing the public and the appropriate Federal, state, and local emergency response agencies about accidental releases;

* * * * *

(4) * * * The owner or operator shall review and update the program annually, or more frequently if necessary, to incorporate recommendations and lessons learned from emergency response exercises and/or incident investigations, or other available information.

* * * * *

(c) The emergency response plan developed under paragraph (a)(1) of this section shall be coordinated with the community emergency response plan developed under 42 U.S.C. 11003. Upon request of the LEPC or emergency response officials, the owner or operator shall promptly provide to the local emergency response officials information necessary for developing and implementing the community emergency response plan.

■ 21. Section 68.96 is added to subpart E to read as follows:

§ 68.96 Emergency response exercises.

(a) *Notification exercises.* At least once each calendar year, the owner or operator of a stationary source with any Program 2 or Program 3 process shall conduct an exercise of the source's emergency response notification mechanisms required under § 68.90(a)(2) or § 68.95(a)(1)(i), as appropriate. Owners or operators of responding stationary sources may perform the notification exercise as part of the tabletop and field exercises required in § 68.96(b). The owner/operator shall maintain a written record of each notification exercise conducted over the last five years.

(b) *Emergency response exercise program.* The owner or operator of a stationary source subject to the requirements of § 68.95 shall develop and implement an exercise program for its emergency response program, including the plan required under § 68.95(a)(1). When planning emergency response field and tabletop exercises, the owner or operator shall coordinate with local public emergency response officials and invite them to participate in the exercise. The emergency response exercise program shall include:

(1) *Emergency response field exercises.* The owner or operator shall conduct a field exercise involving the simulated accidental release of a regulated substance (*i.e.,* toxic substance release or release of a regulated flammable substance involving a fire and/or explosion).

(i) *Frequency.* The field exercise shall be conducted at least once every five years, and within one year of any accidental release required to be reported under § 68.42.

(ii) *Scope.* The field exercise shall include tests of: Procedures to notify the public and the appropriate Federal, state, and local emergency response agencies about an accidental release; procedures and measures for emergency response actions including evacuations and medical treatment; communications systems; mobilization of facility emergency response personnel, including contractors, as appropriate; coordination with local emergency responders; equipment deployment; and any other action identified in the emergency response program, as appropriate.

(2) *Tabletop exercises.* The owner or operator shall conduct a tabletop exercise involving the simulated accidental release of a regulated substance. The exercise shall involve facility emergency response personnel, response contractors, and local emergency response and planning officials, as appropriate.

(i) *Frequency.* The owner or operator of a stationary source shall conduct tabletop exercises annually, except during the calendar year when a field exercise is conducted.

(ii) *Scope.* The exercise shall include tests of: Procedures to notify the public and the appropriate Federal, state, and local emergency response agencies; procedures and measures for emergency response including evacuations and medical treatment; identification of facility emergency response personnel

and/or contractors and their responsibilities; coordination with local emergency responders; procedures for equipment deployment; and any other action identified in the emergency response plan, as appropriate.

(3) *Documentation.* The owner/operator shall prepare an evaluation report within 90 days of each exercise. The report shall include: A description of the exercise scenario; names and organizations of each participant; an evaluation of the exercise results including lessons learned; recommendations for improvement or revisions to the emergency response exercise program and emergency response program, and a schedule to promptly address and resolve recommendations.

■ 22. Amend § 68.130 by:

■ a. In Table 1, ''List of Regulated Toxic Substances and Threshold Quantities for Accidental Release Prevention'', under second column entitled ''CAS No.'', removing the number ''107–18–61'' adding ''107–18–6'' in its place; and

■ b. Revising Table 4, ''List of Regulated Flammable Substances and Threshold Quantities for Accidental Release Prevention''.

The revisions read as follows:

TABLE 4 TO § 68.130—LIST OF REGULATED FLAMMABLE SUBSTANCES[1] AND THRESHOLD QUANTITIES FOR ACCIDENTAL RELEASE PREVENTION

[CAS Number Order—63 Substances]

CAS No.	Chemical name	Threshold quantity (lbs)	Basis for listing
60–29–7	Ethyl ether [Ethane, 1,1′-oxybis-]	10,000	g
74–82–8	Methane	10,000	f
74–84–0	Ethane	10,000	f
74–85–1	Ethylene [Ethene]	10,000	f
74–86–2	Acetylene [Ethyne]	10,000	f
74–89–5	Methylamine [Methanamine]	10,000	f
74–98–6	Propane	10,000	f
74–99–7	Propyne [1-Propyne]	10,000	f
75–00–3	Ethyl chloride [Ethane, chloro-]	10,000	f
75–01–4	Vinyl chloride [Ethene, chloro-]	10,000	a, f
75–02–5	Vinyl fluoride [Ethene, fluoro-]	10,000	f
75–04–7	Ethylamine [Ethanamine]	10,000	f
75–07–0	Acetaldehyde	10,000	g
75–08–1	Ethyl mercaptan [Ethanethiol]	10,000	g
75–19–4	Cyclopropane	10,000	f
75–28–5	Isobutane [Propane, 2-methyl]	10,000	f
75–29–6	Isopropyl chloride [Propane, 2-chloro-]	10,000	g
75–31–0	Isopropylamine [2-Propanamine]	10,000	g
75–35–4	Vinylidene chloride [Ethene, 1,1-dichloro-]	10,000	g
75–37–6	Difluoroethane [Ethane, 1,1-difluoro-]	10,000	f
75–38–7	Vinylidene fluoride [Ethene, 1,1-difluoro-]	10,000	f
75–50–3	Trimethylamine [Methanamine, N, N-dimethyl-]	10,000	f
75–76–3	Tetramethylsilane [Silane, tetramethyl-]	10,000	g
78–78–4	Isopentane [Butane, 2-methyl-]	10,000	g
78–79–5	Isoprene [1,3,-Butadiene, 2-methyl-]	10,000	g
79–38–9	Trifluorochloroethylene [Ethene, chlorotrifluoro-]	10,000	f
106–97–8	Butane	10,000	f
106–98–9	1-Butene	10,000	f
106–99–0	1,3-Butadiene	10,000	f
107–00–6	Ethyl acetylene [1-Butyne]	10,000	f
107–01–7	2-Butene	10,000	f
107–25–5	Vinyl methyl ether [Ethene, methoxy-]	10,000	f
107–31–3	Methyl formate [Formic acid, methyl ester]	10,000	g
109–66–0	Pentane	10,000	g
109–67–1	1-Pentene	10,000	g
109–92–2	Vinyl ethyl ether [Ethene, ethoxy-]	10,000	g
109–95–5	Ethyl nitrite [Nitrous acid, ethyl ester]	10,000	f
115–07–1	Propylene [1-Propene]	10,000	f
115–10–6	Methyl ether [Methane, oxybis-]	10,000	f
115–11–7	2-Methylpropene [1-Propene, 2-methyl-]	10,000	f
116–14–3	Tetrafluoroethylene [Ethene, tetrafluoro-]	10,000	f
124–40–3	Dimethylamine [Methanamine, N-methyl-]	10,000	f
460–19–5	Cyanogen [Ethanedinitrile]	10,000	f
463–49–0	Propadiene [1,2-Propadiene]	10,000	f
463–58–1	Carbon oxysulfide [Carbon oxide sulfide (COS)]	10,000	f
463–82–1	2,2-Dimethylpropane [Propane, 2,2-dimethyl-]	10,000	f
504–60–9	1,3-Pentadiene	10,000	f
557–98–2	2-Chloropropylene [1-Propene, 2-chloro-]	10,000	g
563–45–1	3-Methyl-1-butene	10,000	f
563–46–2	2-Methyl-1-butene	10,000	g
590–18–1	2-Butene-cis	10,000	f
590–21–6	1-Chloropropylene [1-Propene, 1-chloro-]	10,000	g
598–73–2	Bromotrifluorethylene [Ethene, bromotrifluoro-]	10,000	f
624–64–6	2-Butene-trans [2-Butene, (E)]	10,000	f
627–20–3	2-Pentene, (Z)-	10,000	g
646–04–8	2-Pentene, (E)-	10,000	g
689–97–4	Vinyl acetylene [1-Buten-3-yne]	10,000	f
1333–74–0	Hydrogen	10,000	f
4109–96–0	Dichlorosilane [Silane, dichloro-]	10,000	f
7791–21–1	Chlorine monoxide [Chlorine oxide]	10,000	f
7803–62–5	Silane	10,000	f
10025–78–2	Trichlorosilane [Silane,trichloro-]	10,000	g

TABLE 4 TO § 68.130—LIST OF REGULATED FLAMMABLE SUBSTANCES[1] AND THRESHOLD QUANTITIES FOR ACCIDENTAL RELEASE PREVENTION—Continued

[CAS Number Order—63 Substances]

CAS No.	Chemical name	Threshold quantity (lbs)	Basis for listing
25167–67–3	Butene	10,000	f

[1] A flammable substance when used as a fuel or held for sale as a fuel at a retail facility is excluded from all provisions of this part (see § 68.126).

NOTE: Basis for Listing:
[a] Mandated for listing by Congress.
[f] Flammable gas.
[g] Volatile flammable liquid.

■ 23. Amend § 68.160 by:
■ a. Revising paragraphs (b)(1), (4), (5), (9), and (12);
■ b. Removing and reserving paragraph (b)(13);
■ c. Revising paragraphs (b)(14) through (18);
■ d. Removing and reserving paragraph (b)(19);
■ e. Revising paragraphs (b)(20)(ii) and (iv); and
■ f. Adding paragraphs (b)(21) through (23).

The revisions and additions reads as follows:

§ 68.160 Registration.

* * * * *

(b) * * *

(1) Stationary source name, street, city, county, state, zip code, latitude and longitude, and description of location that latitude and longitude represent;

* * * * *

(4) The name, telephone number, mailing address, and email address of the owner or operator;

(5) The name and title of the person with overall responsibility for RMP elements and implementation, and the email address for that person;

* * * * *

(9) The number of full-time equivalent employees at the stationary source;

* * * * *

(12) If the stationary source has a CAA Title V operating permit, and if so, the permit number;

* * * * *

(14) The name, mailing address, email address, and telephone number of the contractor who prepared the RMP (if any);

(15) Source or parent company email address (if an email address exists);

(16) Source internet address (if an internet address exists);

(17) Phone number at the source for public inquiries (if a public inquiries phone number exists);

(18) LEPC name, phone number, email address, and internet address (if applicable and available);

* * * * *

(20) * * *

(ii) Corrections under § 68.195 or for purposes of correcting minor clerical errors, updating administrative information, providing missing data elements or reflecting stationary source ownership changes, and which do not require an update and re-submission as specified in § 68.190(b);

* * * * *

(iv) Withdrawals of an RMP for any stationary source that was erroneously considered subject to this part 68;

(21) Whether chemical hazard information has been provided to the LEPC or emergency response officials, pursuant to § 68.205;

(22) Location or means of public access for chemical hazard information made available to the public, pursuant to § 68.210; and

(23) Whether a public meeting has been held following an RMP reportable accident, pursuant to § 68.210(d).

■ 24. Amend § 68.170 by:
■ a. Revising paragraph (a);
■ b. Revising paragraph (d);
■ c. Revising paragraphs (e) introductory text, (e)(1), and (f) through (h);
■ d. Revising paragraphs (i) and (j);
■ e. Removing paragraph (k).

The revisions and additions read as follows:

§ 68.170 Prevention program/Program 2.

(a) For each Program 2 process, the owner or operator shall provide in the RMP the information indicated in paragraphs (b) through (j) of this section. If the same information applies to more than one covered process, the owner or operator may provide the information only once, but shall indicate to which processes the information applies.

* * * * *

(d)(1) Whether safety information requirements, in § 68.48, are implemented.

(2) A list of all Federal and state regulations, industry-specific and established company or stationary source design codes and standards that are applicable, and identify those followed, to demonstrate compliance with the safety information requirements.

(e) The most recent hazard review or hazard review update information, pursuant to § 68.50, including:

(1) The date of completion of the most recent hazard review or hazard review update;

* * * * *

(f) Whether operating procedure requirements, in § 68.52, are implemented.

(g) Whether training requirements, in § 68.54, are implemented.

(h) Whether maintenance requirements, in § 68.56, are implemented.

(i)(1) Whether compliance audit requirements, in § 68.58, are implemented.

(2) The date of the most recent compliance audit.

(3) Whether the most recent compliance audit was a third-party audit, pursuant to §§ 68.58 and 68.59.

(j)(1) Whether incident investigation requirements, in § 68.60, are implemented.

(2) The date of the most recent incident investigation.

(3) Whether root cause analyses have been completed for all accidents and incidents that are subject to the incident investigation requirements in § 68.60.

■ 25. Amend § 68.175 by revising paragraphs (a) and (d) through (o) and removing paragraph (p) to read as follows:

§ 68.175 Prevention program/Program 3.

(a) For each Program 3 process, the owner or operator shall provide the information indicated in paragraphs (b) through (o) of this section. If the same information applies to more than one covered process, the owner or operator may provide the information only once, but shall indicate to which processes the information applies.

* * * * *

(d)(1) Whether process safety information requirements, in § 68.65, are implemented.

(2) A list of all Federal and state regulations, industry-specific and established company or stationary source design codes and standards that are applicable, and identify those followed, to demonstrate compliance with the process safety information requirements.

(e)(1)The most recent process hazard analysis (PHA) or PHA update and revalidation information, pursuant to § 68.67, including:

(i) The date of completion of the most recent PHA or update and the technique used;

(ii) Major hazards identified;

(iii) Process controls in use;

(iv) Mitigation systems in use;

(v) Monitoring and detection systems in use; and

(vi) Changes since the last PHA.

(2)(i) Whether the current PHA addresses safer technology and alternative risk management measures, as required in § 68.67(c)(8).

(ii) Whether any inherently safer technology or design measures were implemented.

(iii) If any inherently safer technology or design measures were implemented, identify the measure and the technology category (substitution, minimization, simplification, and/or moderation).

(f) Whether operating procedure requirements, in § 68.69, are implemented.

(g) Whether training requirements, in § 68.71, are implemented.

(h) Whether mechanical integrity requirements, in § 68.73, are implemented.

(i) Whether management of change requirements, in § 68.75, are implemented.

(j) Whether pre-startup review requirements, in § 68.77, are implemented.

(k)(1) Whether compliance audit requirements, in § 68.79, are implemented.

(2) The date of the most recent compliance audit.

(3) Whether the most recent compliance audit was a third-party audit, pursuant to §§ 68.79 and 68.80.

(l)(1) Whether incident investigation requirements, in § 68.81, are implemented.

(2) The date of the most recent incident investigation.

(3) Whether root cause analyses have been completed for all accidents and incidents that are subject to the incident investigation requirements in § 68.81.

(m) Whether employee participation requirements, in § 68.83, are implemented.

(n) Whether hot work permit requirements, in § 68.85, are implemented.

(o) Whether contractor safety requirements, in § 68.87, are implemented.

■ 26. Revise § 68.180 to read as follows:

§ 68.180 Emergency response program and exercises.

(a) The owner or operator shall provide in the RMP:

(1) Name, organizational affiliation, phone number, and email address of local emergency planning and response organizations with which the stationary source last coordinated emergency response efforts, pursuant to § 68.10(b)(3) or § 68.93;

(2) Whether coordination with the local emergency response organizations is occurring at least annually, pursuant to § 68.93(a); and

(3) A list of Federal or state emergency plan requirements to which the stationary source is subject.

(b) The owner or operator shall identify whether the facility is a responding stationary source or a non-responding stationary source, pursuant to § 68.90.

(1) For non-responding stationary sources, the owner or operator shall identify:

(i) Whether the owner or operator of the stationary source has confirmed that the local emergency response entity is capable of responding to accidental releases at the stationary source;

(ii) Whether appropriate mechanisms are in place to notify public emergency responders when there is a need for emergency response; and

(iii) Whether a notification exercise occurs at least annually, as required in § 68.96(a).

(2) For responding stationary sources, the owner or operator shall identify:

(i) Whether the LEPC or local response entity requested the stationary source to be a responding stationary source as required in § 68.90(a)(3);

(ii) Whether the stationary source complies with emergency response program requirements in § 68.95;

(iii) Whether a notification exercise occurs at least annually, as required in § 68.96(a);

(iv) Whether a field exercise is conducted every five years and after any RMP reportable accident, pursuant to § 68.96(b)(1)(i); and

(v) Whether a tabletop exercise occurs at least annually, except during the calendar year when a field exercise is conducted, as required in § 68.96(b)(2)(i).

■ 27. In § 68.190 amend paragraph (c) by adding a sentence at the end to read as follows:

§ 68.190 Updates.

* * * * *

(c) * * * Prior to de-registration the owner or operator shall meet applicable reporting and incident investigation requirements in accordance with §§ 68.42, 68.60, and/or 68.81.

■ 28. Amend § 68.195 by revising paragraph (a) to read as follows:

§ 68.195 Required corrections.

* * * * *

(a) *New accident history information.* (1) For any accidental release meeting the five-year accident history reporting criteria of § 68.42 and occurring after April 9, 2004, the owner or operator shall submit the data required under § 68.168, except for root cause information required in § 68.42(b)(10), with respect to that accident within six months of the release or by the time the RMP is updated under § 68.190, whichever is earlier.

(2) Root cause information required under § 68.42(b)(10) shall be submitted within 12 months, or by the alternative timeframe provided by an implementing agency, as specified in §§ 68.60(d) or 68.81(d).

* * * * *

■ 29. Revise § 68.200 to read as follows:

§ 68.200 Recordkeeping.

The owner or operator shall maintain records supporting the implementation of this part at the stationary source for five years, unless otherwise provided in subpart D of this part.

■ 30. Section § 68.205 is added to subpart H to read as follows:

§ 68.205 Availability of information to the LEPC or emergency response officials.

(a) *RMP availability.* The RMP required under subpart G of this part shall be available to local emergency responders and LEPCs under 42 U.S.C. 7414(c) and 40 CFR part 1400.

(b) *Chemical hazard information.* The owner or operator of a stationary source shall develop summaries of chemical hazard information for all regulated processes and provide the information, upon request, to the LEPC or emergency response officials. Information shall include, as applicable:

(1) *Information on regulated substances.* Names and quantities of regulated substances held in a process.

(2) *Accident history information.* Provide the five-year accident history information required to be reported under § 68.42.

(3) *Compliance audit reports.* Summaries of compliance audit reports developed in accordance with §§ 68.58, 68.59, 68.79, or 68.80, as applicable, updated as part of the calendar year submission described in subparagraph (c). The summary shall include:

(i) The date of the report;

(ii) Name and contact information of auditor and facility contact person;

(iii) Brief description of the findings;

(iv) An appropriate response to each of the findings; and

(v) Schedule for addressing each of the findings, as applicable.

(4) *Incident investigation reports.* Summaries of incident investigation reports developed in accordance with § 68.60(d) or § 68.81(d), as applicable. The summary shall include:

(i) Description of the incident and events leading up to it, including a timeline;

(ii) Brief description of the process involved;

(iii) Names and contact information of personnel on the investigation team;

(iv) Direct, contributing, and root causes of the incident;

(v) On-site and offsite impacts;

(vi) Emergency response actions taken;

(vii) Recommendations; and

(viii) Schedule for implementing recommendations, as applicable.

(5) *Inherently safer technology.* For each process in NAICS codes 322, 324, and 325, provide a summary of the inherently safer technologies (IST) or inherently safer designs (ISD) implemented or planned, in accordance with § 68.67(c)(8). Update the summary, as part of the calendar year submission described in subparagraph (c), and following any revisions prepared in accordance with 68.67(f) and indicate when no revisions are incorporated, as applicable. The summary shall include:

(i) The RMP process ID and process description, if provided, of the process affected;

(ii) A brief description of the IST or ISD and which IST/ISD type of measure best characterizes it: Minimization, substitution, moderation or simplification;

(iii) The name of the RMP regulated substance(s) whose hazard, potential exposure or risk was or will be reduced as a result of the implementation and whether the substance is listed as a toxic or flammable. If the chemicals affected are a mixture of flammables, the name ''flammable mixture'' may be used rather than the individual flammable substance names; and

(iv) The date of implementation or planned implementation.

(6) *Exercises.* Information on emergency response exercises required under § 68.96. The information shall include schedules for upcoming exercises, reports for completed exercises as described in § 68.96(b)(3), and any other related information.

(c) *Submission dates and updates.* The owner or operator shall update summary information every calendar year, including all applicable information that was revised since the last submission, and provide the information upon request.

(d) *Classified information.* The disclosure of information classified by the Department of Defense or other Federal agencies or contractors of such agencies shall be controlled by applicable laws, regulations, or executive orders concerning the release of classified information.

(e) *CBI.* An owner or operator asserting CBI for information required under this section shall provide a sanitized version to the LEPC or emergency response officials. Assertion of claims of CBI and substantiation of CBI claims shall be in the same manner as required in 40 CFR 68.151 and 68.152 for information contained in the RMP required under subpart G of this part. As provided under 40 CFR 68.151(b)(3), an owner or operator of a stationary source may not claim five-year accident history information as CBI. As provided in 40 CFR 68.151(c)(2), an owner or operator of a stationary source asserting that a chemical name is CBI shall provide a generic category or class name as a substitute.

■ 31. Revise § 68.210 to read as follows:

§ 68.210 Availability of information to the public.

(a) *RMP availability.* The RMP required under subpart G of this part shall be available to the public under 42 U.S.C. 7414(c) and 40 CFR part 1400.

(b) *Chemical hazard information.* The owner or operator of a stationary source shall distribute chemical hazard information for all regulated processes to the public in an easily accessible manner, such as on a company Web site, including, as applicable:

(1) *Regulated substances information.* Names of regulated substances held in a process.

(2) *Safety data sheets (SDS).* SDSs for all regulated substances located at the facility.

(3) *Accident history information.* Provide the five-year accident history information required to be reported under § 68.42.

(4) *Emergency response program.* Summary information concerning the source's compliance with § 68.10(b)(3) or the emergency response provisions of subpart E, including:

(i) Whether the source is a responding stationary source or a non-responding stationary source;

(ii) Name and phone number of local emergency response organizations with which the owner or operator last coordinated emergency response efforts, pursuant to § 68.180; and

(iii) For sources subject to § 68.95, procedures for informing the public and local emergency response agencies about accidental releases;

(5) *Exercises.* The summary information required under § 68.205(b)(6).

(6) *LEPC contact information.* Include LEPC name, phone number, and Web address as available.

(c) *Submission dates and updates.* The owner or operator shall update and submit information required under § 68.210(b) every calendar year, including all applicable information that was revised since the last update.

(d) *Public meetings.* The owner or operator of a stationary source shall hold a public meeting to provide information required under § 68.42 as well as other relevant chemical hazard information, such as that described in paragraph (b), within 30 days of any accident subject to reporting under § 68.42.

(e) *Classified information.* The disclosure of information classified by the Department of Defense or other Federal agencies or contractors of such agencies shall be controlled by applicable laws, regulations, or executive orders concerning the release of classified information.

(f) *CBI.* An owner or operator asserting CBI for information required under this section shall provide a sanitized version to the public. Assertion of claims of CBI and substantiation of CBI claims shall be in the same manner as required in 40 CFR 68.151 and 68.152 for information contained in the RMP required under subpart G. As provided under 40 CFR 68.151(b)(3), an owner or operator of a stationary source may not claim five-year accident history information as CBI. As provided in 40 CFR 68.151(c)(2), an owner or operator of a stationary source asserting that a chemical name is CBI shall provide a generic category or class name as a substitute.

[FR Doc. 2016–05191 Filed 3–11–16; 8:45 am]

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