§ 1420.1 [Amended]

2. In the second sentence of § 1420.1, remove the words, “April 30, 2012”, and add in their place “January 1, 2019”.

3. Revise § 1420.3(a) to read as follows:

§ 1420.3 Requirements for four-wheel ATVs.


For further information contact:

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SUPPLEMENTARY INFORMATION:

A. Background

The Federal Hazardous Substances Act (FDSA), 15 U.S.C. 1261–1278, requires appropriate cautionary labeling on certain hazardous household substances to alert consumers to the potential hazards that a product may present. Among the hazards addressed by the FDSA are products that are toxic, corrosive, ignitable, combustible, or strong sensitizers. The FDSA and the Commission’s regulations at 16 CFR part 1500 provide the definitions and test methods used to determine whether a substance is “hazardous” under the FDSA. Specifically, § 1500.3(b) of these regulations restate the statutory definitions that are in the FDSA. Section 1500.3(c) interprets, supplements, or provide alternatives to the statutory definitions. Section 1500.40 provides the method of testing toxic substances.

On December 10, 2012, the CPSC amended and updated regulations on the CPSC’s animal testing methods under the FDSA (77 FR 73289). Among other things, the amendment to 16 CFR 1503.3 explained that alternative test methods exist that avoid, reduce, or refine animal testing to determine toxicity. At the same time, the CPSC codified its statement of policy on animal testing to reflect new test methods accepted by the scientific community, including recommendations of the Interagency Coordinating Committee on the Validation of Alternative Methods in a new section, 16 CFR 1500.232. (77 FR 73286). Sections 1500.3(c) and 1500.232 cross-reference each other.

CPSC staff recently reviewed the animal testing regulations. Staff’s review showed that when CPSC revised the animal testing regulations, the definitions in 16 CFR 1500.3(c)(2)(i), inadvertently removed the definition of “acute toxicity” (oral, dermal, and inhalation). Before the 2012 amendment, this definition appeared at § 1500.3(c)(2)(i)(A) through (C). We are amending § 1500.3(c)(2)(i) to restore the “acute toxicity” definition. In addition, staff found that two other corrections are needed. As explained below, we are reininserting a sentence into the definition of “corrosive” in § 1500.3, and we are correcting a reference that appears in the regulation on method of testing toxic substances at § 1500.40.

B. Amendments

1. Definition of “Toxic”

The FDSA defines the term “toxic.” 15 U.S.C. 1261(f). The Commission has issued regulations that supplement the FDSA’s statutory definition under 16 CFR 1500.3(c). Before 2012, the regulatory definitions included a definition of “acute toxicity,” which provided guidance on the toxicity of substances falling in different toxicity ranges for oral, dermal, and inhalation exposures. The Commission intended to retain those paragraphs in the CFR under § 1500.3(c)(2)(i) when it amended the animal testing regulations. 77 FR 73293. However, the subsequent
generally requires notice and comment rulemaking. 5 U.S.C. 553. The direct final rule process is an appropriate process for expediting the issuance of non-controversial rules. In Recommendation 95–4, the Administrative Conference of the United States (ACUS) endorsed direct final rulemaking as an appropriate procedure to expedite promulgating rules that are noncontroversial and that are not expected to generate significant adverse comment. See 60 FR 43108 (August 18, 1995). Consistent with the ACUS recommendation, the Commission is publishing this rule as a direct final rule because we believe the corrections will not be controversial. The rule will not impose any new obligations, but rather, will restate and correct text that was inadvertently omitted and correct references. Therefore, the Commission believes this rulemaking is a non-controversial matter that is not likely to engender any significant comments.

Unless we receive a significant adverse comment within 30 days, the rule will take effect on April 30, 2018. In accordance with ACUS’s recommendation, the Commission considers a significant adverse comment to be one where the commenter explains why the rule would be inappropriate, including an assertion challenging the rule’s underlying premise or approach, or a claim that the rule would be ineffective or unacceptable without change.

Should the Commission receive a significant adverse comment, the Commission would withdraw this direct final rule. Depending on the comments and other circumstances, the Commission may then incorporate the adverse comment into a subsequent direct final rule or publish a notice of proposed rulemaking, providing an opportunity for public comment.

D. Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA) generally requires that agencies review proposed and final rules for their potential economic impact on small entities, including small businesses, and prepare regulatory flexibility analyses. 5 U.S.C. 603 and 604. When CPSC issued the animal testing regulations in December 2012, staff assessed the potential effect the regulations would have on small businesses, and the Commission certified that the rule would not have a significant impact on a substantial number of small entities.

E. Paperwork Reduction Act

This rule would not impose any information collection or disclosure requirements. Accordingly, the rule is not subject to the Paperwork Reduction Act, 44 U.S.C. 3501–3520.

F. Environmental Considerations

This rule makes corrections to regulatory definitions and references. As such, the rule will not affect the human environment. See 16 CFR 1021.5.

List of Subjects in 16 CFR Part 1500

Consumer protection, Hazardous substances, Imports, Infants and children, Labeling, Law enforcement, Reporting and recordkeeping requirements, Toys.

Accordingly, 16 CFR part 1500 is amended as follows:

PART 1500—[AMENDED]

1. The authority citation for part 1500 is revised to read as follows:


2. Amend §1500.3 by:

a. Revising paragraph (c)(2)(i); and

b. Adding a sentence to the beginning of paragraph (c)(3).

The revision and addition read as follows:

§1500.3 Definitions.

a. Revising paragraph (c)(2)(i); and

b. Adding a sentence to the beginning of paragraph (c)(3).

The revision and addition read as follows:

§1500.3 Definitions.

3. Method of Testing Toxic Substances

The method of testing toxic substances for acute dermal toxicity is set forth in 16 CFR 1500.40. Currently, the method of testing the toxic substances references “§1500.3(c)(1)(ii)(C) and (c)(2)(iii)”.

However, §1500.3(c)(2)(i) does not exist. Accordingly, the Commission is revising §1500.40 to correct the references for testing toxic substances, which are §1500.3(c)(1) and (2).

C. Direct Final Rule Process

The Commission is issuing this rule as a direct final rule. The Administrative Procedure Act (APA) generally requires notice and comment rulemaking. 5 U.S.C. 553. The direct final rule process is an appropriate process for expediting the issuance of non-controversial rules. In Recommendation 95–4, the Administrative Conference of the United States (ACUS) endorsed direct final rulemaking as an appropriate procedure to expedite promulgating rules that are noncontroversial and that are not expected to generate significant adverse comment. See 60 FR 43108 (August 18, 1995). Consistent with the ACUS recommendation, the Commission is publishing this rule as a direct final rule because we believe the corrections will not be controversial. The rule will not impose any new obligations, but rather, will restate and correct text that was inadvertently omitted and correct references. Therefore, the Commission believes this rulemaking is a non-controversial matter that is not likely to engender any significant comments.

Unless we receive a significant adverse comment within 30 days, the rule will take effect on April 30, 2018. In accordance with ACUS’s recommendation, the Commission considers a significant adverse comment to be one where the commenter explains why the rule would be inappropriate, including an assertion challenging the rule’s underlying premise or approach, or a claim that the rule would be ineffective or unacceptable without change.

Should the Commission receive a significant adverse comment, the Commission would withdraw this direct final rule. Depending on the comments and other circumstances, the Commission may then incorporate the adverse comment into a subsequent direct final rule or publish a notice of proposed rulemaking, providing an opportunity for public comment.
volume of mist or dust, is inhaled continuously for 1 hour or less, if such concentration is likely to be encountered by man when the substance is used in any reasonably foreseeable manner; and/or
(C) Rabbits (each weighing between 2.3 and 3.0 kilograms) when a dosage of more than 200 milligrams but not more than 2 grams per kilogram of body weight is administered by continuous contact with the bare skin for 24 hours by the method described in §1500.40.
(D) The number of animals tested shall be sufficient to give a statistically significant result and shall be in conformity with good pharmacological practices. Toxic also applies to any substance that can be labeled as such, based on the outcome of any of the approved test methods described in the CPSC’s animal testing policy set forth in §1500.232, including data from in vitro or in silico test methods that the Commission has approved; or a validated weight-of-evidence analysis comprising all of the following that are available: Existing human and animal data, structure activity relationships, physicochemical properties, and chemical reactivity data.

(3) The definition of corrosive in section 2(i) of the act (restated in paragraph (b)(7) of this section) is interpreted to also mean the following:

* * * * *

§1500.40 [Amended]

3. Amend the last sentence of the introductory text of §1500.40 by removing the citation “§1500.3(c)(1)(ii)(C) and (c)(2)(iii)” and adding in its place “§1500.3(c)(1) and (2).”

Alberta E. Mills,
Secretary, Consumer Product Safety Commission.

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SECURITIES AND EXCHANGE COMMISSION

17 CFR Parts 270 and 274

[Release No. IC–33010; File No. S7–03–18]

RIN 3235–AM26

Investment Company Liquidity Risk Management Programs; Commission Guidance for In-Kind ETFs

AGENCY: Securities and Exchange Commission.

ACTION: Interim final rule; request for comment; interpretation.

SUMMARY: The Securities and Exchange Commission is adopting an interim final rule that revises the compliance date for the requirements of rule 22e–4 for classification, highly liquid investment minimum, and board approval, as well as related reporting requirements of Part D on Form N–LIQUID and liquidity-related disclosures on Form N–PORT under the Investment Company Act of 1940. The revised compliance date will be June 1, 2019, for larger entities (revised from December 1, 2018) and December 1, 2019, for smaller entities (revised from June 1, 2019). The Commission is not extending the compliance date for the other provisions of rule 22e–4 and Form N–LIQUID, and liquidity-related changes to Form N–CEN—which remain December 1, 2018 for larger entities and June 1, 2019 for smaller entities. The Commission also is not extending the compliance date for the liquidity-related provisions of Form N–1A, which has already passed. Finally, the Commission is providing guidance to assist funds that will not be engaging in full portfolio classification before the revised compliance date, and In-Kind ETFs, which are not required to engage in full portfolio classification, in identifying illiquid investments for purposes of complying with the 15% illiquid investment limit.

DATES:

Effective Dates: The effective date of the interim final rule is March 29, 2018. The effective date for 17 CFR 270.22e–4 and 270.30b1–10 and the amendments to Form N–PORT (referenced in 17 CFR 274.150) published at 81 FR 82267 (November 18, 2016) remains January 17, 2017, and the effective date for amendments to Form N–CEN (referenced in 17 CFR 274.101) published at 81 FR 82267 (November 18, 2016) remains June 1, 2018.

Compliance Dates: The compliance date for 17 CFR 270.22e–4(b)(1)(i) except to the extent referenced in 17 CFR 270.22e–4(b)(8); 17 CFR 270.22e–4(b)(1)(ii), 17 CFR 270.22e–4(b)(2)(i) and (ii), and (iii), certain elements of 17 CFR 270.22e–4(b)(3) related to the delayed provisions of rule 22e–4, and the liquidity-related amendments to Form N–PORT (discussed in section I.C below) and Part D of Form N–LIQUID have been extended until June 1, 2019 for larger entities, and December 1, 2019 for smaller entities, as defined in section I below.

Comment Date: Comments should be received on or before April 27, 2018.

ADDRESSES: Comments may be submitted by any of the following methods:

Electronic Comments

• Use the Commission’s internet comment form (http://www.sec.gov/rules/interim-final-temp.shtml);
• Send an email to rule-comments@sec.gov. Please include File Number S7–03–18 on the subject line; or

Paper Comments

• Send paper comments to Brent J. Fields, Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549–1090.

All submissions should refer to File Number S7–03–18. This file number should be included on the subject line if email is used. To help us process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission’s internet website (http://www.sec.gov/rules/interim-final-temp.shtml). Comments are also available for website 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. All comments received will be posted without change. Persons submitting comments are cautioned that we do not redact or edit personal identifying information from comment submissions. You should submit only information that you wish to make available publicly.

Studies, memoranda, or other substantive items may be added by the Commission or staff to the comment file during this rulemaking. A notification of the inclusion in the comment file of any such materials will be made available on the Commission’s website. To ensure direct electronic receipt of such notifications, sign up through the “Stay Connected” option at www.sec.gov to receive notifications by email.

FOR FURTHER INFORMATION CONTACT: Zeena Abdul-Rahman, Senior Counsel, or Thoreau Bartmann, Senior Special Counsel, at (202) 551–6792, Division of Investment Management, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549–8549.