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DEPARTMENT OF AGRICULTURE

Animal and Plant Health Inspection Service

7 CFR Part 319

[Docket No. APHIS–2015–0015]

RIN 0579–AE13

Importation of Fresh Cherimoya Fruit From Chile Into the United States

AGENCY: Animal and Plant Health Inspection Service, USDA.

ACTION: Final rule.

SUMMARY: We are amending the regulations to allow the importation of fresh cherimoya fruit from Chile into the continental United States in accordance with a systems approach as an alternative to the current required treatment. Commercial consignments of fresh cherimoya fruit are currently authorized entry into all ports of the United States from Chile subject to a mandatory soapy water and wax treatment. The systems approach includes requirements for production site registration, low pest prevalence area certification, post-harvest processing, and inspection at the packinghouse. The fruit will also be required to be imported in commercial consignments and accompanied by a phytosanitary certificate with an additional declaration stating that the consignment was produced in accordance with the regulations. Fresh cherimoya fruit that does not meet the conditions of the systems approach or is imported into locations outside the continental United States will continue to be allowed to be imported into the United States subject to the current soapy water and wax treatment. This will allow for the importation of fresh cherimoya fruit from Chile while continuing to provide protection against the introduction of plant pests into the continental United States.

DATES: Effective April 30, 2018.

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.

SUPPLEMENTARY INFORMATION:

Background

Under the regulations in ''Subpart—Fruits and Vegetables'' (7 CFR 319.56–1 through 319.56–81, referred to below as the regulations or the fruits and vegetables regulations), the Animal and Plant Health Inspection Service (APHIS) of the United States Department of Agriculture (USDA) 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 and spread within the United States.

Currently, pursuant to 7 CFR 319.56–4(a), fresh cherimoya (*Annona cherimola*) fruit from Chile may be imported into the United States provided that the shipment has undergone a soapy water and wax treatment (T102-b) in accordance with the Plant Protection and Quarantine Treatment Manual to mitigate against infestation by the false red mite (*Brevipalpus chilensis*), is accompanied by a permit, and subjected to inspection and shipping procedures.

On April 4, 2016, we published in the **Federal Register** (81 FR 19060–19063, Docket No. APHIS–2015–0015) a proposal [1] to amend the regulations to also allow for the importation of fresh cherimoya fruit from Chile into the continental United States provided that fruit is produced in accordance with a systems approach, as an alternative to the currently required treatment.

We solicited comments concerning our proposal for 60 days ending June 3, 2016. We received 26 comments by that date. They were from importers, exporters, distributors, organizations, private citizens, and representatives of State and foreign governments. Of these, 17 were supportive of the proposed action. The remainder are discussed below, by topic.

[1] To view the proposed rule, supporting documents, and the comments we received, go to *http://www.regulations.gov/#!docketDetail;D=APHIS-2015-0015.*

Pest Risk Mitigations

An issue of concern to several commenters was the potential introduction of the false red mite into the United States via infested fresh cherimoya fruit from Chile. One commenter stated that the post-harvest procedures noted in the pest risk assessment (PRA) of blowing fruit with compressed air to remove dust and insects, along with selection and manual packing of the fruit, would be insufficient to reliably remove pests from the pathway of fresh fruit imported into the continental United States. Another commenter also was concerned about the testing of only two or three fruit samples from each registered production site, wanting to ensure that sample sizes would be large enough to prevent pest-infested fruit from entering citrus and grape production areas in the United States. This commenter suggested incorporating an additional checkpoint test for false red mite on random fruit samples in the packaging sites prior to clearance for export.

We note that the mitigations mentioned by the first commenter are standard industry practices, not the mitigations for false red mite (though the standard industry practices may remove some mites from the pathway). Chile will be allowed to export fresh cherimoya fruit to the United States subject to either a soapy water and wax treatment (as currently allowed), or through a systems approach based on low pest prevalence. Orchard and packinghouse inspections will be required to verify and maintain place of production freedom from false red mite. Chile is currently using the same systems approach for a number of other commodities (*e.g.* citrus, baby kiwi, pomegranate, and kiwi) with a high success rate, and there have been almost no findings of false red mite associated with the importation of susceptible commodities from Chile at U.S. ports of entry. Chile will be taking 100 samples from each production site to verify low prevalence; these samples will undergo pest detection and evaluation using a washing method where the fruit will be placed in a 20-mesh sieve on top of a 200-mesh sieve, sprinkled with a liquid soap and water solution, washed with water at high pressure, and washed with water at low pressure. The process will then be repeated. Then the sieve contents will undergo microscopic

analysis to detect the presence of false red mite. Each shipment of fruit destined for the United States also will be sampled for false red mite, usually amounting to 150 fruit, using the same washing method. Contrary to the second commenter's assertion, many more than two or three samples will be taken to verify that false red mite is not present. The sampling will be done in Chile under the supervision of APHIS preclearance employees. The sampling rate for the fruit is designed to detect a 2 percent or greater infestation rate with 95 percent confidence.

One commenter questioned why the alternative conditions for the importation of cherimoyas was being proposed and asked if it was a reflection of cost, stating that cost-saving measures alone should not be adopted if they increase the potential for greater phytosanitary risk.

The original soapy water and wax treatment for cherimoya is older than the systems approach. Chile requested the systems approach as an option for fresh cherimoya fruit being exported to the continental United States, and we have determined that it provides an equivalent level of phytosanitary security.

One commenter expressed support for the proposed rule with the caveat that any treatments conducted be equivalent to those required domestically, and that any imported fruit not meeting proper standards upon arrival in the United States receive additional treatment so as not to waste the fruit.

The Tripartite Agreement on Phytosanitary Cooperation between USDA, Chilean Association of Fresh Fruit Exporters, and the Agriculture and Livestock Service of the Chilean Ministry of Agriculture has been in operation since 1982. This agreement requires that all fruit exported to the United States be shipped from Chile with the required phytosanitary certification (preclearance program). Under the preclearance program, the national plant protection organization (NPPO) of Chile must provide an operational workplan to APHIS that details the activities that the NPPO of Chile will, subject to APHIS' approval of the workplan, carry out to comply with our regulations governing the import or export of a specific commodity. Operational workplans establish procedures and guidance for the day-to-day operations of specific import/export programs, specify how phytosanitary issues are dealt with in the exporting country, and make clear who is responsible for dealing with those issues. APHIS and the NPPO of Chile have an existing operational workplan for commodities imported into the United States pursuant to a systems approach; this current operational workplan will be revised to reflect the contents of this final rule. USDA offices in Chile make possible the supervision of all phytosanitary aspects of each export shipment, whether fumigated, treated with soapy water and wax, or inspected, thus providing the necessary quarantine assurances to the U.S. market. All activities related to implementation of system approaches for export are directly supervised by USDA personnel. There is sufficient oversight for all treatment of fruit bound for export from Chile to the United States.

If a commodity arrives in the United States and is found to be infested with a quarantine pest, treatment will be offered only if there is an APHIS-approved treatment available. For fresh cherimoya fruit from Chile, the only approved treatment for false red mite is the soapy water and wax treatment, which must be performed in the country of origin. As there is no APHIS-approved treatment option for infested fresh cherimoya fruit at U.S. ports of entry at this time, consignments found to be infested with quarantine pests would have to be re-exported or destroyed.

Another commenter requested that fresh cherimoya fruit produced under this systems approach not be shipped into certain States due to the exotic pest-conducive environments in the Chilean production area, which in turn would place a high risk of infestation on the States' broad range of fruit and vegetable crops.

We do not agree with this commenter. Though not unprecedented, taking this kind of action for such a minor commodity would be unusual. APHIS believes that the proposed systems approach mitigations are sufficient to provide phytosanitary protection. As previously indicated, the systems approach currently is being used for citrus, baby kiwi, pomegranate, and kiwi with a high success rate, with almost no interceptions of false red mite at U.S. ports of entry. Furthermore, from 1984 to 2013 there have been no interceptions of *Brevipalpus chilensis* on cherimoya from Chile.[2]

Following post-harvest processing, fresh cherimoya fruit must undergo inspection and sampling to check for the presence of false red mites. Two commenters stated that checking for the pest presence in fruit should be done only in the final stages of the process during the preclearance program inspection. One of these commenters also expressed concern regarding the use of biometric sampling instead of the 2 percent currently used for phytosanitary inspections of fresh cherimoya fruit. The commenter stated that this represented a larger number of fruit and therefore would result in a greater loss of boxes from commercial batches if sampled fruit is to be discarded.

During the preclearance program inspection in Chile, any consignments containing false red mite will be rejected and the production sites will be removed from the program for the rest of that harvest season. Production sites will have to requalify as low prevalence before they can ship in the next season. With respect to the issue of biometric sampling, the proposed method is not destructive sampling. Once the biometric sample is drawn from each consignment of fruit, the fruit will be visually inspected for quarantine pests and a portion of the biometric sample must be washed with soapy water. The collected filtrate after washing must then be microscopically examined for the presence of false red mite. Fruit samples that do not contain false red mite can simply be washed and placed back into their boxes. APHIS will select the sampling rate based on the hypergeometric distribution; normally to find a 2 percent pest population, 150 fruits will be inspected. Except for very small shipments, a 2 percent straight sample will require sampling more fruit than the hypergeometric distribution would require. Again, we note that this is not destructive sampling, but merely a wash for mite, after which, uninfested fruits would be returned to their boxes.

Economic Impacts

One commenter expressed concern that the proposed regulation does not provide a monetary assessment or a prediction of how the regulation would impact the price of fruit.

We do not have information on whether the systems approach allowed by this rule will lower the cost of exporting fresh cherimoya fruit from Chile to the United States, in comparison to the current soapy water and wax treatment for false red mite, or on the extent to which any cost savings may be passed on to U.S. importers. We expect cost savings due to this rule will be minimal. We also expect any increase in the quantity of fresh cherimoya fruit imported from Chile because of this rule to be limited, given that over 80 percent of Chile's fresh cherimoya fruit exports are already destined for the United States. If modest price or quantity

[2] See footnote 1 for a link to the Commodity Import Evaluation Document.

effects for fresh cherimoya fruit imports from Chile do occur, impacts for U.S. producers will be slight because of different marketing seasons. As reported by the Agricultural Marketing Resource Center,[3] the marketing season for fresh California cherimoya fruit usually starts in January and lasts until May. Fresh cherimoya fruit imports from South America (mainly from Chile) are usually in the fall.

Miscellaneous

We have made minor, nonsubstantive changes to clarify a few provisions in the regulatory text. These editorial changes do not substantively affect the import requirements.

Therefore, for the reasons given in the proposed rule and this document, we are adopting the proposed rule as a final rule, with the changes discussed in this document.

Executive Orders 12866 and 13771 and Regulatory Flexibility Act

This final rule has been determined to be not significant for the purposes of Executive Order 12866 and, therefore, has not been reviewed by the Office of Management and Budget. Further, because this final rule is not significant, it is not a regulatory action under Executive Order 13771.

In accordance with the Regulatory Flexibility Act, we have analyzed the potential economic effects of this action on small entities. The analysis is summarized below. Copies of the full analysis are available on the *Regulations.gov* website (see footnote 1 in this document for a link to Regulations.gov) or by contacting the person listed under **FOR FURTHER INFORMATION CONTACT**.

Over 80 percent of Chile's fresh cherimoya fruit exports are to the United States. Any economic impact of this rule for U.S. entities will be minor because the volume of fresh cherimoya fruit imported from Chile is not expected to change significantly. Any effect on fresh cherimoya fruit prices received by U.S. producers will be all the more muted because of the difference in marketing seasons. As previously indicated, the Agricultural Marketing Resource Center reports that the season for fresh California cherimoya fruit usually starts in January and lasts until May. Fresh cherimoya fruit from South America (mainly from Chile) usually is imported in the fall.

Under these circumstances, the Administrator of the Animal and Plant Health Inspection Service has determined that this action will not have a significant economic impact on a substantial number of small entities.

Executive Order 12988

This final rule allows fresh cherimoya fruit to be imported into the continental United States from Chile under a systems approach. State and local laws and regulations regarding fresh cherimoya fruit imported under this rule will be preempted while the fruit is in foreign commerce. Fresh fruits are generally imported for immediate distribution and sale to the consuming public, and remain in foreign commerce until sold to the ultimate consumer. The question of when foreign commerce ceases in other cases must be addressed on a case-by-case basis. No retroactive effect will be given to this rule, and this rule will not require administrative proceedings before parties may file suit in court challenging this rule.

Paperwork Reduction Act

In accordance with section 3507(d) of the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*), the information collection requirements included in this final rule, which were filed under control number 0579–0444, have been submitted for approval to the Office of Management and Budget (OMB). When OMB notifies us of its decision, if approval is denied, we will publish a document in the **Federal Register** providing notice of what action we plan to take.

E-Government Act Compliance

The Animal and Plant Health Inspection Service is committed to compliance 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. For information pertinent to E-Government Act compliance related to this rule, please contact Ms. Kimberly Hardy, APHIS' Information Collection Coordinator, at (301) 851–2483.

List of Subjects in 7 CFR Part 319

Coffee, Cotton, Fruits, Imports, Logs, Nursery stock, Plant diseases and pests, Quarantine, Reporting and recordkeeping requirements, Rice, Vegetables.

Accordingly, we are amending 7 CFR part 319 as follows:

PART 319–FOREIGN QUARANTINE NOTICES

■ 1. The authority citation for part 319 continues to read as follows:

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.

■ 2. Section 319.56–82 is added to read as follows:

§ 319.56–82 Fresh cherimoya from Chile.

Fresh cherimoya (*Annona cherimola*) fruit may be imported into the United States from Chile only under the following conditions and in accordance with all other applicable provisions of this subpart. These conditions are designed to prevent the introduction of the following quarantine pest: *Brevipalpus chilensis* mites.

(a) *Commercial consignments.* The fresh cherimoya fruit may be imported in commercial consignments only.

(b) The risks presented by *Brevipalpus chilensis* mites must be addressed in one of the following ways:

(1) *Importation into the United States.* The fresh cherimoya fruit are subject to treatment and certification consisting of:

(i) A soapy water and wax treatment, in accordance with part 305 of this chapter.

(ii) Each consignment of fresh cherimoya fruit must be accompanied by documentation to validate foreign site preclearance inspection after soapy water and wax treatment completed in Chile; or

(2) *Importation into the Continental United States.* The fresh cherimoya fruit are subject to a systems approach consisting of the following:

(i) *Production site registration.* The production site where the fruit is grown must be registered with the national plant protection organization (NPPO) of Chile. Harvested cherimoya must be placed in field cartons or containers that are marked to show the official registration of the production site. Registration must be renewed annually.

(ii) *Low-prevalence production site certification.* The fruit must originate from a low-prevalence production site to be imported under the conditions in this section. Between 1 and 30 days prior to harvest, random samples of leaves must be collected from each registered production site under the direction of the NPPO of Chile. These samples must undergo a pest detection and evaluation method as follows: The leaves must be washed using a flushing method, placed in a 20-mesh sieve on top of a 200-mesh sieve, sprinkled with a liquid soap and water solution, washed with water at high pressure, and washed with water at low pressure. The process must then be repeated. The contents of the 200-mesh sieve must then be placed on a petri dish and analyzed for the presence of live *B. chilensis* mites. If a single live *B.*

[3] This information may be viewed on the internet at *http://www.agmrc.org/commodities-products/fruits/cherimoya/.*

chilensis mite is found, the production site will not qualify for certification as a low-prevalence production site. Each production site may have only one opportunity per season to qualify as a low-prevalence production site, and certification of low prevalence will be valid for one harvest season only. The NPPO of Chile will present a list of certified production sites to APHIS. Fruit from those production sites that do not meet the requirements for certification as low-prevalence production sites may still be imported into the United States subject to treatment as listed in paragraph (b)(1) of this section.

(iii) *Post-harvest processing.* After harvest, all damaged or diseased fruits must be culled at the packinghouse and remaining fruit must be packed into new, clean boxes, crates, or other APHIS-approved packing containers.

(iv) *Phytosanitary inspection.* Fruit must be inspected in Chile at an APHIS-approved inspection site under the direction of APHIS inspectors in coordination with the NPPO of Chile following any post-harvest processing. A biometric sample must be drawn and examined from each consignment. Fresh cherimoya fruit can be shipped to the continental United States under the systems approach only if the consignment passes inspection. Any consignment that does not meet the requirements of this paragraph for inspection can still be imported into the United States subject to treatment as listed in paragraph (b)(1) of this section. Inspection procedures are as follows:

(A) Fruit presented for inspection must be identified in the shipping documents accompanying each lot of fruit to specify the production site or sites in which the fruit was produced and the packing shed or sheds in which the fruit was processed. This identification must be maintained until the fruit is released for entry into the United States.

(B) A biometric sample of the boxes, crates, or other APHIS-approved packing containers from each consignment will be selected by the NPPO of Chile, and the fruit from these boxes, crates, or other APHIS-approved packing containers will be visually inspected for quarantine pests. If a single live *B. chilensis* mite is found during the inspection process, the certified low-prevalence production site where the fruit was grown will lose its certification for the remainder of the harvest season.

(v) *Phytosanitary certificate.* Each consignment of fresh cherimoya fruit must be accompanied by a phytosanitary certificate issued by the NPPO of Chile that contains an additional declaration stating that the fruit in the consignment was inspected and found free of *Brevipalpus chilensis* and was grown, packed, and shipped in accordance with the requirements of § 319.56–82(b)(2).

(Approved by the Office of Management and Budget under control number 0579–0444)

Done in Washington, DC, this 23rd day of March 2018.

Kevin Shea,

Administrator, Animal and Plant Health Inspection Service.

[FR Doc. 2018–06289 Filed 3–28–18; 8:45 am]

BILLING CODE 3410–34–P

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

7 CFR Part 906

[Doc. No. AMS–SC–17–0037; SC17–906–1 FR]

Oranges and Grapefruit Grown in the Lower Rio Grande Valley in Texas; Decreased Assessment Rate

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Final rule.

SUMMARY: This rule implements a recommendation from the Texas Valley Citrus Committee (Committee) to decrease the assessment rate established for the 2017–18 and subsequent fiscal periods for oranges and grapefruit handled under Marketing Order 906. The assessment rate will remain in effect indefinitely unless modified, suspended, or terminated. This rule also makes administrative revisions to the subpart headings of the Order.

DATES: Effective April 30, 2018.

FOR FURTHER INFORMATION CONTACT: Doris Jamieson, Marketing Specialist, or Christian D. Nissen, Regional Director, Southeast Marketing Field Office, Marketing Order and Agreement Division, Specialty Crops Program, AMS, USDA; Telephone: (863) 324–3375, Fax: (863) 291–8614, or Email: *Doris.Jamieson@ams.usda.gov* or *Christian.Nissen@ams.usda.gov.*

Small businesses may request information on complying with this regulation by contacting Richard Lower, Marketing Order and Agreement Division, Specialty Crops Program, AMS, USDA, 1400 Independence Avenue SW, STOP 0237, Washington, DC 20250–0237; Telephone: (202) 720–2491, Fax: (202) 720–8938, or Email: *Richard.Lower@ams.usda.gov.*

SUPPLEMENTARY INFORMATION: This action, pursuant to 5 U.S.C. 553, amends regulations issued to carry out a marketing order as defined in 7 CFR 900.2(j). This rule is issued under Marketing Agreement and Order No. 906, as amended (7 CFR part 906), regulating the handling of oranges and grapefruit grown in the Lower Rio Grande Valley in Texas. Part 906 (referred to as the ''Order''), is effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674), hereinafter referred to as the ''Act.'' The Committee locally administers the Order and is comprised of producers and handlers of oranges and grapefruit operating within the production area.

The Department of Agriculture (USDA) is issuing this rule in conformance with Executive Orders 13563 and 13175. This action falls within a category of regulatory actions that the Office of Management and Budget (OMB) exempted from Executive Order 12866 review. Additionally, because this rule does not meet the definition of a significant regulatory action, it does not trigger the requirements contained, in Executive Order 13771. See OMB's Memorandum titled ''Interim Guidance Implementing Section 2 of the Executive Order of January 30, 2017, titled ''Reducing Regulation and Controlling Regulatory Costs'' (February 2, 2017).

This rule has been reviewed under Executive Order 12988, Civil Justice Reform. Under the provisions of the Order now in effect, Texas orange and grapefruit handlers are subject to assessments. Funds to administer the Order are derived from such assessments. It is intended that the assessment rate will be applicable to all assessable oranges and grapefruit beginning on August 1, 2017, and continue until amended, suspended, or terminated.

The Act provides that administrative proceedings must be exhausted before parties may file suit in court. Under section 608c(15)(A) of the Act, any handler subject to an order may file with USDA a petition stating that the order, any provision of the order, or any obligation imposed in connection with the order is not in accordance with law and request a modification of the order or to be exempted therefrom. Such handler is afforded the opportunity for a hearing on the petition. After the hearing, USDA would rule on the petition. The Act provides that the district court of the United States in any district in which the handler is an inhabitant, or has his or her principal place of business, has jurisdiction to

review USDA's ruling on the petition, provided an action is filed not later than 20 days after the date of the entry of the ruling.

The Order provides authority for the Committee, with the approval of USDA, to formulate an annual budget of expenses and collect assessments from handlers to administer the program. The members are familiar with the Committee's needs and with the costs of goods and services in their local area and are thus in a position to formulate an appropriate budget and assessment rate. The assessment rate is formulated and discussed in a public meeting. Thus, all directly affected persons have an opportunity to participate and provide input.

This rule decreases the assessment rate from $0.09, the rate that was established for the 2016–17 and subsequent fiscal periods, to $0.02 per 7/10-bushel carton or equivalent of oranges and grapefruit handled for the 2017–18 and subsequent fiscal periods. The decrease reflects a reduction in expenses of more than $595,000 from not funding the Mexican fruit fly control program.

The Committee met on August 8, 2017, and unanimously recommended 2017–18 expenditures of $152,920 and an assessment rate of $0.02 per 7/10-bushel carton or equivalent of oranges and grapefruit. The assessment rate of $0.02 is $0.07 lower than the rate currently in effect. The Committee recommended decreasing the assessment rate to reflect that they would not be funding the Mexican fruit fly control program, reducing their budget by more than $595,000. Income derived from handler assessments, along with interest income and funds from the Committee's authorized reserve, will be adequate to cover budgeted expenses.

Of the total $152,920 budgeted for the 2017–18 fiscal period, major expenditures recommended by the Committee include $79,220 for management, $50,000 for compliance, and $23,700 for operating expenses. Compared to the previous fiscal year's budget of $751,148, budgeted expenses for these items in 2016–17 were $77,200, $50,000, and $23,700, respectively.

The assessment rate recommended by the Committee was derived by considering anticipated expenses, expected shipments, and the amount of funds available in the authorized reserve. Income derived from handler assessments calculated at $150,000 (7.5 million 7/10-bushel cartons assessed at $0.02 per carton), along with interest income and funds from the Committee's authorized reserve, should be adequate to cover budgeted expenses of $152,920. Funds in the reserve (currently $282,572) will be kept within the maximum permitted by the Order (approximately one fiscal period's expenses as stated in § 906.35).

The assessment rate established in this rule will continue in effect indefinitely unless modified, suspended, or terminated by USDA upon recommendation and information submitted by the Committee or other available information.

Although this assessment rate will be in effect for an indefinite period, the Committee will continue to meet prior to or during each fiscal period to recommend a budget of expenses and consider recommendations for modification of the assessment rate. The dates and times of Committee meetings are available from the Committee or USDA. Committee meetings are open to the public and interested persons may express their views at these meetings. USDA will evaluate Committee recommendations and other available information to determine whether modification of the assessment rate is needed. Further rulemaking will be undertaken as necessary. The Committee's 2017–18 budget and those for subsequent fiscal periods would be reviewed and, as appropriate, approved by USDA.

Final Regulatory Flexibility Analysis

Pursuant to requirements set forth in the Regulatory Flexibility Act (RFA) (5 U.S.C. 601–612), the Agricultural Marketing Service (AMS) has considered the economic impact of this rule on small entities. Accordingly, AMS has prepared this final regulatory flexibility analysis.

The purpose of the RFA is to fit regulatory actions to the scale of businesses subject to such actions in order that small businesses will not be unduly or disproportionately burdened. Marketing orders issued pursuant to the Act, and the rules issued thereunder, are unique in that they are brought about through group action of essentially small entities acting on their own behalf.

There are approximately 170 producers of oranges and grapefruit in the production area and 13 handlers subject to regulation under the Order. Small agricultural producers are defined by the Small Business Administration (SBA) as those having annual receipts less than $750,000, and small agricultural service firms are defined as those whose annual receipts are less than $7,500,000 (13 CFR 121.201).

According to Committee data, the average price for Texas citrus during the 2015–16 season was approximately $17.48 per box and total shipments were 7.5 million boxes. Using the average price and shipment information, the number of handlers (13), and assuming a normal distribution, the majority of handlers would have average annual receipts of greater than $7,500,000. Thus, the majority of Texas citrus handlers may be classified as large business entities.

In addition, based on information from the National Agricultural Statistics Service, the weighted grower price for Texas citrus during the 2015–16 season was approximately $14.64 per box. Using the weighted average price and shipment information, and assuming a normal distribution, the majority of producers would have annual receipts of less than $750,000. Thus, the majority of Texas citrus producers may be classified as small business entities.

This rule decreases the assessment rate collected from handlers for the 2017–18 and subsequent fiscal periods from $0.09 to $0.02 per 7/10-weight bushel carton or equivalent of Texas citrus. The Committee unanimously recommended 2017–18 expenditures of $152,920 and an assessment rate of $0.02 per 7/10-bushel carton or equivalent handled. The assessment rate of $0.02 is $0.07 lower than the 2016–17 rate. The quantity of assessable oranges and grapefruit for the 2017–18 fiscal period is estimated at 7.5 million 7/10-bushel cartons. Thus, the $0.02 rate should provide $150,000 in assessment income. Income derived from handler assessments, along with interest income and funds from the Committee's authorized reserve, should be adequate to cover budgeted expenses.

The major expenditures recommended by the Committee for the 2017–18 year include $79,220 for management, $50,000 for compliance, and $23,700 for operating expenses. Budgeted expenses for these items in 2016–17 were $77,200, $50,000, and $23,700, respectively.

The Committee recommended decreasing the assessment rate to reflect that it would not be funding the Mexican fruit fly control program, reducing its budget by more than $595,000.

Prior to arriving at this budget and assessment rate, the Committee considered information from various sources, such as the Committee's Budget and Personnel Committee, and the Research Committee. Alternative expenditure levels were discussed by these committees who reviewed the relative value of various activities to the Texas citrus industry. These committees determined that all program activities

were adequately funded and essential to the functionality of the Order, thus no alternate expenditure levels were deemed appropriate. Additionally, alternate assessment rates of $0.01 and $0.015 per 7/10 bushel-carton were discussed. However, it was determined that these lower assessment rates would draw too heavily from reserves, roughly $78,000 and $43,000, respectively. The proposed rate of $0.02 per 7/10 bushel-carton would draw an anticipated $2,800 from reserves, thereby leaving reserves intact for future needs.

A review of historical information and preliminary information pertaining to the upcoming fiscal period indicates that the average grower price for the 2017–18 season should be approximately $15.50 per 7/10-bushel carton or equivalent of oranges and grapefruit. Therefore, the estimated assessment revenue for the 2017–18 crop year as a percentage of total grower revenue would be about 0.1 percent.

This action decreases the assessment obligation imposed on handlers. Assessments are applied uniformly on all handlers, and some of the costs may be passed on to producers. However, decreasing the assessment rate reduces the burden on handlers, and may reduce the burden on producers.

The Committee's meeting was widely publicized throughout the Texas citrus industry and all interested persons were invited to attend the meeting and participate in Committee deliberations on all issues. Like all Committee meetings, the August 8, 2017, meeting was a public meeting and all entities, both large and small, were able to express views on this issue.

In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35), the Order's information collection requirements have been previously approved by OMB and assigned OMB No. 0581–0189, Fruit Crops. No changes in those requirements as a result of this action are necessary. Should any changes become necessary, they would be submitted to OMB for approval.

This rule imposes no additional reporting or recordkeeping requirements on either small or large Texas orange and grapefruit handlers. As with all Federal marketing order programs, reports and forms are periodically reviewed to reduce information requirements and duplication by industry and public sector agencies. As noted in the initial regulatory flexibility analysis, USDA has not identified any relevant Federal rules that duplicate, overlap, or conflict with this final rule.

AMS 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.

A proposed rule concerning this action was published in the **Federal Register** on December 4, 2017 (82 FR 57164). Copies of the proposed rule were also mailed or sent via facsimile to all Texas citrus handlers. Finally, the proposal was made available through the internet by USDA and the Office of the Federal Register. A 30-day comment period ending January 3, 2018, was provided for interested persons to respond to the proposal. Two comments were received, one in support of the change, and one comment outside the scope of this action. One commenter in support of the action stated that the reduced rate is fair and continues to allow the Committee to pay its expenses. Administrative revisions to the subpart headings were included in the proposed rule. No comments were received on those changes. Accordingly, no changes will be made to the rule as proposed, based on the comments received.

A small business guide on complying with fruit, vegetable, and specialty crop marketing agreements and orders may be viewed at: *http://www.ams.usda.gov/rules-regulations/moa/small-businesses.* Any questions about the compliance guide should be sent to Richard Lower at the previously mentioned address in the **FOR FURTHER INFORMATION CONTACT** section.

After consideration of all relevant material presented, including the information and recommendation submitted by the Committee and other available information, it is hereby found that this rule will tend to effectuate the declared policy of the Act.

List of Subjects in 7 CFR Part 906

Grapefruit, Marketing agreements, Oranges, Reporting and recordkeeping requirements.

For the reasons set forth in the preamble, 7 CFR part 906 is amended as follows:

PART 906—ORANGES AND GRAPEFRUIT GROWN IN LOWER RIO GRANDE VALLEY IN TEXAS

■ 1. The authority citation for 7 CFR part 906 continues to read as follows:

Authority: 7 U.S.C. 601–674.

[Subpart Redesignated as Subpart A]

■ 2. Redesignate ''Subpart—Order Regulating Handling'' as ''Subpart A—Order Regulating Handling.''

[Subpart Redesignated as Subpart B and Amended]

■ 3. Redesignate ''Subpart—Rules and Regulations'' as subpart B and revise the heading to read as follows:

Subpart B—Administrative Requirements

■ 4. Section 906.235 is revised to read as follows:

§ 906.235 Assessment rate.

On and after August 1, 2017, an assessment rate of $0.02 per 7/10-bushel carton or equivalent is established for oranges and grapefruit grown in the Lower Rio Grande Valley in Texas.

[Subpart Redesignated as Subpart C]

■ 5. Redesignate ''Subpart—Container and Pack Requirements'' as ''Subpart C—Container and Pack Requirements.''

Dated: March 23, 2018.

Bruce Summers,

Acting Administrator, Agricultural Marketing Service.

[FR Doc. 2018–06282 Filed 3–28–18; 8:45 am]

BILLING CODE 3410–02–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2017–1011; Product Identifier 2017–SW–004–AD; Amendment 39–19232; AD 2018–07–01]

RIN 2120–AA64

Airworthiness Directives; Airbus Helicopters Deutschland GmbH (Type Certificate Previously Held by Eurocopter Deutschland GmbH)

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: We are superseding Airworthiness Directive (AD) 2013–16–14 for Eurocopter Deutschland GmbH (now Airbus Helicopters Deutschland GmbH) Model EC 135 P1, P2, P2+, T1, T2, and T2+ helicopters. AD 2013–16–14 required installing a washer in and modifying the main transmission filter housing upper part. Since we issued AD 2013–16–14, Airbus Helicopters Deutschland GmbH has extended the overhaul interval for the main transmission and determined that other models may have the same unsafe condition. This AD retains the requirements of AD 2013–16–14, adds models to the applicability, and revises

the required compliance time for the modification. The actions of this AD are intended to correct an unsafe condition on these products.

DATES: This AD is effective May 3, 2018.

The Director of the Federal Register approved the incorporation by reference of a certain publication listed in this AD as of May 3, 2018.

The Director of the Federal Register approved the incorporation by reference of a certain other publication listed in this AD as of October 9, 2013 (78 FR 54383, September 4, 2013).

ADDRESSES: For service information identified in this final rule, contact Airbus Helicopters, 2701 N. Forum Drive, Grand Prairie, TX 75052; telephone (972) 641–0000 or (800) 232–0323; fax (972) 641–3775; or at *http://www.airbushelicopters.com/website/technical-expert/.* You may view this referenced service information at the FAA, Office of the Regional Counsel, Southwest Region, 10101 Hillwood Pkwy, Room 6N–321, Fort Worth, TX 76177. It is also available on the internet at *http://www.regulations.gov* by searching for and locating Docket No. FAA–2017–1011.

Examining the AD Docket

You may examine the AD docket on the internet at *http://www.regulations.gov in* Docket No. FAA–2017–1011; or in person at Docket Operations between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this AD, the European Aviation Safety Agency (EASA) AD, any incorporated-by-reference information, the economic evaluation, any comments received, and other information. The address for Docket Operations (phone: 800–647–5527) is Docket Operations, U.S. Department of Transportation, Docket Operations, M–30, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue SE, Washington, DC 20590.

FOR FURTHER INFORMATION CONTACT: Rao Edupuganti, Aviation Safety Engineer, Regulations and Policy Section, Rotorcraft Standards Branch, FAA, 10101 Hillwood Pkwy, Fort Worth, TX 76177; telephone (817) 222–5110; email *rao.edupuganti@faa.gov.*

SUPPLEMENTARY INFORMATION:

Discussion

We issued a notice of proposed rulemaking (NPRM) to amend 14 CFR part 39 to remove AD 2013–16–14, Amendment 39–17552 (78 FR 54383, September 4, 2013), and add a new AD. AD 2013–16–14 applied to Eurocopter Deutschland GmbH (now Airbus Helicopters Deutschland GmbH) Model EC135 P1, P2, P2+, T1, T2, and T2+ helicopters with a certain serial-numbered main transmission FS108 housing upper part (upper part), part number (P/N) 4649 301 034. AD 2013–16–14 required installing a corrugated washer in the upper part filter housing and modifying each affected upper part by machining the oil filter bypass inlet.

The NPRM published in the **Federal Register** on November 3, 2017 (82 FR 51175). The NPRM was prompted by AD No. 2017–0002, dated January 9, 2017 (AD 2017–0002), issued by EASA, which is the Technical Agent for the Member States of the European Union, to correct an unsafe condition for Eurocopter Deutschland GmbH Model EC 135 and EC635 helicopters. EASA advises that some affected upper parts have been re-identified with P/N 4649 301 067 or P/N 4649 301 088 without changing the serial number. EASA further advises that Airbus Helicopters has extended the compliance time to retrofit the housing to 5,150 hours to coincide with the extended interval between transmission overhauls.

Accordingly, the NPRM proposed to retain the requirement to install a corrugated washer and modify the upper part and also proposed adding Airbus Helicopters Deutschland Model EC135P3 and Model EC135T3 helicopters and upper part P/N 4649 301 067 and P/N 4649 301 088 to the applicability and extending the compliance time for machining the upper part to 5,150 hours TIS.

Comments

We gave the public the opportunity to participate in developing this AD, but we did not receive any comments on the NPRM.

FAA's Determination

We have reviewed the relevant information and determined that an unsafe condition exists and is likely to exist or develop on other helicopters of these same type designs and that air safety and the public interest require adopting the AD requirements as proposed.

Related Service Information Under 1 CFR Part 51

We reviewed Airbus Helicopters Alert Service Bulletin (ASB) EC135–63A–017, Revision 2, dated December 5, 2016 (ASB EC135–63A–017), for Model EC135 T1, T2, T2+, T3, P1, P2, P2+, P3, and 635 T1, T2+, T3, P2+, and P3 helicopters. This service information specifies removing the oil filter element and installing a corrugated washer. ASB EC135–63A–017 also specifies reworking the affected upper part at the next repair or overhaul of the main transmission, no later than 5,150 flight hours after receipt of the service bulletin. EASA classified this ASB as mandatory and issued AD 2017–0002 to ensure the continued airworthiness of these helicopters.

We also reviewed ZF Luftfahrttechnik GmbH Service Instruction No. EC135FS108–1659–1009, dated September 14, 2010, which specifies procedures for repairing the main transmission upper housing, and includes dimensions and tolerances for machining the upper part.

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.

Other Related Service Information

We reviewed Eurocopter Alert Service Bulletin EC135–63A–017, Revision 0, dated October 11, 2010, for Model EC135 T1, T2, T2+, P1, P2, P2+, and 635 T1, T2+, and P2+ helicopters. This service information specifies the same Accomplishment Instructions as ASB EC135–63A–017, Revision 2, except with a shorter compliance time to rework the affected upper part.

Costs of Compliance

We estimate that this AD will affect 236 helicopters of U.S. Registry. At an average labor rate of $85 per work hour, we estimate that operators will incur the following costs in order to comply with this AD. Installing the corrugated washer requires about .5 work hour, and required parts cost about $10, for a cost per helicopter of about $53, and a cost to the U.S. operator fleet of $12,508. Machining the housing upper part requires about 5 work hours and required parts cost about $73, for a cost per helicopter of $498, and a total cost to U.S. operators of $117,528. Based on these figures, we estimate the total cost of this AD to be $130,036 for the U.S. operator fleet or $551 per helicopter.

According to Airbus Helicopters' service information some of the costs of this AD may be covered under warranty, thereby reducing the cost impact on affected persons. We do not control warranty coverage by Airbus Helicopters. Accordingly, we have included all costs in our cost estimate.

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 have determined that 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 to the extent that a regulatory distinction is required, 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 removing Airworthiness Directive (AD) 2013–16–14, Amendment 39-17552 (78 FR 54383, September 4, 2013), and adding the following new AD:

2018–07–01 Airbus Helicopters Deutschland GmbH (Type Certificate Previously Held By Eurocopter Deutschland GmbH): Amendment 39–19232; Docket No. FAA–2017–1011; Product Identifier 2017–SW–004–AD.

(a) Applicability

This AD applies to Model EC135 P1, P2, P2+, P3, T1, T2, T2+, and T3 helicopters with a main transmission FS108 housing upper part, part number (P/N) 4649 301 034, 4649 301 067, or 4649 301 088 and a serial number listed in Table 1 of Airbus Helicopters Alert Service Bulletin EC135–63A–017, Revision 2, dated December 5, 2016 (ASB EC135–63A–017), certificated in any category.

(b) Unsafe Condition

This AD defines the unsafe condition as an improperly manufactured bypass inlet in the oil filter area. This condition could adversely affect the oil-filter bypass function, resulting in failure of the main transmission and subsequent loss of control of the helicopter.

(c) Affected ADs

This AD replaces AD 2013–16–14, Amendment 39–17552 (78 FR 54383, September 4, 2013).

(d) Effective Date

This AD becomes effective May 3, 2018.

(e) Compliance

You are responsible for performing each action required by this AD within the specified compliance time unless it has already been accomplished prior to that time.

(f) Required Actions

(1) Within 3 months, remove the oil filter element and install a corrugated washer, P/N 0630100377, in the middle of the filter housing of the housing upper part as depicted in Figure 2 of ASB EC135–63A–017.

(2) Within 5,150 hours time-in-service or at the next main transmission repair or overhaul, whichever occurs first, machine the main transmission housing upper part in accordance with Annex A of ZF Luftfahrttechnik GmbH Service Instruction No. EC135FS108–1659–1009, dated September 14, 2010.

(3) Do not install a main transmission upper part, P/N 4649 301 034, 4649 301 067, or 4649 301 088, on any helicopter unless it has been modified as required by paragraphs (f)(1) through (f)(2) of this AD.

(g) Credit for Previous Actions

Actions accomplished before the effective date of this AD in accordance with the procedures specified in Eurocopter Alert Service Bulletin EC135–63A–017, Revision 0, dated October 11, 2010, are considered acceptable for compliance with the corresponding actions specified in paragraph (f) of this AD.

(h) Alternative Methods of Compliance (AMOCs)

(1) The Manager, Safety Management Section, Rotorcraft Standards Branch, FAA, may approve AMOCs for this AD. Send your proposal to: Rao Edupuganti, Aviation Safety Engineer, Regulations and Policy Section, Rotorcraft Standards Branch, FAA, 10101 Hillwood Pkwy, Fort Worth, TX 76177; telephone (817) 222–5110; email *9-ASW-FTW-AMOC-Requests@faa.gov*.

(2) For operations conducted under a 14 CFR part 119 operating certificate or under 14 CFR part 91, subpart K, we suggest that you notify your principal inspector, or lacking a principal inspector, the manager of the local flight standards district office or certificate holding district office, before operating any aircraft complying with this AD through an AMOC.

(i) Additional Information

(1) Eurocopter Alert Service Bulletin EC135–63A–017, Revision 0, dated October 11, 2010, which is not incorporated by reference, contains additional information about the subject of this AD. For service information identified in this AD, contact Airbus Helicopters, 2701 N. Forum Drive, Grand Prairie, TX 75052; telephone (972) 641–0000 or (800) 232–0323; fax (972) 641–3775; or at *http://www.airbushelicopters.com/website/technical-expert/*. You may review a copy of the service information at the FAA, Office of the Regional Counsel, Southwest Region, 10101 Hillwood Pkwy, Room 6N–321, Fort Worth, TX 76177.

(2) The subject of this AD is addressed in European Aviation Safety Agency (EASA) AD No. 2017–0002, dated January 9, 2017. You may view the EASA AD on the internet at *http://www.regulations.gov* in the AD Docket.

(j) Subject

Joint Aircraft Service Component (JASC) Code: 6320 Main Rotor Gearbox.

(k) 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.

(3) The following service information was approved for IBR on May 3, 2018.

(i) Airbus Helicopters Alert Service Bulletin EC135–63A–017, Revision 2, dated December 5, 2016.

(ii) Reserved.

(4) The following service information was approved for IBR on October 9, 2013 (78 FR 54383, September 4, 2013).

(i) ZF Luftfahrttechnik GmbH Service Instruction No. EC135FS108–1659–1009, dated September 14, 2010.

(ii) Reserved.

(5) For service information identified in this AD, contact Airbus Helicopters, 2701 N. Forum Drive, Grand Prairie, TX 75052; telephone (972) 641–0000 or (800) 232–0323; fax (972) 641–3775; or at *http://www.airbushelicopters.com/website/technical-expert/*.

(6) You may view this service information at FAA, Office of the Regional Counsel, Southwest Region, 10101 Hillwood Pkwy, Room 6N–321, Fort Worth, TX 76177. For information on the availability of this material at the FAA, call (817) 222–5110.

(7) 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 Fort Worth, Texas, on March 19, 2018.

Scott A. Horn,

Deputy Director for Regulatory Operations, Compliance & Airworthiness Division, Aircraft Certification Service.

[FR Doc. 2018–06095 Filed 3–28–18; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2017–0288; Product Identifier 2017–CE–007–AD; Amendment 39–19231; AD 2018–06–11]

RIN 2120–AA64

Airworthiness Directives; Textron Aviation Inc. Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: We are adopting a new airworthiness directive (AD) for certain Textron Aviation Inc. Models A36TC, B36TC, S35, V35, V35A, and V35B airplanes. This AD was prompted by a fatal accident where the exhaust tailpipe fell off during takeoff. This AD adds a life limit to the exhaust tailpipe v-band coupling (clamp) that attaches the exhaust tailpipe to the turbocharger and requires an annual visual inspection of the exhaust tailpipe v-band coupling (clamp). We are issuing this AD to address the unsafe condition on these products.

DATES: This AD is effective May 3, 2018.

ADDRESSES:

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–2017–0288; or in person at Docket Operations between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this final rule, the regulatory evaluation, any comments received, and other information. The address for Docket Operations (phone: 800–647–5527) is U.S. Department of Transportation, Docket Operations, M–30, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue SE, Washington, DC 20590.

FOR FURTHER INFORMATION CONTACT: Thomas Teplik, Aerospace Engineer, Wichita ACO Branch, FAA, 1801 Airport Road, Room 100, Wichita, Kansas 67209; phone: (316) 946–4196; fax: (316) 946–4107; email: *thomas.teplik@faa.gov.*

SUPPLEMENTARY INFORMATION:

Discussion

We issued a supplemental notice of proposed rulemaking (SNPRM) to amend 14 CFR part 39 by adding an AD that would apply to certain Textron Aviation Inc. Models A36TC, B36TC, S35, V35, V35A, and V35B airplanes. The SNPRM published in the **Federal Register** on November 8, 2017 (82 FR 51782).

We preceded the SNPRM with a notice of proposed rulemaking (NPRM) that published in the **Federal Register** on April 12, 2017 (82 FR 17594). The NPRM proposed to add a life limit to the exhaust tailpipe v-band coupling (clamp) and, if the coupling is removed for any reason before the life limit is reached, require an inspection of the v-band coupling before reinstalling. The NPRM was prompted by a fatal accident where the exhaust tailpipe fell off during takeoff.

The SNPRM proposed to add to the applicability of the AD, add a life limit to the exhaust tailpipe v-band coupling (clamp) that attaches the exhaust tailpipe to the turbocharger, and require an annual visual inspection of the exhaust tailpipe v-band coupling (clamp). We are issuing this AD to address the unsafe condition on these products.

Comments

We gave the public the opportunity to participate in developing this final rule. The following presents the comments received on the SNPRM and the FAA's response to each comment.

Support of the AD Action

Michelle Prengle agrees with the AD action. She states, ''I am the daughter of the pilot from which this AD is prompted. My brothers and I lost our father and stepmother in this accident. I want people to know that my father loved to fly and believed that flying was the safest form of transportation. I wish that this AD be implemented to honor what my father truly believed, that flying is the safest form of transportation. I believe it will provide one more measure that will save lives in the future.''

Request the Removal of Multi-Segment Couplings From All Airplanes

Paul Gryko recommended removal of multi-segment couplings from all airplanes and replace with one-piece couplings. The commenter discussed other airplane models that have the multi-segment coupling installed and other AD actions affecting exhaust tailpipe v-band couplings. The commenter discussed that multi-segment couplings may have different part numbers on different airplanes with different torque values. Having one one-piece coupling with the same torque value for use on all airplanes would benefit the industry. The commenter discussed the possibility of expanding the scope of this AD or issuing a different AD action.

We do not agree with this comment. The FAA has determined that an unsafe condition exists on certain Models A36TC, B36TC, S35, V35, V35A, and V35B airplanes. This AD addresses the unsafe condition on those specific airplanes. Including the actions of this AD on other airplane models that may have the affected exhaust tailpipe v-band coupling installed goes beyond the scope of this AD. However, the FAA is looking at the possibility of this unsafe condition affecting other airplanes.

We have not changed this AD based on this comment.

Request To Expand the Scope of the AD to All Airplanes Equipped With Continental TSIO–520 Engines

Dustin Todd requested we expand the AD to all Textron airplanes equipped with TSIO–520 engines and to require inspection of all areas of the turbocharger exhaust pipe. During a 50-hour oil change, he found a crack in the turbocharger exhaust pipe. The crack appeared to have originated beneath the coupling. Removal of the coupling is not required during 100-hour or annual inspections, so the crack could go undetected for hours or years.

We disagree with this comment. The FAA has determined that an unsafe condition exists on certain Models A36TC, B36TC, S35, V35, V35A, and V35B airplanes. This AD requires a life limit replacement and inspection of the exhaust tailpipe v-band couplings as installed on those affected airplanes. To include all Textron airplanes equipped with Continental TSIO–520 engines and to require inspection of all areas of the turbocharger exhaust pipe would be beyond the scope of this AD. However, the FAA is looking at the possibility of this unsafe condition affecting other airplanes.

We have not changed this AD based on this comment.

Request To Withdraw the SNPRM or To Increase the Life Limit of the Couplings

David Cort commented the proposed AD is an overreaction to address one airplane affected out of 731 airplanes. The commenter believes over torqueing and the additional stress of heat expansion on the coupling caused the fatigue cracks. The commenter also noted the difficulty in accessing the coupling and applying the correct amount of torque. The commenter believes removing and reinstalling couplings by inexperienced mechanics could add to the problem. We infer the commenter wants the SNPRM withdrawn. If the FAA proceeds with the AD action, the commenter believes the compliance time should be no less than 1,000 hours time-in-service (TIS).

We disagree with this comment. The FAA has determined that an unsafe condition exists on certain Models A36TC, B36TC, S35, V35, V35A, and V35B airplanes. This AD describes procedures for the correct amount of torque and the actions required by this AD must be done by an appropriately certified mechanic. The accident/incident failure data and existing AD actions demonstrate that a 500-hour life limit is appropriate for this type of multi-segment coupling.

We have not changed this AD based on this comment.

Request To Withdraw the SNPRM

Textron Aviation, Inc. requested we withdraw the SNPRM. The commenter stated there are no unique aspects to the engine installation on the affected airplanes or the v-band coupling installation that would justify a need for an AD specific to the affected airplanes. The commenter states an appliance specific AD would be a more appropriate approach to addressing the unsafe condition identified by the FAA for all airplanes.

We disagree with this comment. The FAA has determined an unsafe condition exists on the specific airplanes affected by this AD. This AD will address the unsafe condition on the specific airplanes this AD affects. However, the FAA is looking at the possibility of this unsafe condition affecting other airplanes.

We have not changed this AD based on this comment.

Conclusion

We reviewed the relevant data, considered the comments received, and determined that air safety and the public interest require adopting this final rule as proposed except for minor editorial changes. We have determined that these minor changes:

- Are consistent with the intent that was proposed in the SNPRM for addressing the unsafe condition; and
- Do not add any additional burden upon the public than was already proposed in the SNPRM.

We also determined that these changes will not increase the economic burden on any operator or increase the scope of this final rule.

Costs of Compliance

We estimate that this AD affects 731 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
Visual inspection of the exhaust tailpipe v-band coupling (Installed).	.5 work-hour × $85 per hour = $42.50	Not applicable	$42.50	$31,067.50
Replacement of the exhaust tailpipe v-band coupling.	2 work-hours × 85 per hour = 170	300	470	343,570

We estimate the following costs to do any necessary inspection that would require removal and reinstallation of the exhaust tailpipe v-band coupling. We have no way of determining the number of airplanes that might need this inspection:

ON-CONDITION COSTS

Action	Labor cost	Parts cost	Cost per product
Inspection of the exhaust tailpipe v-band coupling (Not installed, includes removal and reinstallation).	1.5 work-hours × $85 per hour = $127.50	Not applicable	$127.50

We estimate the following costs for the installation of part number N1000897–40 exhaust tailpipe v-band coupling on Models S35, V35, V35A, and V35B airplanes equipped with the Continental TSIO–520–D engine with AiResearch turbocharger during manufacture. We have no way of determining the number of airplanes that may do this installation:

ON-CONDITION COSTS

Action	Labor cost	Parts cost	Cost per product
Installation of part number N1000897–40 exhaust tailpipe v-band coupling.	2 work-hours × $85 per hour = $170	$632	$802

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.

This AD is issued in accordance with authority delegated by the Executive Director, Aircraft Certification Service, as authorized by FAA Order 8000.51C. In accordance with that order, issuance of ADs is normally a function of the Compliance and Airworthiness Division, but during this transition period, the Executive Director has delegated the authority to issue ADs applicable to small airplanes, gliders, balloons, airships, domestic business jet transport airplanes, and associated appliances to the Director of the Policy and Innovation Division.

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):

2018–06–11 Textron Aviation Inc.: Amendment 39–19231; Docket No. FAA–2017–0288; Product Identifier 2017–CE–007–AD.

(a) Effective Date

This AD is effective May 3, 2018.

(b) Affected ADs

None.

(c) Applicability

(1) This AD applies to the following Textron Aviation Inc. airplanes; all serial numbers, that are certificated in any category:

(i) Models A36TC and B36TC airplanes equipped with a turbocharged engine.

(ii) Models S35, V35, V35A, and V35B airplanes equipped with the Continental TSIO–520–D engine with AiResearch turbocharger during manufacture; and

(iii) Models S35, V35, V35A, and V35B airplanes equipped with StandardAero Supplemental Type Certificate (STC) SA1035WE.

(2) If the one-piece v-band coupling (clamp), part number (P/N) NH1000897–40, is installed on Textron Aviation Inc. Models S35, V35, V35A, and V35B airplanes equipped with the Continental TSIO–520–D engine with AiResearch turbocharger during manufacture, this AD does not apply to those airplanes.

(d) Subject

Joint Aircraft System Component (JASC)/ Air Transport Association (ATA) of America Code 81, Turbocharging.

(e) Unsafe Condition

This AD was prompted by a fatal accident where the exhaust tailpipe fell off during takeoff. We are issuing this AD to prevent failure of the exhaust tailpipe v-band coupling (clamp) that may lead to detachment of the exhaust tailpipe from the turbocharger and allow high-temperature exhaust gases to enter the engine compartment, which could result in an inflight fire.

(f) Compliance

Comply with this AD within the compliance times specified, unless already done. For the purposes of this AD, the exhaust tailpipe v-band coupling may also be referred to as the exhaust tailpipe v-band clamp.

(g) Review of the Maintenance Records

Within 50 hours time-in-service (TIS) after May 3, 2018 (the effective date of this AD), do a maintenance records review to determine the hours TIS of the exhaust tailpipe v-band coupling. If unable to determine the hours TIS of the exhaust tailpipe v-band coupling, use the compliance time specified in paragraph (h)(2) of this AD.

(h) Compliance Times for Repetitive Replacement of the V-Band Coupling

Use the following compliance times in paragraph (h)(1) or (2) of this AD for the repetitive replacement of the exhaust tailpipe v-band coupling as specified in paragraph (i) of this AD.

(1) *If from a review of the maintenance records you can positively identify that the hours TIS for the exhaust tailpipe v-band coupling is less than 500 hours TIS:* Do the initial replacement within 500 hours TIS on the exhaust tailpipe v-band coupling or within the next 50 hours TIS after May 3, 2018 (the effective date of this AD), whichever occurs later, and replace repetitively thereafter at intervals not to exceed 500 hours TIS on the exhaust tailpipe v-band coupling.

(2) *If from a review of the maintenance records you can positively identify that the hours TIS for the exhaust tailpipe v-band coupling is 500 hours TIS or more or you cannot positively identify the hours TIS for the exhaust tailpipe v-band coupling:* Do the initial replacement within 50 hours TIS after May 3, 2018 (the effective date of this AD) and replace repetitively thereafter at intervals not to exceed 500 hours TIS on the exhaust tailpipe v-band coupling.

(i) Replacement of the Exhaust Tailpipe V-Band Coupling

Replace the exhaust tailpipe v-band coupling for the airplanes in paragraphs (i)(1) and (2) of this AD at the applicable compliance time as specified in paragraph (h) of this AD.

Note 1 to the introductory text of paragraph (i) of this AD: We recommend after installation of the exhaust tailpipe v-band coupling, you do an engine run and recheck the torque of the v-band coupling.

(1) *Models A36TC and B36TC airplanes:* Replace the exhaust tailpipe v-band coupling part number (P/N) N4211–375–M or P/N 5322C–375–Z with a new exhaust tailpipe v-band coupling. When installing the new part, tighten the v-band coupling to 40 in-lbs., tap the periphery of the band to distribute tension, and torque again to 40 in-lbs.

Note 2 to paragraph (i)(1) of this AD: P/Ns N4211–375–M and P/N 5322C–375–Z are also known as P/N N4211–375M and P/N 5322C3752. The engineering drawings list the applicable part number v-band couplings as P/N N4211–375–M and P/N 5322C–375–Z; however, the parts catalog lists the applicable v-band couplings as P/N N4211–375M and P/N 5322C3752.

(2) For Models S35, V35, V35A, and V35B airplanes, as specified in paragraphs (i)(2)(i) and (ii) of this AD:

(i) *For airplanes equipped with the Continental TSIO–520–D engine with AiResearch turbocharger during manufacture:* Replace the exhaust tailpipe v-band coupling P/N U4211–375–M or P/N 4404C375–M with a new exhaust tailpipe v-band coupling. When installing a new P/N U4211–375–M, tighten the v-band coupling to 60 in-lbs., tap the periphery of the band to distribute tension, and torque again to 60 in-lbs. When installing a new P/N 4404C375–M, add 20 in-lbs after the running torque is overcome. Replacement of exhaust tailpipe v-band coupling P/N U4211–375–M or P/N 4404C375–M with the one-piece v-band coupling, P/N NH1000897–40, terminates the requirements of this AD.

Note 3 to paragraph (i)(2)(i) and (ii) of this AD: P/Ns U4211–375–M and 4404C375–M may also be known as P/Ns U4211–375M and 4404C375M or 4404C–375–M.

(ii) *For airplanes equipped with STC SA1035WE:* Replace the exhaust tailpipe v-band coupling P/N U4211–375–M with a new exhaust tailpipe v-band coupling. When installing the new part, tighten the v-band coupling to 60 in-lbs., tap the periphery of the band to distribute tension, and torque again to 60 in-lbs.

(j) Repetitive Visual Inspection of the Installed Exhaust Tailpipe V-Band Coupling

(1) If you remove the exhaust tailpipe v-band coupling during your annual inspection or within the compliance time specified in paragraph (j)(2) of this AD, you may do the inspection specified in paragraph (k) of this AD in lieu of the inspection required in paragraph (j) of this AD. If you already have the v-band coupling removed, doing the detailed inspection as specified in paragraph (k) of this AD eliminates the possibility of having to remove and reinstall the v-band coupling more than once if certain conditions are found during the inspection required in paragraph (j) of this AD.

(2) At the next annual inspection after May 3, 2018 (the effective date of this AD) or within the next 12 months after May 3, 2018 (the effective date of this AD), whichever occurs later, and repetitively thereafter at intervals not to exceed 12 months, do a visual inspection of the installed exhaust tailpipe v-band coupling. Use the inspection steps listed in paragraphs (j)(2)(i) through (vii) of this AD.

(i) Inspect the coupling and area around the coupling for signs of exhaust stains, sooting, or other evidence of exhaust leakage. If any of those conditions are found, remove the coupling and go to the inspection steps in paragraph (k) of this AD for inspection of a v-band coupling that has been removed.

(ii) Inspect the coupling outer band for cracks, paying particular attention to the spot weld areas. If cracks are found, before further flight, you must replace the v-band coupling with a new v-band coupling and restart the hours TIS for the repetitive replacement of the v-band coupling.

(iii) Inspect the coupling for looseness or separation of the outer band to the v-retainer segments(s) at all spot welds. If looseness or separation of the outer band to any or multiple retainer segments(s) is found, before further flight, you must replace the v-band coupling with a new v-band coupling and restart the hours TIS for the repetitive replacement of the v-band coupling.

(iv) Inspect the coupling outer band for cupping, bowing, or crowning. If any of these conditions are found, before further flight, remove the coupling and go to the inspection steps in paragraph (k) of this AD for inspection of a v-band coupling that has been removed.

(v) Inspect the area of the coupling, including the outer band, opposite the t-bolt for damage or distortion. If any damage or distortion is found, before further flight, you must replace the v-band coupling with a new v-band coupling and restart the hours TIS for the repetitive replacement of the v-band coupling.

(vi) Using a mirror, verify there is a space between each v-retainer coupling segment below the t-bolt. If there is no space between each v-retainer coupling segment below the t-bolt, before further flight, you must replace the v-band coupling with a new v-band coupling and restart the hours TIS for the repetitive replacement of the v-band coupling.

(vii) Verify the v-band coupling nut is properly torqued as specified in paragraphs (j)(2)(vii)(A) through (C) of this AD:

(A) For P/N N4211–375–M or P/N 5322C–375–Z exhaust tailpipe v-band coupling, torque to 40 in-lbs.

(B) For P/N U4211–375–M exhaust tailpipe v-band coupling, torque to 60 in-lbs.

(C) For 4404C375–M exhaust tailpipe v-band coupling, verify the nut is secure. If not secure, before further flight, loosen and verify running torque and add 20 in-lbs to the running torque when tightened.

(3) These inspections do not terminate the 500-hour TIS repetitive replacement of the v-band coupling and do not restart the hours TIS for the repetitive replacement of the v-band coupling.

(k) Visual Inspection of a Removed Exhaust Tailpipe V-Band Coupling

(1) If during the visual inspection required in paragraph (j) of this AD you are required to remove of the exhaust tailpipe v-band coupling to do a more detailed inspection, you must do the inspection steps listed in paragraphs (k)(1) and (2) of this AD. If you removed the exhaust tailpipe v-band coupling during the annual inspection or within the compliance time specified in paragraph (j)(2) of this AD, you may do the inspection specified in paragraph (k) of this AD in lieu of the inspection required in paragraph (j) of this AD. If you already have the v-band coupling removed, doing the detailed inspection as specified in paragraph (k) of this AD eliminates the possibility of having to remove and reinstall the v-band coupling more than once if certain conditions are found during the inspection required in paragraph (j) of this AD.

(i) Use crocus cloth and mineral spirits/Stoddard solvent, to clean the outer band of the v-band coupling. Pay particular attention to the spot weld areas on the coupling. If during cleaning corrosion cannot be removed or pitting of the v-band coupling is found, do not re-install the v-band coupling. Before further flight, you must install a new v-band coupling and restart the hours TIS for the repetitive replacement of the v-band coupling.

(ii) Use a 10× magnifier to visually inspect the outer band for cracks, paying particular attention to the spot weld areas. If cracks are found during this inspection, do not re-install the v-band coupling. Before further flight, you must install a new v-band coupling and restart the hours TIS for the repetitive replacement of the v-band coupling.

(iii) Visually inspect the flatness of the outer band using a straight edge. Lay the straight edge across the width of the outer band. The gap must be less than 0.062 inches. See figure 1 to paragraphs (k)(1)(iii) and (v) of this AD. If the gap exceeds 0.062 inches between the outer band and the straight edge, do not re-install the v-band coupling. Before further flight, you must install a new v-band coupling and restart the hours TIS for the repetitive replacement of the v-band coupling.

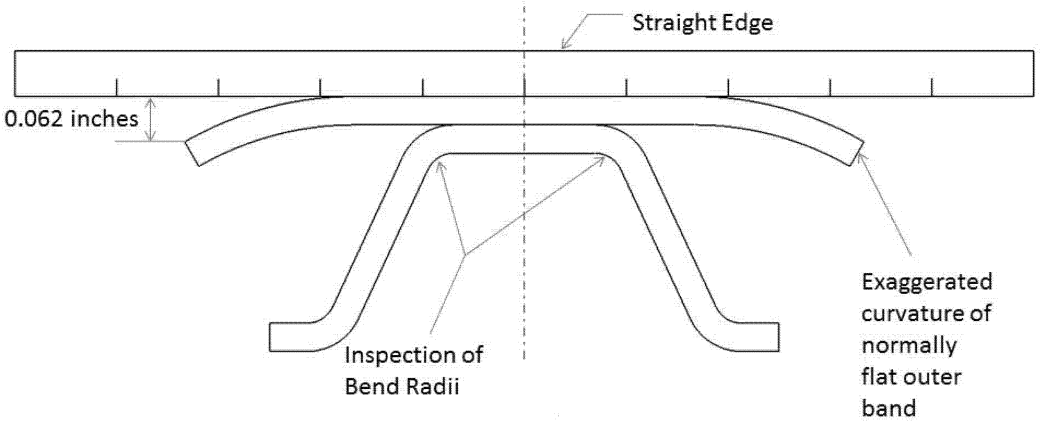

Figure 1 to paragraphs (k)(1)(iii) and (v) of this AD: Cross section of v-band coupling

(iv) With the t-bolt in the 12 o'clock position, visually inspect the coupling for the attachment of the outer band to the v-retainer coupling segments by inspecting for gaps between the outer band and the v-retainer coupling segments between approximately the 1 o'clock through 11 o'clock position. It is recommended to use backlighting to see gaps. If gaps between the outer band and the v-retainer coupling segments are found, do not re-install the v-band coupling. Before further flight, you must install a new v-band coupling and restart the hours TIS for the repetitive replacement of the v-band coupling.

(v) Visually inspect the bend radii of the coupling v-retainer coupling segments for cracks. Inspect the radii throughout the length of the segment. See figure 1 to paragraphs (k)(1)(iii) and (v) of this AD. If any cracks are found, do not re-install the v-band coupling. Before further flight, you must install a new v-band coupling and restart the hours TIS for the repetitive replacement of the v-band coupling.

(vi) Visually inspect the outer band opposite the t-bolt for damage (distortion, creases, bulging, or cracks), which may be caused from excessive spreading of the coupling during installation and/or removal. If any damage is found, do not re-install the v-band coupling. Before further flight, you must install a new v-band coupling and restart the hours TIS for the repetitive replacement of the v-band coupling.

(2) If the removed exhaust tailpipe v-band coupling passes all of the inspection steps listed in paragraphs (k)(1)(i) through (vi) of this AD, you may re-install the same v-band coupling. After the coupling is re-installed and torqued as specified in Replacement of the V-Band Coupling, paragraph (i) of this AD, verify there is space between each v-retainer coupling segment below the t-bolt. If there is no space between each v-retainer coupling segment below the t-bolt, before further flight, you must install a new v-band coupling and restart the hours TIS for the repetitive replacement of the v-band coupling.

(3) The inspections required in paragraphs (k)(1) and (2) of this AD only apply to re-installing the same exhaust tailpipe v-band coupling that was removed as specified in paragraph (j) of this AD. It does not apply to installation of a new v-band coupling. These inspections do not terminate the 500-hour TIS repetitive replacement of the v-band coupling and do not restart the hours TIS for the repetitive replacement of the v-band coupling.

(4) As of May 3, 2018 (the effective date of this AD), do not install a used exhaust tailpipe v-band coupling on the airplane except for the reinstallation of the inspected exhaust tailpipe v-band coupling that was removed as specified in paragraphs (j) and (k) of this AD.

(l) Alternative Methods of Compliance (AMOCs)

(1) The Manager, Wichita ACO Branch, FAA, has the authority to approve AMOCs for this AD, if requested using the procedures found in 14 CFR 39.19. The Manager, Chicago ACO Branch, FAA, has the authority to approve AMOCs concerning STC SA1035WE, 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 Wichita ACO Branch, send it to the attention of the person identified in paragraph (m) of this AD. If sending information directly to the manager of the Chicago ACO Branch, send it to the attention of John Tallarovic, Aerospace Engineer, AIR–7C3 Chicago ACO Branch, 2300 East Devon Avenue, Des Plaines, IL 60018–4696; telephone: (847) 294–8180; fax: (847) 294–7834; email: *john.m.tallarovic@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.

(m) Related Information

For more information about this AD, contact Thomas Teplik, Aerospace Engineer, Wichita ACO Branch, FAA, 1801 Airport Road, Room 100, Wichita, Kansas 67209; phone: (316) 946–4196; fax: (316) 946–4107; email: *thomas.teplik@faa.gov.*

(n) Material Incorporated by Reference

None.

Issued in Kansas City, Missouri, on March 20, 2018.

Melvin J. Johnson,

Deputy Director, Policy & Innovation Division, Aircraft Certification Service.

[FR Doc. 2018–06092 Filed 3–28–18; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2017–0902; Product Identifier 2016–NM–188–AD; Amendment 39–19224; AD 2018–06–04]

RIN 2120–AA64

Airworthiness Directives; Airbus Airplanes

AGENCY: Federal Aviation Administration (FAA), Department of Transportation (DOT).

ACTION: Final rule.

SUMMARY: We are superseding Airworthiness Directive (AD) 2004–03–07, which applied to certain Airbus Model A320–111, –211, –212, and –231 series airplanes. AD 2004–03–07 required repetitive inspections for fatigue cracking around the fasteners attaching the pressure panel to the flexible bracket at a certain frame (FR), adjacent to the longitudinal beams on the left and right sides of the airplane; and repair as necessary. This new AD retains certain requirements of AD 2004–03–07, expands the applicability, and requires an inspection of the fastener holes on the pressure panel and modification or repair as applicable. This AD was prompted by fatigue tests which revealed cracking around the fasteners attaching the pressure panel to the flexible bracket, and by the discovery of additional cracks under the longitudinal beams at locations that are not included in the inspection area required by AD 2004–03–07. We are issuing this AD to address the unsafe condition on these products.

DATES: This AD is effective May 3, 2018.

The Director of the Federal Register approved the incorporation by reference of certain publications listed in this AD as of May 3, 2018.

The Director of the Federal Register approved the incorporation by reference of a certain other publication listed in this AD as of March 15, 2004 (69 FR 5907, February 9, 2004).

ADDRESSES: For service information identified in this final rule, contact Airbus, Airworthiness Office—EIAS, 1 Rond Point Maurice Bellonte, 31707 Blagnac Cedex, France; telephone +33 5 61 93 36 96; fax +33 5 61 93 44 51; email *account.airworth-eas@airbus.com;* internet *http://www.airbus.com.* You may view this referenced service information at the FAA, Transport Standards Branch, 2200 South 216th St., Des Moines, WA. For information on the availability of this material at the FAA, call 206–231–3195. It is also available on the internet at *http://www.regulations.gov* by searching for and locating Docket No. FAA–2017–0902.

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–2017–0902; 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 address for the Docket Office (telephone 800–647–5527) is Docket Management Facility, U.S. Department of Transportation, Docket Operations, M–30, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue SE, Washington, DC 20590.

FOR FURTHER INFORMATION CONTACT: Sanjay Ralhan, Aerospace Engineer, International Section, Transport Standards Branch, FAA, 2200 South 216th St., Des Moines, WA 98198; telephone 206–231–3223; fax 206–231–3398.

SUPPLEMENTARY INFORMATION:

Discussion

We issued a notice of proposed rulemaking (NPRM) to amend 14 CFR part 39 to supersede AD 2004–03–07, Amendment 39–13451 (69 FR 5907, February 9, 2004) (''AD 2004–03–07''). AD 2004–03–07 applied to certain Airbus Model A320–111, –211, –212, and –231 series airplanes. The NPRM published in the **Federal Register** on October 6, 2017 (82 FR 46729). The NPRM was prompted by fatigue tests which revealed cracking around the fasteners attaching the pressure panel to the flexible bracket at FR 36, adjacent to the longitudinal beams on the left and right sides of the airplane, and by the discovery of additional cracks under the longitudinal beams at locations that are not included in the inspection area required by AD 2004–03–07. The NPRM proposed to continue to require certain requirements of AD 2004–03–07. The NPRM also proposed to expand the applicability and require an inspection of the fastener holes on the pressure panel between FR 35 and FR 36 under the longitudinal beam and modification or repair as applicable. We are issuing this AD to detect and correct fatigue cracking around the fasteners attaching the pressure panel to the flexible bracket at the FR 36 adjacent to the longitudinal beams, which could result in reduced structural integrity of the airplane and possible rapid decompression of the airplane.

The European Aviation Safety Agency (EASA), which is the Technical Agent for the Member States of the European Union, has issued EASA Airworthiness Directive 2016–0206, dated October 13, 2016; corrected October 14, 2016 (referred to after this as the Mandatory Continuing Airworthiness Information, or ''the MCAI''), to correct an unsafe condition for certain Airbus Model A318 and Model A319 series airplanes, Model A320–211, –212, –214, –231, –232, and –233 airplanes, and Model A321–111, –112, –131,–211, –21–, 213, –231, and –232 airplanes. The MCAI states:

> During fatigue tests, cracks were found around the fasteners connecting the pressure panel with the flexible bracket at fuselage frame (FR) 36, adjacent to the longitudinal beams on left-hand (LH) and right-hand (RH) sides.
>
> This condition, if not detected and corrected, could impair the structural integrity of the aeroplane.
>
> To address this unsafe condition, DGAC [Direction Générale de l'Aviation Civile] France issued [French] AD 2000–531–155(B) [which corresponds with FAA AD 2004–03–07] to require repetitive inspections of the longitudinal beams of the FR 36 pressure panel and, depending on findings, the accomplishment of a repair.
>
> Since that [French] AD was issued, additional cracks have been found under the beams, but in locations not covered by the required inspections. Fatigue and damage tolerance analyses were performed, the results of which indicated that all the holes in the pressure panel above all the longitudinal beams have to be cold worked.
>
> For the reasons described above, this [EASA] AD retains the requirements of DGAC France AD 2000–531–155(B), which is superseded, extends the applicability to all A320 family aeroplanes and requires [a special detailed inspection of the fastener holes on the pressure panel between FR35 and FR36 under the longitudinal beam and] modification [or repair] of all the affected holes.
>
> This [EASA] AD is republished to correct the number of the superseded DGAC AD.

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–2017–0902.

Comments

We gave the public the opportunity to participate in developing this AD. The following presents the comments received on the NPRM and the FAA's response to each comment.

Request To Remove Reporting Requirement

United Airlines (UAL) requested that we omit paragraph (k)(2)(ii) of the proposed AD, which would require operators to report any findings of cracking that exceeded the limits specified in Airbus Service Bulletin A320–53–1264, Revision 01, excluding Appendix 01, dated July 4, 2016, from the proposed AD. UAL stated that paragraph (k)(2)(ii) of the proposed AD is confusing and unjustified because there is no explanation for why it is required when it was not included in EASA AD 2016–0206. UAL stated the requirement to report findings in paragraph (k)(2)(ii) is redundant with the actions of paragraph (k)(2)(i) of the proposed AD. UAL noted that for the

crack repair specified in paragraph (k)(2)(i) of the proposed AD, the findings would be reported. UAL suggested the paragraph (k)(2)(ii) of the proposed AD required using an unconventional means to report findings that might require additional procedures and training specific to the proposed AD. UAL also stated that restricting reporting to a website may cause issues if the sender does not have access and that Airbus Service Bulletin A320–53–1264, Revision 01, excluding Appendix 01, dated July 4, 2016, lists alternative options for reporting, like email, fax, or mail.

We agree to remove the reporting requirement specified in paragraph (k)(2)(ii) of the proposed AD from this AD. Neither Airbus Service Bulletin A320–53–1264, Revision 01, excluding Appendix 01, dated July 4, 2016, nor the MCAI specifically includes reporting to a website as specified in paragraph (k)(2)(ii) of the proposed AD. We note that Airbus Service Bulletin A320–53–1264, Revision 01, excluding Appendix 01, dated July 4, 2016, does include reporting within the required for compliance (RC) procedure for the repair, which indicates that reporting would be required regardless of whether reporting was called out in the MCAI. We also verified with EASA that reporting should be done as defined in the service information. However, we have determined that a specific reporting requirement is not necessary. As stated by the commenter, operators will report findings to obtain the repair, which is specified in paragraph (k)(2)(i) of the proposed AD. We have removed paragraphs (k)(2)(i) and (k)(2)(ii) from this AD and revised paragraph (k)(2) of this AD to include the information that was in paragraph (k)(2)(i) of the proposed AD. We have also added paragraph (n) to this AD to specify that reporting is not required for this AD and redesignated the subsequent paragraphs accordingly.

Request To Refer to Latest Service Information

Two commenters requested that we refer to the latest service information. UAL requested that we update paragraph (k) of the proposed AD to use Airbus Service Bulletin A320–53–1264, Revision 02, dated March 14, 2017, which corrects an error with the fastener lengths for part number (P/N) EN6115K3. We infer that UAL intended to refer to Airbus Service Bulletin A320–53–1240, Revision 02, dated March 14, 2017, because there is no Revision 02 for Airbus Service Bulletin A320–53–1264, and because P/N EN6115K3 is referenced in Airbus Service Bulletin A320–53–1240, Revision 02, dated March 14, 2017. Airbus requested that we refer to Airbus Service Bulletin A320–53–1240, Revision 02, dated March 14, 2017, in the proposed AD.

We agree to refer to the latest service information in this AD. In addition to Airbus Service Bulletin A320–53–1240, Revision 02, dated March 14, 2017, we have also reviewed Airbus Service Bulletin A320–53–1263, Revision 02, excluding Appendix 01 and including Appendix 02, dated December 6, 2017, which updates kit information and figures among other minor changes. We have revised paragraph (k)(1) of this AD accordingly. We have also provided credit for Airbus Service Bulletin A320–53–1240, Revision 01, dated April 4, 2016; and Airbus Service Bulletin A320–53–1263, Revision 01, dated February 29, 2016; in paragraphs (o)(3)(ii) and (o)(3)(iv) of this AD, respectively.

Request To Include Additional Airplane Models in the Applicability

Airbus requested that Model A320–215 and Model A320–216 airplanes be in included in the applicability of the proposed AD. The commenter noted that these airplane models are included in the MCAI.

We do not agree with the commenter's request. We have not certified Model A320–215 airplanes for operation in the U.S., and therefore, we did not include that model in the applicability of this AD. We did not include Model A320–216 airplanes in the applicability of this AD because the MCAI was already added to the required airworthiness action list (RAAL) for Model A320–216 airplanes. We have not changed this AD in this regard.

Request To Revise Service Bulletin Descriptions in the Related Service Information Under 1 CFR Part 51 Paragraph in the Preamble of the NPRM

Airbus stated that the proposed AD identifies the means of inspection, *i.e.,* rototest inspection, using three different wordings in the descriptions of the service bulletins specified in the Related Service Information under 1 CFR part 51 paragraph in the preamble of the NPRM. Airbus also stated that Service Bulletin A320–53–1240, Revision 02, dated March 14, 2017, no longer contains a rototest inspection requirement. In addition, Airbus noted that Service Bulletin A320–53–1240, Revision 02, dated March 14, 2017, does not contain repair instructions. We infer the commenter is requesting that we revise the service bulletin descriptions in the Related Service Information under 1 CFR part 51 paragraph in the preamble of the NPRM.

We acknowledge the description of the rototest inspection is different for each service bulletin specified in the Related Service Information under 1 CFR part 51 paragraph in the preamble of the NPRM. In the NPRM, we matched the description of the inspection as given in each service bulletin specified in the Related Service Information under 1 CFR part 51 paragraph. We have revised the description of Airbus Service Bulletin A320–53–1240, Revision 02, dated March 14, 2017, to remove the reference to an inspection and repair.

Request To Clarify What Prompted the Proposed AD

Airbus requested that we revise paragraph (e) of the proposed AD to clarify that the proposed AD was prompted by a report of cracking in an additional area. Airbus stated that paragraph (e) of the proposed AD describes only the fatigue test results that prompted AD 2004–03–07.

We agree to revise paragraph (e) of this AD for clarity. This AD was prompted by the original report of cracking and the additional report. We have revised paragraph (e) of this AD to include the additional cracking that prompted the issuance of this AD.

Request To Revise Repair Language in Paragraph (k)(2)(i) of the Proposed AD

Airbus requested that we revise the language in paragraph (k)(2)(i) of the proposed AD, which specifies to repair any cracking in accordance with Airbus Service Bulletin A320–53–1264, Revision 01, excluding Appendix 01, dated July 4, 2016. Airbus stated that this service information does not provide direct repair instructions and instead specifies to contact Airbus.

We agree to clarify the language in paragraph (k)(2) of this AD (which corresponds with paragraph (k)(2)(i) of the proposed AD). Paragraph (k)(2) of this AD also specifies that where Airbus Service Bulletin A320–53–1264, Revision 01, excluding Appendix 01, dated July 4, 2016, specifies to contact Airbus for appropriate action, and specifies that action as ''RC'' (Required for Compliance), operators must request approval of repair instructions using a method approved in accordance with the procedures specified in paragraph (p)(2) of this AD, and accomplish the repair accordingly within the compliance time specified in those instructions. We have not changed this AD in this regard.

Request To Include Wording From the MCAI in Paragraph (m)(1)(iii) of the Proposed AD

Airbus requested that we revise paragraph (m)(1)(iii) of the proposed AD. Airbus stated the wording is similar to paragraph (9) of the MCAI except that the important wording ''in accordance with Airbus approved instructions that identify the repair as technically equivalent to the accomplishment of Airbus SB A320–53–1240 or SB A320–53–1263'' is omitted.

We disagree with the commenter's request. The intent of paragraph (m)(1)(iii) of this AD is to obtain corrective actions from the manufacturer that are approved by the FAA, EASA, or Airbus's EASA Design Organization Approval (DOA). These approved instructions will provide an equivalent level of safety. We have not changed this AD in this regard.

Conclusion

We reviewed the available data, including the comments received, and determined that air safety and the public interest require adopting this AD with the changes described previously and minor editorial changes. We have determined that these changes:

- Are consistent with the intent that was proposed in the NPRM for correcting the unsafe condition; and
- Do not add any additional burden upon the public than was already proposed in the NPRM.

We also determined that these changes will not increase the economic burden on any operator or increase the scope of this AD.

Related Service Information Under 1 CFR Part 51

Airbus has issued Service Bulletin A320–53–1029, Revision 01, including Appendix 01, dated April 29, 2002. The service information describes procedures for repairing cracking.

Airbus has also issued Service Bulletin A320–53–1240, Revision 01, dated April 4, 2016; and A320–53–1240, Revision 02, dated March 14, 2017, which describe procedures for modifying the pressure panel above the left and right longitudinal beams, by cold working the attachment holes under the longitudinal beam at FR 36 for airplanes on which no cracking was found. Service Bulletin A320–53–1240, Revision 01, dated April 4, 2016 also includes related investigative action (*e.g.,* high frequency eddy current (rototest) inspection of all the removed fastener holes) and corrective actions (*e.g.,* repair). These documents are distinct since they are different revision levels.

Airbus has also issued Service Bulletin A320–53–1263, Revision 01, dated February 29, 2016; and A320–53–1263, Revision 02, excluding Appendix 01 and including Appendix 02, dated December 6, 2017, which describe procedures for modifying the pressure panel above the left and right longitudinal beams, including related investigative actions (*e.g.,* eddy current rotating probe inspection of the fastener holes) and corrective actions (*e.g.,* repair), by adding a doubler and a filler, and cold expansion of the holes under the longitudinal beam at FR 36 for airplanes on which cracking was found. These documents are distinct because they are different revision levels.

Airbus has also issued Service Bulletin A320–53–1264, Revision 01, excluding Appendix 01, dated July 4, 2016. The service information describes procedures for a special detailed inspection (rotating probe) for cracking of the fastener holes on the pressure panel between FR 35 and FR 36 under the longitudinal beam and repair of any crack.

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.

Costs of Compliance

We estimate that this AD affects 737 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
Inspection [Retained from AD 2004–03–07].	Up to 2 work-hours × $85 per hour = $170 per inspection cycle.	$0	Up to $170 per inspection cycle.	Up to $125,290 per inspection cycle.
Inspection [new proposed requirement]	13 work-hours × $85 per hour = $1,105	$0	$1,105	$814,385.

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

ON-CONDITION COSTS

Action	Labor cost	Parts cost	Cost per product
Modification	Up to 213 work-hours × $85 per hour = $18,105.	Up to $8,510	Up to $26,615.

We have received no definitive data that will enable us to provide a cost estimate for the on-condition repairs 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.

This AD is issued in accordance with authority delegated by the Executive Director, Aircraft Certification Service, as authorized by FAA Order 8000.51C.

In accordance with that order, issuance of ADs is normally a function of the Compliance and Airworthiness Division, but during this transition period, the Executive Director has delegated the authority to issue ADs applicable to transport category airplanes to the Director of the System Oversight Division.

Regulatory Findings

We determined that 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 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.

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 removing Airworthiness Directive (Airworthiness Directive (AD) 2004–03–07, Amendment 39–13451 (69 FR 5907, February 9, 2004), and adding the following new AD:

2018–06–04 Airbus: Amendment 39–19224; Docket No. FAA–2017–0902; Product Identifier 2016–NM–188–AD.

(a) Effective Date

This AD is effective May 3, 2018.

(b) Affected ADs

This AD replaces AD 2004–03–07, Amendment 39–13451 (69 FR 5907, February 9, 2004) (''AD 2004–03–07'').

(c) Applicability

This AD applies to the Airbus airplanes identified in paragraphs (c)(1) through (c)(4) of this AD, certificated in any category, except for airplanes on which Airbus Modification 151574 was embodied in production.

(1) Model A318–111, –112, –121, and –122 airplanes.

(2) Model A319–111, –112, –113, –114, –115, –131, –132, and –133 airplanes.

(3) Model A320–211, –212, –214, –231, –232, and –233 airplanes.

(4) Model A321–111, –112, –131, –211, –212, –213, –231, and –232 airplanes.

(d) Subject

Air Transport Association (ATA) of America Code 53, Fuselage.

(e) Reason

This AD was prompted by fatigue tests which revealed cracking around the fasteners attaching the pressure panel to the flexible bracket at frame (FR) 36, adjacent to the longitudinal beams on the left and right sides of the airplane, and by the discovery of additional cracks under the longitudinal beams at locations that are not included in the inspection area required by AD 2004–03–07. We are issuing this AD to detect and correct fatigue cracking around the fasteners attaching the pressure panel to the flexible bracket at the FR 36 adjacent to the longitudinal beams, which could result in reduced structural integrity of the airplane and possible rapid decompression of the airplane.

(f) Compliance

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

(g) Retained Inspection and Follow-on Actions, With No Changes

This paragraph restates the requirements of paragraphs (a) and (b) of AD 2004–03–07, with no changes.

(1) For Model A320–211, –212, and –231 series airplanes having serial numbers 0002 through 0107 inclusive, except those airplanes on which Airbus Modification 21202/K1432 has been incorporated in production, or on which Airbus Service Bulletin A320–53–1029, Revision 01, including Appendix 01, dated April 29, 2002, has been incorporated in service: Prior to the accumulation of 30,000 total flight cycles, do a rotating probe inspection on airplanes with a center fuel tank, or a detailed inspection on airplanes without a center fuel tank, to detect cracking around the fasteners that attach the pressure panel to the flexible bracket at FR 36, adjacent to the longitudinal beams on the left and right sides of the airplane, in accordance with the Accomplishment Instructions of Airbus Service Bulletin A320–53–1030, Revision 01, excluding Appendix 01, dated May 21, 2002.

(2) If no crack is detected by the inspection required by paragraph (g)(1) of this AD, repeat the applicable inspection thereafter at intervals not to exceed 6,000 flight cycles for airplanes without a center fuel tank, and at intervals not to exceed 18,000 flight cycles for airplanes with a center fuel tank.

(h) Retained Corrective Actions, With Specific Delegation Approval Language

This paragraph restates the requirements of paragraphs (c) and (d) of AD 2004–03–07, with specific delegation approval language.

(1) If any crack is detected during any inspection required by paragraph (g)(1) of this AD, before further flight, repair the affected structure by accomplishing all applicable actions in accordance with paragraphs 3.B. through 3.E. of the Accomplishment Instructions of Airbus Service Bulletin A320–53–1030, Revision 01, excluding Appendix 01, dated May 21, 2002. Repeat the applicable inspection thereafter at intervals not to exceed 6,000 flight cycles for airplanes without a center fuel tank, and at intervals not to exceed 18,000 flight cycles for airplanes with a center fuel tank. For any area where cracking is repaired, the repair constitutes terminating action for the repetitive inspection of that area.

Note 1 to paragraph (h)(1) of this AD: Airbus Service Bulletin A320–53–1030 references Airbus Service Bulletin A320–53–1029, Revision 01, including Appendix 01, dated April 29, 2002, as an additional source of service information for certain repairs.

(2) If Airbus Service Bulletin A320–53–1030, Revision 01, excluding Appendix 01, dated May 21, 2002, specifies to contact the manufacturer for appropriate action: Before further flight, repair using a method approved in accordance with the procedures specified in paragraph (p)(2) of this AD.

(i) Retained Optional Terminating Action, With Revised Compliance Language

This paragraph restates the requirements of paragraph (e) of AD 2004–03–07, with revised compliance language, to provide optional terminating action for paragraphs (g) and (h) of this AD. For Model A320–211, –212, and –231 series airplanes having serial numbers 0002 through 0107 inclusive, except those airplanes on which Airbus Modification 21202/K1432 has been incorporated in production, or Airbus Service Bulletin A320–53–1029, Revision 01, including Appendix 01, dated April 29, 2002, has been incorporated in service: Modification, before the effective date of this AD, of the structure around the fasteners that attach the pressure panel to the flexible bracket at FR 36, adjacent to the longitudinal beams on the left and right sides of the airplane, by accomplishing all applicable actions in accordance with paragraphs 3.A. through 3.E. of the Accomplishment Instructions of Airbus Service Bulletin A320–53–1029, Revision 01, including Appendix 01, dated April 29, 2002, constitutes terminating action for the actions required by paragraphs (g) and (h) of this AD.

(j) New Requirement of This AD: Inspection

For all airplanes, except for airplanes identified in paragraph (l) of this AD: At the applicable time specified in table 1 to paragraph (j) of this AD, do a special detailed inspection for cracking of the fastener holes

on the pressure panel between FR 35 and FR 36 under the longitudinal beam, in accordance with the Accomplishment Instructions of Airbus Service Bulletin A320–53–1264, Revision 01, excluding Appendix 01, dated July 4, 2016.

Table 1 to Paragraph (j) of this AD - *Pressure Panel Inspection /Modification Threshold*

Affected airplanes	Time accumulated by the airplane on the effective date of this AD (flight cycles and flight hours since the airplane's first flight)	Compliance time (flight cycles or flight hours, whichever occurs first)
All airplanes, except Model A318 Elite airplanes; Model A319CJ airplanes (Corporate Jet - airplanes equipped with Modifications 28238, 28162, and 28342); Airbus Model A319 series airplanes on which the actions specified in Airbus Service Bulletin A320-57-1193 have been embodied (sharklets installed as retrofit); Airbus Model A320 series airplanes on which the actions specified in Airbus Service Bulletin A320-57-1193 have been embodied (sharklets installed as retrofit)	Less than 12,000 flight cycles and 24,000 flight hours	**A:** Before accumulating 12,000 flight cycles or 24,000 flight hours since the airplane's first flight; or **B:** Within 5,000 flight cycles or 10,000 flight hours after the effective date of this AD; whichever occurs later, **A** or **B**
	12,000 flight cycles or 24,000 flight hours or more, but less than 30,000 flight cycles and 60,000 flight hours	Within 5,000 flight cycles or 10,000 flight hours after the effective date of this AD, without exceeding 33,000 flight cycles or 66,000 flight hours since the airplane's first flight
	30,000 flight cycles or 60,000 flight hours or more, but less than 40,000 flight cycles and 80,000 flight hours	Within 3,000 flight cycles or 6,000 flight hours after the effective date of this AD, without exceeding 41,800 flight cycles or 83,600 flight hours since the airplane's first flight
	40,000 flight cycles or 80,000 flight hours or more, but less than 44,000 flight cycles and 88,000 flight hours	Within 1,800 flight cycles or 3,600 flight hours after the effective date of this AD, without exceeding 44,600 flight cycles or 89,200 flight hours since the airplane's first flight
	44,000 flight cycles or 88,000 flight hours or more	Within 600 flight cycles or 1,200 flight hours after the effective date of this AD

Affected airplanes	Time accumulated by the airplane on the effective date of this AD (flight cycles and flight hours since the airplane's first flight)	Compliance time (flight cycles or flight hours, whichever occurs first)
Model A318 Elite airplanes	Less than 11,300 flight cycles and 33,900 flight hours	**A**: Before accumulating 11,300 flight cycles or 33,900 flight hours since airplane first flight; or **B**: Within 2,500 flight cycles or 7,600 flight hours after the effective date of this AD; whichever occurs later, **A** or **B**
	11,300 flight cycles or 33,900 flight hours or more	Within 2,500 flight cycles or 7,600 flight hours after the effective date of this AD
Model A319CJ airplanes on which the actions specified in Airbus Service Bulletin A320-57-1193 have not been embodied (sharklets not installed)	Less than 6,300 flight cycles and 27,000 flight hours	**A**: Before accumulating 6,300 flight cycles or 27,000 flight hours since airplane first flight; or **B**: Within 2,300 flight cycles or 11,300 flight hours after the effective date of this AD; whichever occurs later, **A** or **B**
	6,300 flight cycles or 27,000 flight hours or more, but less than 14,300 flight cycles and 68,300 flight hours	Within 2,300 flight cycles or 11,300 flight hours after the effective date of this AD, without exceeding 15,700 flight cycles or 75,100 flight hours since the airplane's first flight
	14,300 flight cycles or 68,300 flight hours or more	Within 1,400 flight cycles or 6,800 flight hours after the effective date of this AD

Affected airplanes	Time accumulated by the airplane on the effective date of this AD (flight cycles and flight hours since the airplane's first flight)	Compliance time (flight cycles or flight hours, whichever occurs first)
Model A319 and A320 series airplanes on which the actions specified in Airbus Service Bulletin A320-57-1193 have been embodied (sharklets installed)	Less than 9,000 flight cycles and 18,000 flight hours	**A**: Before accumulating 9,800 flight cycles or 19,600 flight hours since the airplane's first flight; or **B**: Within 3,300 flight cycles or 6,600 flight hours after the effective date of this AD; whichever occurs later, **A** or **B***
	9,000 flight cycles or 18,000 flight hours or more, but less than 24,000 flight cycles and 48,000 flight hours	Within 3,300 flight cycles or 6,600 flight hours after the effective date of this AD, without exceeding 25,300 flight cycles or 50,600 flight hours since the airplane's first flight*
	24,000 flight cycles or 48,000 flight hours or more, but less than 30,000 flight cycles and 60,000 flight hours	Within 1,300 flight cycles or 2,600 flight hours after the effective date of this AD, without exceeding 30,700 flight cycles or 61,400 flight hours since the airplane's first flight*
	30,000 flight cycles or 60,000 flight hours or more, but less than 32,000 flight cycles and 64,000 flight hours	Within 700 flight cycles or 1,400 flight hours after the effective date of this AD, without exceeding 32,300 flight cycles or 64,600 flight hours since the airplane's first flight*
	32,000 flight cycles or 64,000 flight hours or more, but less than 33,000 flight cycles and 66,000 flight hours	Within 300 flight cycles or 600 flight hours after the effective date of this AD, without exceeding 33,000 flight cycles or 66,000 flight hours since the airplane's first flight; or within 30 days after the effective date of this AD; whichever occurs later*

Affected airplanes	Time accumulated by the airplane on the effective date of this AD (flight cycles and flight hours since the airplane's first flight)	Compliance time (flight cycles or flight hours, whichever occurs first)
Model A319 airplanes used as CJ post Airbus Service Bulletin A320-57-1193	Less than 4,200 flight cycles and 18,000 flight hours	**A**: Before accumulating 4,500 flight cycles or 19,600 flight hours since the airplane's first flight; or **B**: Within 1,600 flight cycles or 6,800 flight hours after the effective date of this AD; whichever occurs later, **A** or **B****
	4,200 flight cycles or 18,000 flight hours or more, but less than 14,300 flight cycles and 61,400 flight hours	Within 1,600 flight cycles or 6,800 flight hours after the effective date of this AD, without exceeding 15,300 flight cycles or 65,700 flight hours since the airplane's first flight**
	14,300 flight cycles or 61,400 flight hours or more but less than 18,000 flight cycles or 77,400 flight hours	Within 1,000 flight cycles or 4,300 flight hours after the effective date of this AD**
For A319 and A320 airplanes with a sharklet installed as a retrofit (post-Airbus Service Bulletin A320-57-1193 (post-mod 160080)): Guidance on determining an alternative compliance time for the initial inspection can be found in in "Compliance Time" of Part 2, Damage Tolerant Airworthiness Limitation Items, of the Model A318/A319/A320/A321 Airworthiness Limitations Section; however, to use that alternative compliance time, operators must request an alternative method of compliance using a method approved in accordance with the procedures specified in paragraph (p)(1) of this AD.		
* Without exceeding the time at which an inspection is required through the threshold or compliance time of a Model A320 airplane, pre-Airbus Service Bulletin A320-57-1193 (pre-mod 160080).		
** Without exceeding the time at which an inspection is required through the threshold or compliance time of a Model A319CJ airplane, pre-Airbus Service Bulletin A320-57-1193 (pre-mod 160080).		

(k) On-Condition Actions

(1) If, during any inspection required by paragraph (j) of this AD, no cracking is found, or cracking is found that is within the limits specified in Airbus Service Bulletin A320–53–1264, Revision 01, excluding Appendix 01, dated July 4, 2016: Before further flight, modify the pressure panel above the left and right longitudinal beams, including doing all applicable related investigative and corrective actions, in accordance with the Accomplishment Instructions of Airbus Service Bulletin A320–53–1240, Revision 02, dated March 14, 2017; or Service Bulletin A320–53–1263, Revision 02, excluding

Appendix 01 and including Appendix 02, dated December 6, 2017, as applicable. Do all related investigative and corrective actions before further flight. Where Airbus Service Bulletin A320–53–1240, Revision 02, dated March 14, 2017; or Service Bulletin A320–53–1263, Revision 02, excluding Appendix 01 and including Appendix 02, dated December 6, 2017; specify to contact Airbus for appropriate action: Before further flight, accomplish the repair using a method approved in accordance with the procedures specified in paragraph (p)(2) of this AD.

(2) If, during any inspection required by paragraph (j) of this AD, any cracking is found that exceeds the limits specified in Airbus Service Bulletin A320–53–1264, Revision 01, excluding Appendix 01, dated July 4, 2016: Before further flight, repair any cracking in accordance with the Accomplishment Instructions of Airbus Service Bulletin A320–53–1264, Revision 01, excluding Appendix 01, dated July 4, 2016. Where Airbus Service Bulletin A320–53–1264, Revision 01, excluding Appendix 01, dated July 4, 2016, specifies to contact Airbus for appropriate action, and specifies that action as ''RC'' (Required for Compliance), before further flight, request approval of repair instructions using a method approved in accordance with the procedures specified in paragraph (p)(2) of this AD, and accomplish the repair accordingly within the compliance time specified in those instructions. If no compliance time is defined in the repair instructions, accomplish the repair before further flight.

(l) Actions for Certain Airplanes

For Model A319 and Model A320 series airplanes on which the actions specified in Airbus Service Bulletin A320–57–1193 have been embodied and the airplane has accumulated 33,000 flight cycles or 66,000 flight hours or more since the airplane's first flight on the effective date of this AD: Within 30 days after the effective date of this AD, contact the Manager, International Section, Transport Standards Branch FAA; or the European Aviation Safety Agency (EASA); or Airbus's EASA Design Organization Approval (DOA) for approved repair instructions and within the compliance time specified in those instructions, accomplish the repair accordingly. If approved by the DOA, the approval must include the DOA-authorized signature. If no compliance time is defined in the repair instructions, accomplish the repair before the next flight.

(m) Terminating Action for Repetitive Inspections

(1) Modification of an airplane as specified in paragraph (m)(1)(i), (m)(1)(ii), or (m)(1)(iii) of this AD constitutes terminating action for the repetitive inspection required by paragraph (g)(2) of this AD for that airplane only.

(i) Modification of an airplane as required by paragraph (k)(1) of this AD.

(ii) Modification of an airplane prior to the effective date of this AD, in accordance with the Accomplishment Instructions of Airbus Service Bulletin A320–53–1240, Revision 01, dated April 4, 2016; or Airbus Service Bulletin A320–53–1263, Revision 01, dated February 29, 2016; as applicable.

(iii) Modification of an airplane using instructions obtained in accordance with the procedures specified in paragraph (p)(2) of this AD.

(2) Repair of an airplane as required by paragraph (k)(2) of this AD constitutes terminating action for the repetitive inspections required by paragraph (g)(2) of this AD for that airplane, unless specified otherwise in the repair instructions approved by the Manager, International Section, Transport Standards Branch, FAA; or EASA; or Airbus's EASA DOA. If approved by the DOA, the approval must include the DOA-authorized signature.

(n) No Reporting Requirement

Although Airbus Service Bulletin A320–53–1264, Revision 01, excluding Appendix 01, dated July 4, 2016, specifies to submit certain information to the manufacturer, and specifies that action as ''RC'' (Required for Compliance), this AD does not include that requirement.

(o) Credit for Previous Actions

(1) This paragraph provides credit for actions required by paragraphs (g) and (h)(1) of this AD, if those actions were performed before March 15, 2004 (the effective date of AD 2004–03–07) using Airbus Service Bulletin A320–53–1030, dated January 5, 2000; or Airbus Service Bulletin A320–53–1029, dated January 5, 2000.

(2) This paragraph provides credit for actions required by paragraph (j) of this AD, if those actions were performed before the effective date of this AD using Airbus Service Bulletin A320–53–1264, dated March 19, 2015.

(3) This paragraph provides credit for actions required by paragraph (k)(1) of this AD, if those actions were performed before the effective date of this AD using the applicable service information specified in paragraphs (o)(3)(i) through (o)(3)(iv) of this AD, for that airplane only.

(i) Airbus Service Bulletin A320–53–1240, dated March 19, 2015.

(ii) Airbus Service Bulletin A320–53–1240, Revision 01, dated April 4, 2016.

(iii) Airbus Service Bulletin A320–53–1263, dated March 19, 2015.

(iv) Airbus Service Bulletin A320–53–1263, Revision 01, dated February 29, 2016.

(4) This paragraph provides credit for actions required by paragraph (m)(1)(ii) of this AD if those actions were performed before the effective date of this AD using Airbus Service Bulletin A320–53–1240, dated March 19, 2015; or Service Bulletin A320–53–1263, dated March 19, 2015.

(p) Other FAA AD Provisions

The following provisions also apply to this AD:

(1) *Alternative Methods of Compliance (AMOCs):* The Manager, International Section, Transport Standards Branch, 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 International Branch, send it to the attention of the person identified in paragraph (q)(2) of this AD. Information may be emailed to: *9-ANM-116-AMOC-REQUESTS@faa.gov*. 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.

(2) *Contacting the Manufacturer:* As of the effective date of this AD, 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, International Section, Transport Standards Branch, FAA; or the European Aviation Safety Agency (EASA); or Airbus's EASA Design Organization Approval (DOA). If approved by the DOA, the approval must include the DOA-authorized signature.

(3) *Required for Compliance (RC):* Except as required by paragraphs (k)(2) and (n) of this AD: If any service information contains procedures or tests that are identified as RC, those procedures and tests must be done to comply with this AD; any procedures or tests that are not identified as RC are recommended. Those procedures and tests that are not identified 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 procedures and tests identified as RC can be done and the airplane can be put back in an airworthy condition. Any substitutions or changes to procedures or tests identified as RC require approval of an AMOC.

(q) Related Information

(1) Refer to Mandatory Continuing Airworthiness Information (MCAI) EASA AD 2016–0206, dated October 13, 2016; corrected October 14, 2016; 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–2017–0902.

(2) For more information about this AD, contact Sanjay Ralhan, Aerospace Engineer, International Section, Transport Standards Branch, FAA, 2200 South 216th St., Des Moines, WA 98198; telephone 206–231–3223; fax 206–231–3398.

(3) Service information identified in this AD that is not incorporated by reference is available at the addresses specified in paragraphs (r)(5) and (r)(6) of this AD.

(r) 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 this AD specifies otherwise.

(3) The following service information was approved for IBR on May 3, 2018.

(i) Airbus Service Bulletin A320–53–1029, Revision 01, including Appendix 01, dated April 29, 2002.

(ii) Airbus Service Bulletin A320–53–1240, Revision 01, dated April 4, 2016.

(iii) Airbus Service Bulletin A320–53–1240, Revision 02, dated March 14, 2017.

(iv) Airbus Service Bulletin A320–53–1263, Revision 01, dated February 29, 2016.

(v) Airbus Service Bulletin A320–53–1263, Revision 02, excluding Appendix 01 and including Appendix 02, dated December 6, 2017.

(vi) Airbus Service Bulletin A320–53–1264, Revision 01, excluding Appendix 01, dated July 4, 2016.

(4) The following service information was approved for IBR on March 15, 2004 (69 FR 5907, February 9, 2004).

(i) Airbus Service Bulletin A320–53–1030, Revision 01, excluding Appendix 01, dated May 21, 2002.

(ii) Reserved.

(5) For service information identified in this AD, contact Airbus, Airworthiness Office—EIAS, 1 Rond Point Maurice Bellonte, 31707 Blagnac Cedex, France; telephone +33 5 61 93 36 96; fax +33 5 61 93 44 51; email *account.airworth-eas@airbus.com;* internet *http://www.airbus.com.*

(6) You may view this service information at the FAA, Transport Standards Branch, 2200 South 216th St., Des Moines, WA. For information on the availability of this material at the FAA, call 206–231–3195.

(7) 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 2, 2018.

Michael Kaszycki,

Acting Director, System Oversight Division, Aircraft Certification Service.

[FR Doc. 2018–05019 Filed 3–28–18; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2017–0940; Product Identifier 2017–SW–058–AD; Amendment 39–19233; AD 2018–07–02]

RIN 2120–AA64

Airworthiness Directives; Agusta S.p.A. Helicopters

AGENCY: Federal Aviation Administration (FAA), Department of Transportation (DOT).

ACTION: Final rule; request for comments.

SUMMARY: We are adopting a new airworthiness directive (AD) for Agusta S.p.A. (Agusta) Model A109E, A109S, AW109SP, A119, and AW119 MKII helicopters. This AD requires inspecting the main rotor blade (MRB) tip cap for disbonding. This AD is prompted by a report of the in-flight loss of an MRB tip cap. The actions of this AD are intended to prevent an unsafe condition on these products.

DATES: This AD becomes effective April 13, 2018.

The Director of the Federal Register approved the incorporation by reference of certain documents listed in this AD as of April 13, 2018.

We must receive comments on this AD by May 29, 2018.

ADDRESSES: You may send comments by any of the following methods:

- *Federal eRulemaking Docket:* Go to *http://www.regulations.gov.* Follow the online instructions for sending your comments electronically.
- *Fax:* 202–493–2251.
- *Mail:* Send comments to the U.S. Department of Transportation, Docket Operations, M–30, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue SE, Washington, DC 20590–0001.
- *Hand Delivery:* Deliver to the ''Mail'' address between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

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–2017–0940; or in person at Docket Operations between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this AD, the European Aviation Safety Agency (EASA) AD, any incorporated-by-reference service information, the economic evaluation, any comments received, and other information. The street address for Docket Operations (telephone 800- 647–5527) is in the **ADDRESSES** section. Comments will be available in the AD docket shortly after receipt.

For service information identified in this final rule, contact Leonardo S.p.A. Helicopters, Matteo Ragazzi, Head of Airworthiness, Viale G.Agusta 520, 21017 C.Costa di Samarate (Va) Italy; telephone +39–0331–711756; fax +39–0331–229046; or at *http://www.leonardocompany.com/-/bulletins.* You may review the referenced service information at the FAA, Office of the Regional Counsel, Southwest Region, 10101 Hillwood Pkwy., Room 6N–321, Fort Worth, TX 76177. It is also available on the internet at *http://www.regulations.gov* by searching for and locating Docket No. FAA–2017–0940.

FOR FURTHER INFORMATION CONTACT: Matt Fuller, Senior Aviation Safety Engineer, Safety Management Section, Rotorcraft Standards Branch, FAA, 10101 Hillwood Pkwy., Fort Worth, TX 76177; telephone (817) 222–5110; email *matthew.fuller@faa.gov.*

SUPPLEMENTARY INFORMATION:

Comments Invited

This AD is a final rule that involves requirements affecting flight safety, and we did not provide you with notice and an opportunity to provide your comments prior to it becoming effective. However, we invite you to participate in this rulemaking by submitting written comments, data, or views. We also invite comments relating to the economic, environmental, energy, or federalism impacts that resulted from adopting this AD. The most helpful comments reference a specific portion of the AD, 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 them only one time. We will file in the docket all comments that we receive, as well as a report summarizing each substantive public contact with FAA personnel concerning this rulemaking during the comment period. We will consider all the comments we receive and may conduct additional rulemaking based on those comments.

Discussion

EASA, which is the Technical Agent for the Member States of the European Union, has issued AD No. 2017–0176–E, dated September 14, 2017, to correct an unsafe condition for Leonardo S.p.A. (previously Agusta) Model A109E, A109LUH, A109S, AW109SP, A119, and AW119 MKII helicopters. EASA advises of an in-flight loss of an MRB tip cap on an AW109SP helicopter where the pilot was able to safely land the helicopter. EASA further advises that an investigation determined the cause as incorrect bonding procedures used between specific dates and identified the affected MRBs by part number and serial number. According to EASA, this condition could result in loss of an MRB tip cap, increased pilot workload, and reduced control of the helicopter. To address this unsafe condition, the EASA AD requires repetitive inspections of the MRB tip caps and replacing certain part-numbered MRBs.

The FAA is in the process of updating Agusta's name change to Leonardo Helicopters on its type certificate. Because this name change is not yet effective, this AD specifies Agusta.

FAA's Determination

These helicopters have been approved by the aviation authority of Italy and are approved for operation in the United States. Pursuant to our bilateral agreement with Italy, EASA, its technical representative, has notified us of the unsafe condition described in the EASA AD. We are issuing this AD because we evaluated all information provided by EASA and determined the unsafe condition exists and is likely to exist or develop on other helicopters of these same type designs.

Related Service Information Under 1 CFR Part 51

Leonardo Helicopters has issued Emergency Alert Service Bulletin (EASB) No. 109EP–157 for Model A109E helicopters, EASB No. 109S–077 for Model A109S helicopters, and EASB No. 109SP–116 for Model AW109SP helicopters, all dated September 8, 2017. Leonardo Helicopters has also issued EASB No. 119–085, Revision A, dated September 11, 2017, for Model A119 and AW119 MKII helicopters. This service information identifies certain part-numbered and serial-numbered MRBs for applicability and describes procedures for tap inspecting the tip cap for disbonding.

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.

AD Requirements

For helicopters with an MRB part number 709–0104–01–111 with serial number 1307, 1320, 1346, 1365, 1372, 1380, 1414, 1426, 1436, 1475, or 1485 installed, this AD requires, within 5 hours time-in-service (TIS) and thereafter at intervals not exceeding 5 hours TIS, tap inspecting the MRB tip cap for disbonding and, if there is disbonding, removing the MRB from service before further flight. If there is no disbonding on any of the inspections, this AD requires removing the MRB from service within 25 hours TIS. After the effective date of this AD, this AD prohibits installing these serial-numbered MRBs on any helicopter.

For all other helicopters, this AD requires, within 25 hours TIS and thereafter at intervals not exceeding 25 hours TIS, tap inspecting the MRB tip cap for disbonding. If there is any disbonding, this AD requires removing the MRB from service before further flight. The repetitive inspections required for these MRBs would no longer be required after the MRB accumulates 400 hours TIS.

Differences Between This AD and the EASA AD

The EASA AD applies to Model A109LUH helicopters, while this AD does not as that model helicopter is not type-certificated in the U.S. The EASA AD requires that you contact Leonardo Helicopters, and this AD does not.

Costs of Compliance

We estimate that this AD affects 130 helicopters of U.S. Registry.

At an average labor rate of $85 per work-hour, we estimate that operators may incur the following costs in order to comply with this AD. Tap inspecting the MRB tip caps will require 1 work-hour, for a cost per helicopter of $85 and a cost of $11,050 for the U.S. fleet per inspection cycle. If required, replacing one MRB will require 4 work-hours and required parts will cost $89,179, for a cost per helicopter of $89,519.

According to Leonardo Helicopters' service information, some of the costs of this AD may be covered under warranty, thereby reducing the cost impact on affected individuals. We do not control warranty coverage by Leonardo Helicopters. Accordingly, we have included all costs in our cost estimate.

FAA's Justification and Determination of the Effective Date

An unsafe condition exists that requires the immediate adoption of this AD without providing an opportunity for public comments prior to adoption. The FAA has found that the risk to the flying public justifies waiving notice and comment prior to adoption of this rule because the corrective actions required by this AD must be accomplished within 5 hours TIS and 25 hours TIS.

Therefore, we find good cause that notice and opportunity for prior public comment are impracticable. In addition, for the reasons stated above, we find that good cause exists for making this amendment effective in less than 30 days.

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 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, 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 to the extent that it justifies making a regulatory distinction; 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.

We prepared an economic evaluation of the estimated costs to comply with this AD and placed it in the AD docket.

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):

2018–07–02 Agusta S.p.A.: Amendment 39–19233; Docket No. FAA–2017–0940; Product Identifier 2017–SW–058–AD.

(a) Applicability

This AD applies to Agusta S.p.A. Model A109E, A109S, AW109SP, A119, and AW119 MKII helicopters, certificated in any category:

(1) With a main rotor blade (MRB) part number (P/N) 709–0104–01–111 with a serial number (S/N) 1307, 1320, 1346, 1365, 1372, 1380, 1414, 1426, 1436, 1475, or 1485;

(2) With an MRB with a P/N and S/N listed in Table 1 to paragraph (a)(2) of this AD, with 400 or fewer hours time-in-service (TIS) since first installation on a helicopter; and

P/N	S/N
709-0104-01-111	1237, 1256, 1261, 1267, 1269, 1276, 1277, 1278, 1284, 1288, 1291, 1292, 1294, 1303, 1306, 1314, 1316, 1318, 1324, 1341, 1342, 1345, 1347, 1357, 1366, 1370, 1374, 1375, 1377, 1381, 1383, 1387, 1391, 1392, 1396, 1402, 1403, 1406, 1410, 1415, 1417, 1419, 1420, 1421, 1422, 1424, 1432, 1434, 1435, 1437, 1438, 1439, 1441, 1442, 1446, 1450, 1460, 1461, 1462, 1471, 1472, 1473, 1474, 1478, 1479, 1483, 1484, 1486, 1490, 1495, 1505, 1506, 1508, 1511, 1513, or 1516
709-0103-01-111	681 or 683

Table 1 to Paragraph (a)(2)

(3) With an MRB P/N 709–0104–01–101 with a S/N K101 or DA38586004–1, or P/N 709–0104–01–111 with a S/N P451, P460, Q553, Q557, Q587, Q695, Q832, R2080, R2212 or V699, with 400 or fewer hours TIS since maintenance on the tip cap by Finmecannica between January 1, 2016, and March 31, 2017.

(b) Unsafe Condition

This AD defines the unsafe condition as disbonding of an MRB tip cap. This condition could result in loss of the MRB tip cap, severe vibrations, and subsequent loss of control of the helicopter.

(c) Effective Date

This AD becomes effective April 13, 2018.

(d) Compliance

You are responsible for performing each action required by this AD within the specified compliance time unless it has already been accomplished prior to that time.

(e) Required Actions

(1) For helicopters listed in paragraph (a)(1) of this AD:

(i) Within 5 hours TIS and thereafter at intervals not exceeding 5 hours TIS, using a tap hammer or equivalent, tap inspect each MRB tip cap for disbonding in the area depicted in Figure 1 of Leonardo Helicopters Emergency Alert Service Bulletin (EASB) EASB No. 109S–077, dated September 8, 2017; EASB No. 109SP–116, dated September 8, 2017; or EASB No. 119–085, Revision A, dated September 11, 2017; as applicable for your model helicopter. If there is any disbonding, before further flight, remove the MRB from service.

(ii) Within 25 hours TIS, remove the MRB from service.

(2) For helicopters listed in paragraph (a)(2) or (a)(3) of this AD, within 25 hours TIS and thereafter at intervals not exceeding 25 hours TIS, using a tap hammer or equivalent, tap inspect each MRB tip cap for disbonding in the area depicted in Figure 1 of Leonardo Helicopters EASB No. 109EP–157, dated September 8, 2017; EASB No. 109S–077, dated September 8, 2017; EASB No. 109SP–116, dated September 8, 2017; or EASB No. 119–085, Revision A, dated September 11, 2017; as applicable for your model helicopter. If there is any disbonding, before further flight, replace the MRB.

(3) After the effective date of this AD, do not install an MRB P/N 709–0104–01–111 with a S/N 1307, 1320, 1346, 1365, 1372, 1380, 1414, 1426, 1436, 1475, or 1485 on any helicopter.

(f) Alternative Methods of Compliance (AMOCs)

(1) The Manager, Safety Management Section, Rotorcraft Standards Branch, FAA, may approve AMOCs for this AD. Send your proposal to: Matt Fuller, Senior Aviation Safety Engineer, Safety Management Section, Rotorcraft Standards Branch, FAA, 10101 Hillwood Pkwy., Fort Worth, TX 76177; telephone (817) 222–5110; email *9-ASW-FTW-AMOC-Requests@faa.gov*.

(2) For operations conducted under a 14 CFR part 119 operating certificate or under 14 CFR part 91, subpart K, we suggest that you notify your principal inspector, or lacking a principal inspector, the manager of the local flight standards district office or certificate holding district office, before operating any aircraft complying with this AD through an AMOC.

(g) Additional Information

The subject of this AD is addressed in European Aviation Safety Agency (EASA) AD No. 2017–0176–E, dated September 14, 2017. You may view the EASA AD on the internet at *http://www.regulations.gov* by searching for and locating it in Docket No. FAA–2017–0940.

(h) Subject

Joint Aircraft Service Component (JASC) Code: 6210 Main Rotor Blades.

(i) Material Incorporated by Reference

(1) The Director of the Federal Register approved the incorporation by reference 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) Leonardo Helicopters Emergency Alert Service Bulletin No. 109EP–157, dated September 8, 2017.

(ii) Leonardo Helicopters Emergency Alert Service Bulletin No. 109S–077, dated September 8, 2017.

(iii) Leonardo Helicopters Emergency Alert Service Bulletin No. 109SP–116, dated September 8, 2017.

(iv) Leonardo Helicopters Emergency Alert Service Bulletin No. 119–085, Revision A, dated September 11, 2017.

(3) For Leonardo Helicopters service information identified in this AD, contact Leonardo S.p.A. Helicopters, Matteo Ragazzi, Head of Airworthiness, Viale G.Agusta 520, 21017 C.Costa di Samarate (Va) Italy; telephone +39–0331–711756; fax +39–0331–229046; or at *http://www.leonardocompany.com/-/bulletins*.

(4) You may view this service information at FAA, Office of the Regional Counsel, Southwest Region, 10101 Hillwood Pkwy, Room 6N–321, Fort Worth, TX 76177. For

information on the availability of this material at the FAA, call (817) 222–5110.

(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 Fort Worth, Texas, on March 21, 2018.

Scott A. Horn,

Deputy Director for Regulatory Operations, Compliance & Airworthiness Division, Aircraft Certification Service.

[FR Doc. 2018–06094 Filed 3–28–18; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2017–0711; Product Identifier 2017–NM–003–AD; Amendment 39–19227; AD 2018–06–07]

RIN 2120–AA64

Airworthiness Directives; The Boeing Company Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: We are adopting a new airworthiness directive (AD) for certain The Boeing Company Model 757–200, –200CB, and –300 series airplanes. This AD was prompted by a report of fatigue cracking found in a certain fuselage frame, which severed the inner chord and web. This AD requires inspecting the fuselage frame for existing repairs, repetitive inspections, and applicable repairs. We are issuing this AD to address the unsafe condition on these products.

DATES: This AD is effective May 3, 2018.

The Director of the Federal Register approved the incorporation by reference of certain publications listed in this AD as of May 3, 2018.

ADDRESSES: For service information identified in this final rule, contact Boeing Commercial Airplanes, Attention: Contractual & Data Services (C&DS), 2600 Westminster Blvd., MC 110–SK57, Seal Beach, CA 90740; telephone: 562–797–1717; internet: *https://www.myboeingfleet.com.* You may view this service information at the FAA, Transport Standards Branch, 2200 South 216th St., Des Moines, WA. For information on the availability of this material at the FAA, call 206–231–3195. It is also available on the internet at *http://www.regulations.gov* by searching for and locating Docket No. FAA–2017–0711.

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–2017–0711; 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 final rule, the regulatory evaluation, any comments received, and other information. The address for the Docket Office (phone: 800–647–5527) is Docket Management Facility, U.S. Department of Transportation, Docket Operations, M–30, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue SE, Washington, DC 20590.

FOR FURTHER INFORMATION CONTACT: Chandra Ramdoss, Aerospace Engineer, Airframe Section, FAA, Los Angeles ACO Branch, 3960 Paramount Boulevard, Lakewood, CA 90712–4137; phone: 562–627–5239; fax: 562–627–5210; email: *chandraduth.ramdoss@faa.gov.*

SUPPLEMENTARY INFORMATION:

Discussion

We issued a notice of proposed rulemaking (NPRM) to amend 14 CFR part 39 by adding an AD that would apply to certain The Boeing Company Model 757–200, –200CB, and –300 series airplanes. The NPRM published in the **Federal Register** on July 27, 2017 (82 FR 34888). The NPRM was prompted by a report of fatigue cracking found in a certain fuselage frame, which severed the inner chord and web. The NPRM proposed to require inspecting the fuselage frame for existing repairs, repetitive inspections, and applicable repairs. We are issuing this AD to detect and correct cracking of the fuselage frame at station (STA) 1640, which could result in reduced structural integrity of the airplane.

Comments

We gave the public the opportunity to participate in developing this final rule. The following presents the comments received on the NPRM and the FAA's response to each comment.

Support for the NPRM

Aviation Partners Boeing concurs with the content of the NPRM.

Request To Clarify Certain Exceptions

Boeing asked that we clarify the service information exceptions in paragraph (h)(2) of the proposed AD by noting that Aviation Partners Boeing (APB) Alert Service Bulletin AP757–53–001, Revision 1, dated June 21, 2017, is subject to this exception only if applicable (if winglets are installed on the airplane). Boeing also stated that paragraph (h)(2) of the proposed AD should put the required compliance time ''after the effective date of this AD'' in quotations to designate the content being substituted for the quoted service information compliance time statements.

We agree with the commenter's request. We have separated the exceptions for the referenced service information for clarification. We have removed the reference to the APB Alert Service Bulletin AP757–53–001, Revision 1, dated June 21, 2017, from paragraph (h)(2) of this AD. We have also added paragraph (h)(3) to this AD to specify the exception for the APB service bulletin. Paragraphs (h)(2) and (h)(3) of this AD specify exceptions to the referenced service information instructions, and are intended to be used to determine compliance, relative to the effective date of this AD instead of the issue date of the service information. We have also included the requested quotations in paragraphs (h)(2) and (h)(3) of this AD.

Request To Clarify Inspection Location

United Airlines (UAL) asked that the actions identified in Figures 5 and 6, Note (a), of Boeing Alert Service Bulletin 757–53A0108, dated November 14, 2016, be clarified. UAL stated that while Figures 5 and 6 correctly depict the required inspection areas, the task associated with circle action ''2'' for each figure specifies a high frequency eddy current (HFEC) inspection, which cannot be done around the fasteners common to the inner chord strap. UAL asked that this discrepancy be addressed in the AD in order to avoid the need for approval of requests for an alternative method of compliance (AMOC).

We agree with the commenter's request, for the reason provided. We have added paragraph (h)(4) to the exceptions in this AD to clarify that an HFEC inspection of the two fasteners located below the lower edge of the intercostal strap at the locations specified in Figures 5 and 6, Note (a), of Boeing Alert Service Bulletin 757–53A0108, dated November 14, 2016, is not required by this AD.

Request To Clarify Compliance Timeframe

Delta Airlines (DAL) asked that we clarify the language used in paragraph (h)(2) of the proposed AD. DAL stated

that the phrase ''after the original issue of this service bulletin'' should be clarified by inserting the word ''date'' after ''issue'' to match the compliance time specified in paragraph 1.E., ''Compliance'' of Boeing Alert Service Bulletin 757–53A0108, dated November 14, 2016.

We agree with the commenter's request to include the word ''date'' in the phrase ''after the original issue of this service bulletin'' as corrected in paragraph (h)(2) of this AD, because it was inadvertently omitted in the proposed AD. The same language is included in paragraph (h)(3) of this AD.

Request To Clarify Compliance Determination

DAL asked that a new paragraph be added to paragraph (h) of this AD to clarify using the phrase ''at the original issue date of this service bulletin'' to determine airplane configuration, and to provide credit for inspections done before the effective date of the AD. DAL added that these changes would avoid the need for operators to request AMOCs.

We agree to clarify. We have revised paragraph (h)(2) of this AD and included similar language in paragraph (h)(3) of this AD to clarify that the exceptions apply to both compliance times and airplane configurations. In addition, paragraph (f) of this AD requires compliance with this AD within the compliance times specified, unless the actions have already been done. Therefore, paragraph (f) of this AD already gives credit for inspections done before the effective date of this AD.

Request To Clarify Airplane Groups

FedEx Express (FedEx) and VT Mobile Aerospace Engineering (VT MAE) asked that we revise the proposed AD to specify the inspections, methods, and compliance times given in Boeing Alert Service Bulletin 757–53A0108, dated November 14, 2016, but under a different group designation for the FedEx fleet of Model 757–200 airplanes. The commenters stated that these airplanes were converted by VT MAE supplemental type certificate (STC) ST03562AT to a configuration similar to that of Model 757–200SF airplanes (identified as Groups 2 and 5), and that FedEx's fleet is therefore no longer configured as passenger airplanes. FedEx stated that Boeing Alert Service Bulletin 757–53A0108, dated November 14, 2016, identifies the FedEx Model 757–200 fleet as Groups 1 and 4, and that the inspection areas defined for these groups have been modified in accordance with the STC and are no longer applicable.

We agree with the commenters' requests. The VT MAE STC modification to the STA 1640 frame is identical to the modification of Boeing 757–200 special freighter airplanes; the inspections specified in Boeing Alert Service Bulletin 757–53A0108, dated November 14, 2016, as listed under different airplane groups should be used for the FedEx fleet. We have added paragraph (g)(3) to this AD to clarify the requirements for those airplanes.

Request To Add Affected AD

Boeing asserted that AD 2006–11–11, Amendment 39–14615 (71 FR 30278; May 26, 2006) (''AD 2006–11–11''), would affect the actions of the proposed AD and asked that we add that AD to paragraph (b) of this AD (''Affected ADs''). Boeing added that Boeing Alert Service Bulletin 757–53A0108, dated November 14, 2016, was approved as an AMOC to AD 2006–11–11 for the inspections of the inboard chord and inboard chord strap in the area around stringer 14, which is common to part of 53–60–15 listed in Section 9 of the Maintenance Planning Data (MPD) document.

We acknowledge the commenter's rationale for including AD 2006–11–11 in paragraph (b) of this AD. However, paragraph (b), ''Affected ADs,'' is intended to include other affected ADs, but not all related ADs. It is primarily used to reference superseded ADs and other ADs that are terminated, in whole or in part, by requirements in a given AD. Therefore, we have made no change to this AD in this regard.

Request To Change Corrective Actions

FedEx asked that repetitive inspections of a repair done for a crack finding be required only based on the original equipment manufacturer/STC holder/FAA requirements for that repair. FedEx also asked that the repetitive inspections be terminated for the portion of the inspection area covered by the repair.

We do not agree with the commenter's requests. This AD requires repairing cracks using a method approved by the FAA or Boeing Organization Designation Authorization (ODA), and any relief or required follow-on actions will be included in those approved instructions. Therefore, we have made no change to this AD in this regard.

Conclusion

We reviewed the relevant data, considered the comments received, and determined that air safety and the public interest require adopting this final rule with the changes described previously and minor editorial changes. We have determined that these minor changes:

- Are consistent with the intent that was proposed in the NPRM for correcting the unsafe condition; and
- Do not add any additional burden upon the public than was already proposed in the NPRM.

We also determined that these changes will not increase the economic burden on any operator or increase the scope of this final rule.

Related Service Information Under 1 CFR Part 51

We reviewed Boeing Alert Service Bulletin 757–53A0108, dated November 14, 2016. This service information describes procedures for an inspection of the fuselage frame for existing frame repairs, repetitive high frequency eddy current and low frequency eddy current inspections for cracking in specified areas with no existing frame repair, and repair of any cracking.

We also reviewed APB Alert Service Bulletin AP757–53–001, Revision 1, dated June 21, 2017. This service information provides compliance times for accomplishing the procedures identified in Boeing Alert Service Bulletin 757–53A0108, dated November 14, 2016, for airplanes on which APB blended or scimitar blended winglets are installed.

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.

Costs of Compliance

We estimate that this AD affects 606 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
Inspection for existing frame repairs.	1 work-hour × $85 per hour = $85	$0	$85	$51,510.
Repetitive high and low frequency inspections for Groups 1 through 3 airplanes (598 airplanes).	48 work-hours × $85 per hour = $4,080 per inspection cycle.	0	4,080	$2,439,840 per inspection cycle.
Repetitive high and low frequency inspections for Groups 4 and 5 airplanes (8 airplanes).	26 work-hours × $85 per hour = $2,210 per inspection cycle.	0	2,210	$17,680 per inspection cycle.

We have received no definitive data that enables us to provide cost estimates for the on-condition repair 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.

This AD is issued in accordance with authority delegated by the Executive Director, Aircraft Certification Service, as authorized by FAA Order 8000.51C. In accordance with that order, issuance of ADs is normally a function of the Compliance and Airworthiness Division, but during this transition period, the Executive Director has delegated the authority to issue ADs applicable to transport category airplanes to the Director of the System Oversight Division.

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):

2018–06–07 The Boeing Company: Amendment 39–19227; Docket No. FAA–2017–0711; Product Identifier 2017–NM–003–AD.

(a) Effective Date

This AD is effective May 3, 2018.

(b) Affected ADs

None.

(c) Applicability

This AD applies to The Boeing Company Model 757–200, –200CB, and –300 series airplanes, certificated in any category, as identified in Boeing Alert Service Bulletin 757–53A0108, dated November 14, 2016.

(d) Subject

Air Transport Association (ATA) of America Code 53; Fuselage.

(e) Unsafe Condition

This AD was prompted by a report of fatigue cracking found in the fuselage frame at station (STA) 1640, which severed the inner chord and web. We are issuing this AD to detect and correct cracking of the fuselage frame at STA 1640, which could result in reduced structural integrity of the airplane.

(f) Compliance

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

(g) Actions Required for Compliance

(1) For all airplanes except those identified in paragraphs (g)(2) and (g)(3) of this AD: Do all applicable actions identified as ''RC'' (required for compliance) in, and in accordance with, the Accomplishment Instructions of Boeing Alert Service Bulletin 757–53A0108, dated November 14, 2016; except as provided by paragraphs (h)(1) and (h)(4) of this AD. Do the actions at the applicable times specified in paragraph 1.E., ''Compliance,'' of Boeing Alert Service Bulletin 757–53A0108, dated November 14, 2016, except as provided by paragraph (h)(2) of this AD.

(2) For airplanes on which Aviation Partners Boeing (APB) Alert Service Bulletin AP757–53–001, Revision 1, dated June 21, 2017, blended or scimitar blended winglets are installed in accordance with Supplemental Type Certificate ST01518SE: Do all applicable actions identified as ''RC'' (required for compliance) in, and in accordance with, the Accomplishment Instructions of APB Alert Service Bulletin AP757–53–001, Revision 1, dated June 21, 2017; and Boeing Alert Service Bulletin 757–53A0108, dated November 14, 2016; except as provided by paragraphs (h)(1) and (h)(4) of this AD. Do the actions at the applicable times specified in paragraph 1.E., ''Compliance,'' of APB Alert Service Bulletin AP757–53–001, Revision 1, dated June 21, 2017, except as provided by paragraph (h)(3) of this AD.

(3) For airplanes that have been converted from passenger to freighter configuration in accordance with VT Mobile Aerospace Engineering (VT MAE) Supplemental Type Certificate ST03562AT: Do all applicable actions identified as ''RC'' in, and in accordance with, the Accomplishment Instructions of Boeing Alert Service Bulletin 757–53A0108, dated November 14, 2016; except as provided by paragraphs (h)(1) and (h)(4) of this AD. Do the actions at the

applicable times specified in paragraph 1.E., ''Compliance,'' of Boeing Alert Service Bulletin 757–53A0108, dated November 14, 2016, except as provided by paragraph (h)(2) of this AD. Where Boeing Alert Service Bulletin 757–53A0108, dated November 14, 2016, refers to Group 1 airplanes, the tasks identified under Group 2 airplanes must be done instead; where Boeing Alert Service Bulletin 757–53A0108, dated November 14, 2016, refers to Group 4 airplanes, the tasks identified under Group 5 airplanes must be done instead.

(h) Exceptions to Service Information Specifications

(1) Where Boeing Alert Service Bulletin 757–53A0108, dated November 14, 2016, specifies contacting Boeing for instructions, and specifies that action as RC: This AD requires using a method approved in accordance with the procedures specified in paragraph (i) of this AD.

(2) For purposes of determining compliance with the requirements of this AD: Where Boeing Alert Service Bulletin 757–53A0108, dated November 14, 2016, uses the phrase ''the original issue date of this service bulletin,'' this AD requires using ''the effective date of this AD.''

(3) For purposes of determining compliance with the requirements of this AD: Where APB Alert Service Bulletin AP757–53–001, Revision 1, dated June 21, 2017, uses the phrase ''the original issue date of this service bulletin,'' this AD requires using ''the effective date of this AD.''

(4) Where Figures 5 and 6, Step 2, Note (a), of Boeing Alert Service Bulletin 757–53A0108, dated November 14, 2016, specify a high frequency eddy current (HFEC) inspection for any crack in the fuselage frame inner chord forward bend radius and around the fasteners, between the two fasteners above and below the edges of the intercostal strap, this AD does not require inspecting around the two fasteners located below the lower edge of the intercostal strap at stringer 13.

(i) Alternative Methods of Compliance (AMOCs)

(1) The Manager, Los Angeles ACO Branch, 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 certification office, send it to the attention of the person identified in paragraph (j) 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 Branch, 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 (h)(1) of this AD: For service information that contains steps that are labeled as RC, the provisions of paragraphs (i)(4)(i) and (i)(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. If a step or substep is labeled ''RC Exempt,'' then the RC requirement is removed from that step or substep. 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.

(j) Related Information

For more information about this AD, contact Chandra Ramdoss, Aerospace Engineer, Airframe Section, FAA, Los Angeles ACO Branch, 3960 Paramount Boulevard, Lakewood, CA 90712–4137; phone: 562–627–5239; fax: 562–627–5210; email: *chandraduth.ramdoss@faa.gov.*

(k) 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) Aviation Partners Boeing (APB) Alert Service Bulletin AP757–53–001, Revision 1, dated June 21, 2017.

(ii) Boeing Alert Service Bulletin 757–53A0108, dated November 14, 2016.

(3) For service information identified in this AD, contact Boeing Commercial Airplanes, Attention: Contractual & Data Services (C&DS), 2600 Westminster Blvd., MC 110–SK57, Seal Beach, CA 90740; telephone: 562–797–1717; internet: *https://www.myboeingfleet.com.*

(4) You may view this service information at the FAA, Transport Standards Branch, 2200 South 216th St., Des Moines, WA. For information on the availability of this material at the FAA, call 206–231–3195.

(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 2, 2018.

Michael Kaszycki,

Acting Director, System Oversight Division, Aircraft Certification Service.

[FR Doc. 2018–05017 Filed 3–28–18; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2018–0223; Product Identifier 2018–CE–007–AD; Amendment 39–19230; AD 2018–06–10]

RIN 2120–AA64

Airworthiness Directives; Honda Aircraft Company LLC

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule; request for comments.

SUMMARY: We are adopting a new airworthiness directive (AD) for certain Honda Aircraft Company LLC Model HA–420 airplanes. This AD requires incorporating a temporary revision into the airplane flight manual and replacing faulty power brake valves upon condition. This AD was prompted by reports of unannunciated asymmetric braking during ground operations and landing deceleration. We are issuing this AD to address the unsafe condition on these products.

DATES: This AD is effective April 13, 2018.

The Director of the Federal Register approved the incorporation by reference of certain publications listed in this AD as of April 13, 2018.

We must receive comments on this AD by May 14, 2018.

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 Honda Aircraft Company LLC, 6430 Ballinger Road, Greensboro, North Carolina 27410; telephone (336) 662–0246; internet: *http://www.hondajet.com.* You may view this service information at the FAA, Policy and Innovation Division, 901 Locust, Kansas City, Missouri 64106. For information on the availability of this material at the FAA, call (816) 329–4148. It is also available on the internet at *http://www.regulations.gov* by searching for and locating Docket No. FAA–2018–0223.

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–2018–0223; or in person at Docket Operations between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this final rule, the regulatory evaluation, any comments received, and other information. The street address for the Docket Operations (phone: 800–647–5107) is listed above. Comments will be available in the AD docket shortly after receipt.

FOR FURTHER INFORMATION CONTACT: Samuel Kovitch, Aerospace Engineer, Atlanta ACO Branch, FAA, 1701 Columbia Avenue, College Park, Georgia 30337; phone: (404) 474–5570; fax: (404) 474–5605; email: *samuel.kovitch@faa.gov.*

SUPPLEMENTARY INFORMATION:

Discussion

We received reports of unannunciated asymmetric braking during landing deceleration on several Honda Aircraft Company LLC Model HA–420 airplanes. Investigation revealed that the power brake valve (PBV) housing design drawing dimension for a bore diameter, which serves as an O-ring gland outer diameter, is oversized from Society of Automotive Engineers (SAE) specification guidelines for O-ring gland dimensions. The oversized bore allows back-up ring extrusion damage during normal operating hydraulic pressure in the valve, O-ring deformation/damage, and internal leakage of hydraulic pressure within the PBV from the master cylinder brake lines. The damage to the back-up ring and O-ring worsens during operation and causes the internal leakage rate of the PBV brake master cylinder lines to increase over time. This condition, if not addressed, could result in failure of the PBV, which could cause degraded braking performance and reduced directional control during ground operations and landing deceleration. We are issuing this AD to address the unsafe condition on these products.

Related Service Information Under 1 CFR Part 51

We reviewed Honda Aircraft Company Temporary Revision TR 01.1, dated February 16, 2018, to the Honda Aircraft Company HA–420 Airplane Flight Manual and Service Bulletin SB–420–32–001, dated January 8, 2018. Temporary Revision TR 01.1, dated February 16, 2018, to the HA–420 Airplane Flight Manual (AFM) describes procedures for performing pilot checks of the braking system during ground operations before every flight and before every landing and includes instructions for corrective actions if any indication of a leaking PBV is found. Service Bulletin SB–420–32–001, dated January 8, 2018, describes procedures for replacing a defective PBV with an improved design PBV. 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 inserting a temporary revision into the AFM, which may be performed by the owner/operator (pilot) holding at least a private pilot certificate and must be entered into the airplane records showing compliance with this AD in accordance with 14 CFR 43.9 (a)(1)–(4) and 14 CFR 91.417(a)(2)(v). The record must be maintained as required by 14 CFR 91.417, 121.380, or 135.439. This AD also requires replacing the installed PBV, P/N HJ1–13243–101–005 or P/N HJ1–13243–101–007, with an improved PBV, P/N HJ1–13243–101–009, if a defective PBV is detected during the required pilot checks as specified in the temporary revision. In addition, this AD provides an optional terminating action for the temporary revision into the AFM by replacing the installed PBV with the improved PBV, P/N HJ1–13243–101–009.

Interim Action

We consider this AD interim action. We are currently considering requiring replacement of the installed PBV, P/N HJ1–13243–101–005 or P/N HJ1–13243–101–007, with an improved part, which will constitute terminating action for the temporary revision to the AFM. However, the planned compliance time for the replacement of the PBV would allow enough time to provide notice and opportunity for prior comment on the merit of the replacement.

FAA's Justification and Determination of the Effective Date

An unsafe condition exists that requires the immediate adoption of this AD without providing an opportunity for public comments prior to adoption. The FAA has found that the risk to the flying public justifies waiving notice and comment prior to adoption of this rule because failure of the PBV could cause degraded braking performance and reduced directional control during ground operations and landing deceleration. Therefore, we find good cause that notice and opportunity for prior public comment are impracticable. In addition, for the reason stated above, we find 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 final rule. Send your comments to an address listed under the **ADDRESSES** section. Include the docket number FAA–2018–0223 and Product Identifier 2018–CE–007–AD at the beginning of your comments. We specifically invite comments on the overall regulatory, economic, environmental, and energy aspects of this final rule. We will consider all comments received by the closing date and may amend this final rule 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 final rule.

Costs of Compliance

We estimate that this AD affects 72 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
Insert temporary revision into the airplane flight manual.	1 work-hour × $85 per hour = $85	Not applicable	$85	$6,120

We estimate the following costs to do any necessary replacements that would be required based on the results of the pilot check of the braking system during ground operations before every flight and before every landing. We have no way of determining the number of airplanes that might need these replacements:

ON-CONDITION COSTS

Action	Labor cost	Parts cost	Cost per product
Replace the power brake valve	20 work-hours × $85 per hour = $1,700	$21,878	$23,578

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.

This AD is issued in accordance with authority delegated by the Executive Director, Aircraft Certification Service, as authorized by FAA Order 8000.51C. In accordance with that order, issuance of ADs is normally a function of the Compliance and Airworthiness Division, but during this transition period, the Executive Director has delegated the authority to issue ADs applicable to small airplanes, gliders, balloons, airships, domestic business jet transport airplanes, and associated appliances to the Director of the Policy and Innovation Division.

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):

2018–06–10 Honda Aircraft Company LLC: Amendment 39–19230; Docket No. FAA–2018–0223; Product Identifier 2018–CE–007–AD.

(a) Effective Date

This AD is effective April 13, 2018.

(b) Affected ADs

None.

(c) Applicability

This AD applies to Honda Aircraft Company LLC Model HA–420 airplanes, serial numbers 42000011 through 4200089, that:

(1) have power brake valve, part number (P/N) HJ1–13243–101–005 or HJ1–13243–101–007, installed; and

(2) are certificated in any category.

(d) Subject

Joint Aircraft System Component (JASC)/Air Transport Association (ATA) of America Code 32, Landing Gear.

(e) Unsafe Condition

This AD was prompted by reports of unannunciated asymmetric braking during ground operations and landing deceleration. We are issuing this AD to detect failure of the power brake valve. The unsafe condition, if not addressed, could result in degraded braking performance and reduced directional control during ground operations and landing deceleration.

(f) Compliance

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

(g) Insert Temporary Revision into the Airplane Flight Manual (AFM)

Before further flight after April 13, 2018 (the effective date of this AD) insert Honda Aircraft Company Temporary Revision TR 01.1, dated February 16, 2018, into the Honda Aircraft Company (Honda) HA–420 Airplane Flight Manual (AFM) (the temporary revision). This insertion and the steps therein may be performed by the owner/operator (pilot) holding at least a private pilot certificate and must be entered into the airplane records showing compliance with this AD in accordance with 14 CFR 43.9 (a)(1)–(4) and 14 CFR 91.417(a)(2)(v). The record must be maintained as required by 14 CFR 91.417, 121.380, or 135.439.

(h) Replace the Power Brake Valve (PBV)

As of and any time after the effective date of this AD, if the PBV fails any of the pilot checks specified in the temporary revision,

before further flight, replace the PBV, P/N HJ1–13243–101–005 or P/N HJ1–13243–101–007, with the improved design PBV, P/N HJ1–13243–101–009. Do the replacement using the Accomplishment Instructions in Honda Service Bulletin SB–420–32–001, dated January 8, 2018. Before further flight after installing P/N HJ1–13243–101–009, remove the temporary revision from the Honda HA–420 AFM.

(i) Optional Terminating Action for Inserting the AFM Temporary Revision/Pilot Checks

(1) Instead of inserting the temporary revision or at any time after inserting the temporary revision required by paragraph (g) of this AD, you may replace the installed PBV, P/N HJ1–13243–101–005 or P/N HJ1–13243–101–007, with the improved design PBV, P/N HJ1–13243–101–009. The replacement must be done using the Accomplishment Instructions in Honda Service Bulletin SB–420–32–001, dated January 8, 2018. Before further flight after installing P/N HJ1–13243–101–009, remove the temporary revision from the Honda HA–420 AFM.

(2) If you choose to follow the temporary revision required by paragraph (g) of this AD instead of the optional replacement in paragraph (i)(1) of this AD, the on-condition replacement required by paragraph (h) of this AD is still required before further flight.

(j) No Reporting Requirement

Although Honda Service Bulletin SB–420–32–001, dated January 8, 2018, specifies to submit certain information to the manufacturer, this AD does not require that action.

(k) Special Flight Permit

Special flight permits for this AD are prohibited.

(l) Alternative Methods of Compliance (AMOCs)

(1) The Manager, Atlanta ACO Branch, 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 certification office, send it to the attention of the person identified in paragraph (m) 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.

(3) For service information that contains steps that are labeled as Required for Compliance (RC), the provisions of paragraphs (h) and (i) 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 this 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.

(m) Related Information

For more information about this AD, contact Samuel Kovitch, Aerospace Engineer, Atlanta ACO Branch, FAA, 1701 Columbia Avenue, College Park, Georgia 30337; phone: (404) 474–5570; fax: (404) 474–5605; email: *samuel.kovitch@faa.gov.*

(n) 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. 510(a) and 1 CFR part 51.

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

(i) Honda Aircraft Company Temporary Revision TR 01.1, dated February 16, 2018, to the Honda Aircraft Company HA–420 Airplane Flight Manual.

(ii) Honda Aircraft Company Service Bulletin SB–420–32–001, dated January 8, 2018.

(3) For Honda Aircraft Company LLC service information identified in this AD, contact Honda Aircraft Company LLC, 6430 Ballinger Road, Greensboro, North Carolina 27410; telephone (336) 662–0246; internet: *http://www.hondajet.com.*

(4) You may view this service information at the FAA, Policy and Innovation Division, 901 Locust, Kansas City, Missouri 64106. For information on the availability of this material at the FAA, call (816) 329–4148.

(5) You may view the 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 Kansas City, Missouri, on March 19, 2018.

Melvin J. Johnson,

Deputy Director, Policy & Innovation Division, Aircraft Certification Service.

[FR Doc. 2018–06091 Filed 3–28–18; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 71

[Docket No. FAA–2016–9555; Airspace Docket No. 16–AGL–2]

Modification and Revocation of Multiple Air Traffic Service (ATS) Routes; Northcentral United States

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: This action amends and removes multiple VHF Omnidirectional Range (VOR) Federal airways in northcentral United States as part of the FAA's Next Generation Air Transportation System (NextGen) efforts to safely improve the overall efficiency of the National Airspace System (NAS) and due to the decommissioning of the Tiverton, OH, VOR/Distance Measuring Equipment (VOR/DME) navigation aid. This action also incorporates NAV CANADA's amendment to one of the airways that crosses into Canada's airspace.

DATES: Effective date 0901, May 24, 2018. The Director of the Federal Register approves this incorporation by reference action under Title 1, Code of Federal Regulations, part 51, subject to the annual revision of FAA Order 7400.11 and publication of conforming amendments.

ADDRESSES: FAA Order 7400.11B, Airspace Designations and Reporting Points, and subsequent amendments can be viewed online at *http://www.faa.gov/air_traffic/publications/.* For further information, you can contact the Airspace Policy Group, Federal Aviation Administration, 800 Independence Avenue SW, Washington, DC 20591; telephone: (202) 267–8783. The Order is also available for inspection at the National Archives and Records Administration (NARA). For information on the availability of FAA Order 7400.11B at NARA, call (202) 741–6030, or go to *https://www.archives.gov/federal-register/cfr/ibr-locations.html.*

FAA Order 7400.11, Airspace Designations and Reporting Points, is published yearly and effective on September 15.

FOR FURTHER INFORMATION CONTACT: Colby Abbott, Airspace Policy Group, Office of Airspace Services, Federal Aviation Administration, 800 Independence Avenue SW, Washington, DC 20591; telephone: (202) 267–8783.

SUPPLEMENTARY INFORMATION:

Authority for This Rulemaking

The FAA's authority to issue rules regarding aviation safety is found in Title 49 of the United States Code. Subtitle I, Section 106 describes the authority of the FAA Administrator. Subtitle VII, Aviation Programs, describes in more detail the scope of the agency's authority. This rulemaking is promulgated under the authority described in Subtitle VII, Part A, Subpart I, Section 40103. Under that section, the FAA is charged with prescribing regulations to assign the use of the airspace necessary to ensure the

safety of aircraft and the efficient use of airspace. This regulation is within the scope of that authority as it modifies the NAS route structure as necessary to preserve the safe and efficient flow of air traffic within the NAS.

History

The FAA published a notice of proposed rulemaking (NPRM) in the **Federal Register** for Docket No. FAA–2016–9555 (82 FR 11859; February 27, 2017). The NPRM proposed to amend and remove multiple VHF Omnidirectional Range (VOR) Federal airways in northcentral United States to reflect and accommodate route changes being made as part of the FAA's Cleveland/Detroit Metroplex Project airspace redesign effort. Interested parties were invited to participate in this rulemaking effort by submitting written comments on the proposal. No comments were received.

Subsequent to publication of the NPRM, the FAA initiated a project for decommissioning the Tiverton, OH, VOR/DME due to the land-lease for the navigation aid expiring and not being renewed. With the planned decommissioning of the Tiverton VOR/DME, several of the Federal airways proposed for amendment in the NPRM were impacted and required additional amendment. Additionally, NAV CANADA amended one of the Federal airways proposed for amendment in the NPRM that crosses into Canada's airspace. That NAV CANADA amendment required the FAA to adjust the proposed amendment to the airway. Lastly, the FAA reviewed the airway amendments proposed in the NPRM and the Cleveland/Detroit Metroplex project redesign and determined the two activities were in fact independent of each other and not connected. The airway amendments proposed in the NPRM support the FAA's NextGen efforts to safely improve the overall efficiency of the NAS.

Since several airway amendments proposed in the NPRM required further amendment due to the decommissioning of Tiverton VOR/DME and NAV CANADA's amendment to one of the airways, and the NPRM characterization required clarification that the airway amendments proposed in the NPRM in fact supported the FAA's NextGen efforts independent from the FAA's Cleveland/Detroit Metroplex project activities, the FAA determined it was necessary to supplement the proposal and reopen the comment period to provide additional opportunity for public comment.

The FAA therefore published a supplemental notice of proposed rulemaking (SNPRM) in the **Federal Register** for Docket No. FAA–2016–9555 (82 FR 35918; August 2, 2017). The SNPRM proposed to amend three VOR Federal airways in northcentral United States to reflect additional amendments required by the planned decommissioning of the Tiverton VOR/DME navigation aid and amend one VOR Federal airway to reflect NAV CANADA's additional amendment to the airway within Canada's airspace. The remaining VOR Federal airway amendments and removals proposed in the NPRM published in the **Federal Register** (82 FR 11859, February 27, 2017) were unchanged. The SNPRM also clarified the FAA was undertaking this action in support of its NextGen efforts to safely improve the overall efficiency of the NAS. Interested parties were invited to participate in this rulemaking effort by submitting written comments on the proposal. One comment was received.

Discussion of Comment

The Aircraft Owners and Pilots Association (AOPA) contended that, for those VOR NAVAIDs that are to be decommissioned, and for those airways that are correspondingly removed, the FAA should create an RNAV waypoint at the previous NAVAID location and retain all fixes and intersections along that route by amending their definition to that of an RNAV waypoint. Their concern was that with the removal of much of the route structure and their defining fixes, there would be a gap in how pilots could navigate through the area and how they communicate their planned route of flight to air traffic control unless a waypoint system remained.

As addressed in the NPRM, and supported in AOPA's comment, the FAA is retaining the current fixes contained within the airspace area affected by this action and converting them into RNAV waypoints that will remain in place to assist pilots and air traffic controllers already familiar with them, for navigation purposes. Additionally, the FAA is establishing a waypoint within the immediate vicinity of the Tiverton VOR/DME location (60 feet) to further assist pilots navigating through the airspace affected by the Tiverton VOR/DME being decommissioned.

Availability and Summary of Documents for Incorporation by Reference

This document amends FAA Order 7400.11B, Airspace Designations and Reporting Points, dated August 3, 2017, and effective September 15, 2017. FAA Order 7400.11B is publicly available as listed in the **ADDRESSES** section of this document. FAA Order 7400.11B lists Class A, B, C, D, and E airspace areas, air traffic service routes, and reporting points.

Difference From NPRM and SNPRM

The amendment to V–14 is revised to remove the airway segment between the Flag City, OH, VORTAC and the Erie, PA, VORTAC. The airway segment between the Erie, PA, VORTAC and Dunkirk, NY, VOR/DME that was proposed to be removed, and the airway segment between the Dunkirk, NY, VOR/DME and Buffalo, NY, VOR/DME that was proposed to be retained, were removed in a separate rulemaking action (16–AEA–11) published in the **Federal Register** (82 FR 26987, June 13, 2017) Docket No. FAA–2017–0107.

The amendment to V–464 is revised to remove the airway in its entirety. The airway segment between the Aylmer, ON, Canada, VOR/DME and Geneseo, NY, VOR/DME that was proposed to be retained, was removed in a separate rulemaking action (16–AEA–11) published in the **Federal Register** (82 FR 26987, June 13, 2017) Docket No. FAA–2017–0107.

The amendment to V–522 remains to remove the airway in its entirety. However, the airway was amended in a separate rulemaking action (16–AEA–11) published in the **Federal Register** (82 FR 26987, June 13, 2017) Docket No. FAA–2017–0107. The existing airway to be removed extends between the Dryer, OH, VOR/DME and Erie, PA, VORTAC.

Lastly, minor editorial corrections have been made to a few of the airway descriptions for standardization. These corrections include removing the word ''via'' when used between the first and second airway points listed and changing punctuation (commas to semi-colons) between airway points contained in the descriptions. With the exception of the above noted changes and minor editorial corrections, this rule is the same as that published in the NPRM and SNPRM.

The Rule

The FAA is amending Title 14, Code of Federal Regulations (14 CFR) part 71 to modify VOR Federal airways V–2, V–5, V–6, V–8, V–10, V–11, V–14, V–26, V–30, V–38, V–43, V–45, V–47, V–59, V–75, V–84, V–92, V–96, V–103, V–116, V–126, V–133, V–170, V–188, V–210, V–221, V–232, V–233, V–450, V–493, and V–542. Additionally, this action removes VOR Federal airways V–40, V–98, V–176, V–297, V–353, V–383, V–396, V–406, V–416, V–418, V–426, V–435, V–443, V–464, V–467, V–486, V–

522, V–523, V–525, and V–584. These VOR Federal airway amendments and removals support the FAA's ongoing NextGen efforts and planned decommissioning of the Tiverton, OH, VOR/DME, and are outlined below.

V–2: V–2 extends between the Seattle, WA, VORTAC and Gardner, MA, VOR/DME, excluding the airspace within Canada. This rule removes the airway segment between the Lansing, MI, VORTAC and Buffalo, NY, VOR/DME, and the exclusion statement for the airspace within Canada. The unaffected portions of the existing airway remain unchanged.

V–5: V–5 extends between the Pecan, GA, VOR/DME and London, ON, Canada, VOR/DME, excluding the airspace within Canada. This rule removes the airway segment between the Appleton, OH, VORTAC and London, ON, Canada, VOR/DME, and the exclusion statement for the airspace within Canada. The unaffected portions of the existing airway remain unchanged.

V–6: V–6 extends between the Oakland, CA, VORTAC and DuPage, IL, VOR/DME; between the intersection of the Chicago Heights, IL, VORTAC 358° and Gipper, MI, VORTAC 271° radials (NILES fix) and Waterville, OH, VOR/DME; and between the Dryer, OH, VOR/DME and La Guardia, NY, VOR/DME; excluding the airspace within restricted areas R–4803, R–4813A, and R–4813B when active. This rule removes the airway segments between the intersection of the Gipper, MI, VORTAC 092° and Litchfield, MI, VOR/DME 196° radials (MODEM fix) and Waterville, OH, VOR/DME; and between the Dryer, OH, VOR/DME and Clarion, PA, VOR/DME. Additionally, this rule removes the exclusion statement for the airspace within restricted areas R–4803, R–4813A, and R–4813B. The unaffected portions of the existing airway remain unchanged.

V–8: V–8 extends between the intersection of the Seal Beach, CA, VORTAC 266° and Ventura, CA, VOR/DME 144° radials (DOYLE fix) and the Washington, DC, VOR/DME. This rule removes the airway segment between the Flag City, OH, VORTAC and Briggs, OH, VOR/DME. The unaffected portions of the existing airway remain unchanged.

V–10: V–10 extends between the Pueblo, CO, VORTAC and the intersection of the Bradford, IL, VORTAC 058° and Joliet, IL, VORTAC 287° radials (PLANO fix); and between the intersection of the Chicago Heights, IL, VORTAC 358° and Gipper, MI, VORTAC 271° radials (NILES fix) and the Lancaster, PA, VOR/DME; excluding the airspace within Canada. This rule removes the airway segment between the Litchfield, MI, VOR/DME and Youngstown, OH, VORTAC, and the exclusion statement for the airspace within Canada. The unaffected portions of the existing airway remain unchanged.

V–11: V–11 extends between the Brookley, AL, VORTAC and the intersection of the Fort Wayne, IN, VORTAC 038° and Carleton, MI, VORTAC 262° radials (CRUXX fix). This rule removes the airway segment between the intersection of the Fort Wayne, IN, 038° and Waterville, OH, VOR/DME 273° radials (EDGEE fix) and the intersection of the Fort Wayne, IN, VORTAC 038° and Carleton, MI, VORTAC 262° radials (CRUXX fix). The unaffected portions of the existing airway remain unchanged.

V–14: V–14 extends between the Chisum, NM, VORTAC and Erie, PA, VORTAC; and between the Buffalo, NY, VOR/DME and Norwich, CT, VOR/DME. This rule removes the airway segment between the Flag City, OH, VORTAC and Erie, PA, VORTAC. The unaffected portions of the existing airway remain unchanged.

V–26: V–26 extends between the Blue Mesa, CO, VOR/DME and Dryer, OH, VOR/DME, excluding the airspace within Canada. This rule removes the airway segment between the Lansing, MI, VORTAC and Dryer, OH, VOR/DME, and the exclusion statement for the airspace within Canada. The unaffected portions of the existing airway remain unchanged.

V–30: V–30 extends between the Badger, WI, VORTAC and Waterville, OH, VOR/DME; and between the Dryer, OH, VOR/DME and Solberg, NJ, VOR/DME. This rule removes the airway segments between the Litchfield, MI, VOR/DME and Waterville, OH, VOR/DME; and between the Dryer, OH, VOR/DME and Clarion, PA, VOR/DME. The unaffected portions of the existing airway remain unchanged.

V–38: V–38 extends between the Moline, IL, VORTAC and Cape Charles, VA, VORTAC. This rule removes the airway segment between the intersection of the Fort Wayne, IN, VORTAC 091° and Rosewood, OH, VORTAC 334° radials (WINES fix) and the Appleton, OH, VORTAC. The unaffected portions of the existing airway remain unchanged.

V–40: V–40 extends between the Dryer, OH, VOR/DME and the intersection of the Briggs, OH, VOR/DME 077° and Youngstown, OH, VORTAC 177° radials (CUTTA fix). V–40 is removed in its entirety.

V–43: V–43 extends between the Appleton, OH, VORTAC and Buffalo, NY, VOR/DME. This rule removes the airway segments between the Appleton, OH, VORTAC and Youngstown, OH, VORTAC; and between the Erie, PA, VORTAC and Buffalo, NY, VOR/DME. The unaffected portion of the existing airway remains unchanged.

V–45: V–45 extends between the New Bern, NC, VOR/DME and Sault Ste Marie, MI, VOR/DME, excluding the airspace within restricted areas R–5502A and R–5502B. This rule removes the airway segment between the Appleton, OH, VORTAC and the Saginaw, MI, VOR/DME. Additionally, this proposal removes the exclusion statement for the airspace within restricted areas R–5502A and R–5502B. The unaffected portions of the existing airway remain unchanged.

V–47: V–47 extends between the Pine Bluff, AR, VOR/DME and Pocket City, IN, VORTAC; and between the Cincinnati, KY, VORTAC and Waterville, OH, VOR/DME. This rule removes the airway segment between the Flag City, OH, VORTAC and Waterville, OH, VOR/DME, and corrects the state location of the Cincinnati VORTAC to reflect ''Kentucky''. The unaffected portions of the existing airway remain unchanged.

V–59: V–59 extends between the Pulaski, VA, VORTAC and Briggs, OH, VOR/DME. This rule removes the airway segment between the Newcomerstown, OH, VOR/DME and Briggs, OH, VOR/DME. The unaffected portions of the existing airway remain unchanged.

V–75: V–75 extends between the Morgantown, WV, VORTAC and the intersection of the Dryer, OH, VOR/DME 325° and Waterville, OH, VOR/DME 062° radials (LLEEO fix), excluding the airspace within Canada. This rule removes the airway segment between the Briggs, OH, VOR/DME and the intersection of the Dryer, OH, VOR/DME 325° and Waterville, OH, VOR/DME 062° radials (LLEEO fix), and the exclusion statement for the airspace within Canada. The unaffected portions of the existing airway remain unchanged.

V–84: V–84 extends between the Northbrook, IL, VOR/DME and Flint, MI, VORTAC; and between the Buffalo, NY, VOR/DME and Syracuse, NY, VORTAC. This rule removes the airway segment between the Lansing, MI, VORTAC and Flint, MI, VORTAC. The unaffected portions of the existing airway remain unchanged.

V–92: V–92 extends between the intersection of the Chicago Heights, IL, VORTAC 358° and Chicago O'Hare, IL,

VOR/DME 127° radials (BEBEE fix) and the Armel, VA, VOR/DME. This rule removes the airway segments between the intersection of the Chicago Heights, IL, VORTAC 358° and Chicago O'Hare, IL, VOR/DME 127° radials (BEBEE fix) and the Chicago Heights, IL, VORTAC; and between the Goshen, IN, VORTAC and Newcomerstown, OH, VOR/DME. The unaffected portions of the existing airway remain unchanged.

V–96: V–96 extends between the Brickyard, IN, VORTAC and Detroit, MI, VOR/DME. This rule removes the airway segment between the intersection of the Fort Wayne, IN, VORTAC 071° and Flag City, OH, VORTAC 289° radials (TWERP fix) and the Detroit, MI, VOR/DME. The unaffected portions of the existing airway remain unchanged.

V–98: V–98 extends between the Dayton, OH, VOR/DME and the intersection of the Carleton, MI, VORTAC 243° and Waterville, OH, VOR/DME 321° radials (MIZAR fix). V–98 is removed in its entirety.

V–103: V–103 extends between the Chesterfield, SC, VOR/DME and Lansing, MI, VORTAC, excluding the airspace within Canada. This rule removes the airway segment between the Akron, OH, VOR/DME and Lansing, MI, VORTAC, and the exclusion statement for the airspace within Canada. The unaffected portions of the existing airway remain unchanged.

V–116: V–116 extends between the intersection of the Chicago O'Hare, IL, VOR/DME 092° and Chicago Heights, IL, VORTAC 013° radials (WILLA fix) and the Sparta, NJ, VORTAC, excluding the airspace within Canada. This rule removes the airway segment between the intersection of the Chicago O'Hare, IL, VOR/DME 092° and Chicago Heights, IL, VORTAC 013° radials (WILLA fix) and the Erie, PA, VORTAC, and the exclusion statement for the airspace within Canada. The unaffected portions of the existing airway remain unchanged.

V–126: V–126 currently extends between the intersection of the Peotone, IL, VORTAC 053° and Knox, IN, VOR/DME 297° radials (BEARZ fix) and the Waterville, OH, VOR/DME; and between the Dryer, OH, VOR/DME and Stonyfork, PA, VOR/DME. This rule removes the airway segment between the intersection of the Goshen, IN, VORTAC 092° and Fort Wayne, IN, VORTAC 016° radials (ILTON fix) and the Waterville, OH, VOR/DME; and between the Dryer, OH, VOR/DME and Erie, PA, VORTAC. The unaffected portions of the existing airway remain unchanged.

V–133: V–133 extends between the intersection of the Charlotte, NC, VOR/DME 305° and Barretts Mountain, NC, VOR/DME 197° radials (LINCO fix) and the Mansfield, OH, VORTAC; and between the Salem, MI, VORTAC and Red Lake, ON, Canada, VOR/DME; excluding the airspace within Canada. This rule removes the airway segment between the Zanesville, OH, VOR/DME and Mansfield, OH, VORTAC; and between the Salem, MI, VORTAC and Saginaw, MI, VOR/DME. The unaffected portions of the existing airway and the exclusion statement for the airspace within Canada remain unchanged.

V–170: V–170 extends between the Devils Lake, ND, VOR/DME and Salem, MI, VORTAC; and between the Erie, PA, VORTAC and the intersection of the Andrews, MD, VORTAC 060° and Baltimore, MD, VORTAC 165° radials (POLLA fix); excluding the airspace within restricted area R–5802 when active. This rule removes the airway segment between the Erie, PA, VORTAC and Bradford, PA, VOR/DME. The unaffected portions of the existing airway and the exclusion statement for restricted area R–5802 remain unchanged.

V–176: V–176 extends between the Carleton, MI, VORTAC and the intersection of the Chardon, OH, VOR/DME 294° and Dryer, OH, VOR/DME 357° radials (HIMEZ fix), excluding the airspace within Canada. V–176 is removed in its entirety.

V–188: V–188 extends between the Carleton, MI, VORTAC and Groton, CT, VOR/DME, excluding the airspace within Canada. This rule removes the airway segment between the Carleton, MI, VORTAC and Tidioute, PA, VORTAC, and the exclusion statement for the airspace within Canada. The unaffected portions of the existing airway remain unchanged.

V–210: V–210 extends between the Los Angeles, CA, VORTAC and Okmulgee, OK, VOR/DME; and between the Brickyard, IN, VORTAC and Yardley, PA, VOR/DME. This rule removes the airway segment between the Rosewood, OH, VORTAC and Revloc, PA, VOR/DME. The unaffected portions of the existing airway remain unchanged.

V–221: V–221 extends between the Bible Grove, IL, VORTAC and Erie, PA, VORTAC, excluding the airspace within Canada. This rule removes the airway segment between the intersection of the Fort Wayne, IN, VORTAC 016° and Goshen, IN, VORTAC 092° radials (ILTON fix) and the Erie, PA, VORTAC, and the exclusion statement for the airspace within Canada. The unaffected portions of the existing airway remain unchanged.

V–232: V–232 extends between the Chardon, OH, VOR/DME and Colts Neck, NJ, VOR/DME. This rule removes the airway segment between the Chardon, OH, VOR/DME and Keating, PA, VORTAC. The unaffected portions of the existing airway remain unchanged.

V–233: V–233 extends between the Spinner, IL, VORTAC and Pellston, MI, VORTAC. This rule removes the airway segment between the Litchfield, MI, VOR/DME and Mount Pleasant, MI, VOR/DME. The unaffected portions of the existing airway remain unchanged.

V–297: V–297 extends between the Johnstown, PA, VORTAC and the intersection of the Akron, OH, VOR/DME 305° and Waterville, OH, VOR/DME 062° radials (LLEEO fix), excluding the airspace within Canada. V–297 is removed in its entirety.

V–353: V–353 extends between the Jackson, MI, VOR/DME and Flint, MI, VORTAC. V–353 is removed in its entirety.

V–383: V–383 extends between the Rosewood, OH, VORTAC and Detroit, MI, VOR/DME. V–383 is removed in its entirety.

V–396: V–396 extends between the Windsor, ON, Canada, VOR/DME and Chardon, OH, VOR/DME, excluding the airspace within Canada. V–396 is removed in its entirety.

V–406: V–406 extends between the Salem, MI, VORTAC and London, ON, Canada, VOR/DME, excluding the airspace within Canada. V–406 is removed in its entirety.

V–416: V–416 extends between the Rosewood, OH, VORTAC and the intersection of the Mansfield, OH, VORTAC 045° and Dryer, OH, VOR/DME 123° radials (JAKEE fix). V–416 is removed in its entirety.

V–418: V–418 extends between the Salem, MI, VORTAC and Jamestown, NY, VOR/DME, excluding the airspace within Canada. V–418 is removed in its entirety.

V–426: V–426 extends between the Carleton, MI, VORTAC and Dryer, OH, VOR/DME. V–426 is removed in its entirety.

V–435: V–435 extends between the Rosewood, OH, VORTAC and Dryer, OH, VOR/DME. V–435 is removed in its entirety.

V–443: V–443 extends between the intersection of the Newcomerstown, OH, VOR/DME 099° and Bellaire, OH, VOR/DME 044° radials (WISKE fix) and the Aylmer, ON, Canada, VOR/DME, excluding the airspace within Canada. V–443 is removed in its entirety.

V–450: V–450 extends between the Escanaba, MI, VOR/DME and London, ON, Canada, VOR/DME, excluding the airspace within Canada. This rule removes the airway segment between the Flint, MI, VORTAC and London, ON, Canada, VOR/DME, and the exclusion statement for the airspace within Canada. The unaffected portions of the existing airway remain unchanged.

V–464: V–464 extends between the Salem, MI, VORTAC and Aylmer, ON, Canada, VOR/DME, excluding the airspace within Canada. V–464 is removed in its entirety.

V–467: V–467 extends between the Richmond, IN, VORTAC and Detroit, MI, VOR/DME. V–467 is removed in its entirety.

V–486: V–486 extends between the intersection of the Akron, OH, VOR/DME 316° and Chardon, OH, VOR/DME 260° radials (LEBRN fix) and the Jamestown, NY, VOR/DME. V–486 is removed in its entirety.

V–493: V–493 extends between the Livingston, TN, VORTAC and Carleton, MI, VORTAC; and between the Menominee, MI, VOR/DME and Rhinelander, WI, VORTAC. This rule removes the airway segment between the Appleton, OH, VORTAC and Carleton, MI, VORTAC. The unaffected portions of the existing airway remain unchanged.

V–522: V–522 extends between the Dryer, OH, VOR/DME and Erie, PA, VORTAC. V–522 is removed in its entirety.

V–523: V–523 extends between the Appleton, OH, VORTAC and Erie, PA, VORTAC. V–523 is removed in its entirety.

V–525: V–525 extends between the Appleton, OH, VORTAC and Dryer, OH, VOR/DME. V–525 is removed in its entirety.

V–542: V–542 extends between the Rosewood, OH, VORTAC and Lebanon, NH, VORTAC. This rule removes the airway segment between the Rosewood, OH, VORTAC and Tidioute, PA, VORTAC. The unaffected portions of the existing airway remain unchanged.

V–584: V–584 extends between the Waterville, OH, VOR/DME and Dryer, OH, VOR/DME. V–584 is removed in its entirety.

All radials in the route descriptions are stated in True degrees.

VOR Federal airways are published in paragraph 6010(a) of FAA Order 7400.11B, dated August 3, 2017, and effective September 15, 2017, which is incorporated by reference in 14 CFR 71.1. The VOR Federal airways listed in this document will be subsequently published in the Order.

Regulatory Notices and Analyses

The FAA has determined that this regulation only involves an established body of technical regulations for which frequent and routine amendments are necessary to keep them operationally current. It, therefore: (1) Is not a ''significant regulatory action'' under Executive Order 12866; (2) is not a ''significant rule'' under Department of Transportation (DOT) Regulatory Policies and Procedures (44 FR 11034; February 26, 1979); and (3) does not warrant preparation of a regulatory evaluation as the anticipated impact is so minimal. Since this is a routine matter that only affects air traffic procedures and air navigation, it is certified that this rule, when promulgated, does not have a significant economic impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

Environmental Review

The FAA has determined that this action amending and removing multiple VHF Omnidirectional Range (VOR) Federal airways in northcentral United States qualifies for categorical exclusion under the National Environmental Policy Act and its agency-specific implementing regulations in FAA Order 1050.1F, ''Environmental Impacts: Policies and Procedures'' regarding categorical exclusions for procedural actions at paragraph 5–6.5a, which categorically excludes from full environmental impact review rulemaking actions that designate or modify classes of airspace areas, airways, routes, and reporting points. Therefore, this airspace action is not expected to result in any significant environmental impacts. In accordance with FAA Order 1050.1F, paragraph 5–2 regarding Extraordinary Circumstances, this action has been reviewed for factors and circumstances in which a normally categorically excluded action may have a significant environmental impact requiring further analysis, and it is determined that no extraordinary circumstances exist that warrant preparation of an environmental assessment.

List of Subjects in 14 CFR Part 71

Airspace, Incorporation by reference, Navigation (air).

The Amendment

In consideration of the foregoing, the Federal Aviation Administration amends 14 CFR part 71 as follows:

PART 71—DESIGNATION OF CLASS A, B, C, D, AND E AIRSPACE AREAS; AIR TRAFFIC SERVICE ROUTES; AND REPORTING POINTS

■ 1. The authority citation for part 71 continues to read as follows:

Authority: 49 U.S.C. 106(f), 106(g), 40103, 40113, 40120; E.O. 10854, 24 FR 9565, 3 CFR, 1959–1963 Comp., p. 389.

§ 71.1 [Amended]

■ 2. The incorporation by reference in 14 CFR 71.1 of FAA Order 7400.11B, Airspace Designations and Reporting Points, dated August 3, 2017 and effective September 15, 2017, is amended as follows:

Paragraph 6010(a). Domestic VOR Federal airways.

* * * * *

V–2 [Amended]

From Seattle, WA; Ellensburg, WA; Moses Lake, WA; Spokane, WA; Mullan Pass, ID; Missoula, MT; Helena, MT; INT Helena 119° and Livingston, MT, 322° radials; Livingston; Billings, MT; Miles City, MT; 24 miles, 90 miles, 55 MSL, Dickinson, ND; 10 miles, 60 miles, 38 MSL, Bismarck, ND; 14 miles, 62 miles, 34 MSL, Jamestown, ND; Fargo, ND; Alexandria, MN; Gopher, MN; Nodine, MN; Lone Rock, WI; Madison, WI; Badger, WI; Muskegon, MI; to Lansing, MI. From Buffalo, NY; Rochester, NY; Syracuse, NY; Utica, NY; Albany, NY; INT Albany 084° and Gardner, MA, 284° radials; to Gardner.

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V–5 [Amended]

From Pecan, GA; Vienna, GA; Dublin, GA; Athens, GA; INT Athens 340° and Electric City, SC, 274° radials; INT Electric City 274° and Choo Choo, GA, 127° radials; Choo Choo; Bowling Green, KY; New Hope, KY; Louisville, KY; Cincinnati, OH; to Appleton, OH.

V–6 [Amended]

From Oakland, CA; INT Oakland 039° and Sacramento, CA, 212° radials; Sacramento; Squaw Valley, CA; Mustang, NV; Lovelock, NV; Battle Mountain, NV; INT Battle Mountain 062° and Wells, NV, 256° radials; Wells; 5 miles, 40 miles, 98 MSL, 85 MSL, Lucin, UT; 43 miles, 85 MSL, Ogden, UT; 11 miles, 50 miles, 105 MSL, Fort Bridger, WY; Rock Springs, WY; 20 miles, 39 miles 95 MSL, Cherokee, WY; 39 miles, 27 miles 95 MSL, Medicine Bow, WY; INT Medicine Bow 106° and Sidney, NE, 291° radials; Sidney; North Platte, NE; Grand Island, NE; Omaha, NE; Des Moines, IA; Iowa City, IA; Davenport, IA; INT Davenport 087° and DuPage, IL, 255° radials; to DuPage. From INT Chicago Heights, IL, 358° and Gipper, MI, 271° radials; Gipper; to INT Gipper 092° and Litchfield, MI, 196° radials. From Clarion, PA; Philipsburg, PA; Selinsgrove, PA; Allentown, PA; Solberg, NJ; INT Solberg 107° and Yardley, PA, 068° radials; INT Yardley 068° and La Guardia, NY, 213° radials; to La Guardia.

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V–8 [Amended]

From INT Seal Beach, CA, 266° and Ventura, CA, 144° radials; Seal Beach; Paradise, CA; 35 miles, 7 miles wide (3 miles SE and 4 miles NW of centerline) Hector, CA; Goffs, CA; INT Goffs 033° and Morman Mesa, NV, 196° radials; Morman Mesa; Bryce Canyon, UT; Hanksville, UT; Grand Junction, CO; Rifle, CO; Kremmling, CO; Mile High, CO; Akron, CO; Hayes Center, NE; Grand Island, NE; Omaha, NE; Des Moines, IA; Iowa City, IA; Moline, IL; Joliet, IL; Chicago Heights, IL; Goshen, IN; to Flag City, OH. From Briggs, OH; Bellaire, OH; INT Bellaire 107° and Grantsville, MD, 285° radials; Grantsville; Martinsburg, WV; to Washington, DC. The portion outside the United States has no upper limit.

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V–10 [Amended]

From Pueblo, CO; 18 miles, 48 miles, 60 MSL, Lamar, CO; Garden City, KS; Dodge City, KS; Hutchinson, KS; Emporia, KS; INT Emporia 063°and Napoleon, MO, 243° radials; Napoleon; Kirksville, MO; Burlington, IA; Bradford, IL; to INT Bradford 058° and Joliet, IL, 287° radials. From INT Chicago Heights, IL, 358° and Gipper, MI, 271° radials; Gipper; to Litchfield, MI. From Youngstown, OH; INT Youngstown 116° and Revloc, PA, 300° radials; Revloc; INT Revloc 107° and Lancaster, PA, 280° radials; to Lancaster.

V–11 [Amended]

From Brookley, AL; Greene County, MS; INT Greene County 315° and Magnolia, MS, 133° radials; Magnolia; Sidon, MS; Holly Springs, MS; Dyersburg, TN; Cunningham, KY; Pocket City, IN; Brickyard, IN; Marion, IN; Fort Wayne, IN; to INT Fort Wayne 038° and Waterville, OH, 273° radials.

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V–14 [Amended]

From Chisum, NM; Lubbock, TX; Childress, TX; Hobart, OK; Will Rogers, OK; INT Will Rogers 052° and Tulsa, OK, 246° radials; Tulsa; Neosho, MO; Springfield, MO; Vichy, MO; INT Vichy 067° and St. Louis, MO, 225° radials; St. Louis; Vandalia, IL; Terre Haute, IN; Brickyard, IN; Muncie, IN; to Flag City, OH. From Buffalo, NY; Geneseo, NY; Georgetown, NY; INT Georgetown 093° and Albany, NY, 270° radials; Albany; INT Albany 084° and Gardner, MA, 284° radials; Gardner; to Norwich, CT.

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V–26 [Amended]

From Blue Mesa, CO; Montrose, CO; 13 miles, 112 MSL, 131 MSL; Grand Junction, CO; Meeker, CO; Cherokee, WY; Muddy Mountain, WY; 14 miles 12 AGL, 37 miles 75 MSL, 84 miles 90 MSL, 17 miles 12 AGL; Rapid City, SD; Philip, SD; Pierre, SD; Huron, SD; Redwood Falls, MN; Farmington, MN; Eau Claire, WI; Waussau, WI; Green Bay, WI; INT Green Bay 116° and White Cloud, MI, 302° radials; White Cloud; to Lansing, MI.

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V–30 [Amended]

From Badger, WI; INT Badger 102° and Pullman, MI, 303° radials; Pullman; to Litchfield, MI. From Clarion, PA; Philipsburg, PA; Selinsgrove, PA; East Texas, PA; INT East Texas 095° and Solberg, NJ, 264° radials; to Solberg.

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V–38 [Amended]

From Moline, IL; INT Moline 082° and Peotone, IL, 281° radials; Peotone; Fort Wayne, IN; to INT Fort Wayne 091° and Rosewood, OH, 334° radials. From Appleton, OH; Zanesville, OH; Parkersburg, WV; Elkins, WV; Gordonsville, VA; Richmond, VA; Harcum, VA; to Cape Charles, VA.

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V–40 [Removed]

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V–43 [Amended]

From Youngstown, OH; to Erie, PA.

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V–45 [Amended]

From New Bern, NC; Kinston, NC; Raleigh-Durham, NC; INT Raleigh-Durham 275° and Greensboro, NC, 105° radials; Greensboro; INT Greensboro 334° and Pulaski, VA, 147° radials; Pulaski; Bluefield, WV; Charleston, WV; Henderson, WV; to Appleton, OH. From Saginaw, MI; Alpena, MI; to Sault Ste Marie, MI.

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V–47 [Amended]

From Pine Bluff, AR; Gilmore, AR; Dyersburg, TN; Cunningham, KY; to Pocket City, IN. From Cincinnati, KY; Rosewood, OH; to Flag City, OH.

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V–59 [Amended]

From Pulaski, VA; Beckley, WV; Parkersburg, WV; to Newcomerstown, OH.

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V–75 [Amended]

From Morgantown, WV; Bellaire, OH; to Briggs, OH.

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V–84 [Amended]

From Northbrook, IL; Pullman, MI; to Lansing, MI. From Buffalo, NY; Geneseo, NY; INT Geneseo 091° and Syracuse, NY, 240° radials; to Syracuse.

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V–92 [Amended]

From Chicago Heights, IL; to Goshen, IN. From Newcomerstown, OH; Bellaire, OH; INT Bellaire 107° and Grantsville, MD, 285° radials; Grantsville; INT Grantsville 124° and Armel, VA, 292° radials; to Armel.

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V–96 [Amended]

From Brickyard, IN; Kokomo, IN; Fort Wayne, IN; to INT Fort Wayne 071° and Flag City, OH, 289° radials.

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V–98 [Removed]

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V–103 [Amended]

From Chesterfield, SC; Greensboro, NC; Roanoke, VA; Elkins, WV; Clarksburg, WV; Bellaire, OH; INT Bellaire 327° and Akron, OH, 181° radials; to Akron.

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V–116 [Amended]

From Erie, PA; Bradford, PA; Stonyfork, PA; INT Stonyfork 098° and Wilkes-Barre, PA, 310° radials; Wilkes-Barre; INT Wilkes-Barre 084° and Sparta, NJ, 300° radials; to Sparta.

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V–126 [Amended]

From INT Peotone, IL, 053° and Knox, IN, 297° radials; INT Knox 297° and Goshen, IN, 270° radials; Goshen; to INT Goshen 092° and Fort Wayne, IN, 016° radials. From Erie, PA; Bradford, PA; to Stonyfork, PA.

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V–133 [Amended]

From INT Charlotte, NC, 305° and Barretts Mountain, NC, 197° radials; Barretts Mountain; Charleston, WV; to Zanesville, OH. From Saginaw, MI; Traverse City, MI; Escanaba, MI; Sawyer, MI; Houghton, MI; Thunder Bay, ON, Canada; International Falls, MN; to Red Lake, ON, Canada. The airspace within Canada is excluded.

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V–170 [Amended]

From Devils Lake, ND; INT Devils Lake 187° and Jamestown, ND, 337° radials; Jamestown; Aberdeen, SD; Sioux Falls, SD; Worthington, MN; Fairmont, MN; Rochester, MN; Nodine, MN; Dells, WI; INT Dells 097° and Badger, WI, 304° radials; Badger; INT Badger 121° and Pullman, MI, 282° radials; Pullman; to Salem, MI. From Bradford, PA; Slate Run, PA; Selinsgrove, PA; Ravine, PA; INT Ravine 125° and Modena, PA, 318° radials; Modena; Dupont, DE; INT Dupont 223° and Andrews, MD, 060° radials; to INT Andrews 060° and Baltimore, MD, 165° radials. The airspace within R–5802 is excluded when active.

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V–176 [Removed]

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V–188 [Amended]

From Tidioute, PA; Slate Run, PA; Williamsport, PA; Wilkes-Barre, PA; INT Wilkes-Barre 084° and Sparta, NJ, 300° radials; Sparta; INT Sparta 082° and Carmel, NY, 243° radials; Carmel; INT Carmel 078° and Groton, CT, 276° radials; to Groton.

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V–210 [Amended]

From Los Angeles, CA; INT Los Angeles 083° and Pomona, CA, 240° radials; Pomona; INT Daggett, CA, 229° and Hector, CA, 263° radials; Hector; Goffs, CA; 13 miles, 23 miles 71 MSL, 85 MSL, Peach Springs, AZ; Grand Canyon, AZ; Tuba City, AZ; 10 miles 90 MSL, 91 miles 105 MSL, Rattlesnake, NM; Alamosa, CO; INT Alamosa 074° and Lamar, CO, 250° radials; 40 miles, 51 miles, 65 MSL, Lamar; 13 miles, 79 miles, 55 MSL, Liberal,

KS; INT Liberal 137° and Will Rogers, OK, 284° radials; Will Rogers; INT Will Rogers 113° and Okmulgee, OK, 238° radials; to Okmulgee. From Brickyard, IN; Muncie, IN; to Rosewood, OH. From Revloc, PA; INT Revloc 096° and Harrisburg, PA, 285° radials; Harrisburg; Lancaster, PA; INT Lancaster 095° and Yardley, PA, 255° radials; to Yardley.

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V–221 [Amended]

From Bible Grove, IL; Hoosier, IN; Shelbyville, IN; Muncie, IN; Fort Wayne, IN; to INT Fort Wayne 016° and Goshen, IN, 092° radials.

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V–232 [Amended]

From Keating, PA; Milton, PA; INT Milton 099° and Solberg, NJ, 299° radials; Solberg; INT Solberg 137° and Colts Neck, NJ, 263° radials; to Colts Neck.

V–233 [Amended]

From Spinner, IL; INT Spinner 061° and Roberts, IL, 233° radials; Roberts; Knox, IN; Goshen, IN; to Litchfield, MI. From Mount Pleasant, MI; INT Mount Pleasant 351° and Gaylord, MI, 207° radials; Gaylord; to Pellston, MI.

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V–297 [Removed]

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V–353 [Removed]

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V–383 [Removed]

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V–396 [Removed]

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V–406 [Removed]

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V–416 [Removed]

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V–418 [Removed]

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V–426 [Removed]

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V–435 [Removed]

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V–443 [Removed]

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V–450 [Amended]

From Escanaba, MI; Menominee, MI; Green Bay, WI; Muskegon, MI; INT Muskegon 094° and Flint, MI, 280° radials; to Flint.

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V–464 [Removed]

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V–467 [Removed]

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V–486 [Removed]

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V–493 [Amended]

From Livingston, TN; Lexington, KY; York, KY; INT York 030° and Appleton, OH, 183° radials; to Appleton. From Menominee, MI; to Rhinelander, WI.

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V–522 [Removed]

V–523 [Removed]

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V–525 [Removed]

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V–542 [Amended]

From Tidioute, PA; Bradford, PA; INT Bradford 078° and Elmira, NY, 252° radials; Elmira; Binghampton, NY; Rockdale, NY; Albany, NY; Cambridge, NY; INT Cambridge 063° and Lebanon, NH, 214° radials; to Lebanon.

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V–584 [Removed]

Issued in Washington, DC, on March 22, 2018.

Rodger A. Dean Jr.,

Manager, Airspace Policy Group.

[FR Doc. 2018–06268 Filed 3–28–18; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 93

[Docket No. FAA–2004–17005; Amdt. No. 93–91A]

RIN 2120–AI17

Washington, DC Metropolitan Area Special Flight Rules Area; Technical Amendment

AGENCY: Federal Aviation Administration, DOT.

ACTION: Final rule; technical amendment.

SUMMARY: Currently, FAA regulations require all pilots operating aircraft to or from College Park Airport, Potomac Airfield or Washington Executive/Hyde Field Airport to file instrument flight rules (IFR), DC Flight Restricted Zone (FRZ), or DC Special Flight Rules Area (SFRA) flight plans with the Washington Hub Flight Service Station (FSS). The FAA is transferring the responsibility for processing flight plans within the DC FRZ from the Washington Hub FSS to the Washington Air Route Traffic Control Center (ARTCC). This document revises the regulations by updating the organization responsible for processing the flight plans and by updating the flight plans required for flight operations in the DC FRZ.

DATES: Effective on March 29, 2018.

FOR FURTHER INFORMATION CONTACT: Scott Rosenbloom, Airspace and Rules, AJV–113, Federal Aviation Administration, 800 Independence Avenue SW, Washington, DC 20591; telephone (202) 267–3783; email *scott.rosenbloom@faa.gov.*

SUPPLEMENTARY INFORMATION:

Good Cause for Immediate Adoption Without Prior Notice

Section 553(b)(3)(B) of the Administrative Procedure Act (APA) (5 U.S.C. 551 *et seq.*) authorizes agencies to dispense with notice and comment procedures for rules when the agency for ''good cause'' finds that those procedures are ''impracticable, unnecessary, or contrary to the public interest.'' Under this section, an agency, upon finding good cause, may issue a final rule without seeking comment prior to the rulemaking.

Section 553(d)(3) of the Administrative Procedure Act requires that agencies publish a rule not less than 30 days before its effective date, except as otherwise provided by the agency for good cause found and published with the rule.

This document revises § 93.343(a) of title 14 of the Code of Federal Regulations (14 CFR) by updating the organization responsible for processing IFR and FRZ flight plans from/to College Park, Potomac Airfield, and Washington Executive/Hyde Field airports. This revision will not impose any additional restrictions on the persons affected by these regulations. Furthermore, any additional delay in revising the regulations would be contrary to the public interest because it would create confusion among pilots operating in the DC SFRA including the DC FRZ. Accordingly, the FAA finds that (i) public comment on this change prior to promulgation is unnecessary and contrary to public interest, and (ii) good cause exists to make this rule effective in less than 30 days.

Background

Currently, § 93.343(a) requires pilots to file IFR, DC FRZ, or DC SFRA flight plans with the Washington Hub FSS for each departure and arrival from/to College Park, Potomac Airfield, and Washington Executive/Hyde Field Airports, whether or not the aircraft makes an immediate stop.

An objective of the Administrator's Flight Service National Airspace System (NAS) Efficient Streamlined Services Initiative is to realign activities through more efficient delivery of services. As part of this initiative, the FAA is

transferring the responsibility for processing IFR and DC FRZ flight plans within the Washington DC Flight Restricted Zone from the Washington Hub FSS to the Flight Data Unit (FDU) at Washington ARTCC. This transition will occur on March 29, 2018. As a result, the FAA is updating § 93.343(a) to reflect the change in responsibility.[1]

Also as a result of the transition, the FAA is removing from §§ 93.341(d) and 93.343(a)(2) the references to the DC SFRA flight plan. Both regulations govern flight operations within the DC FRZ, which require a DC FRZ flight plan. Because a single entity was responsible for processing both DC SFRA and DC FRZ flight plans, the FAA has effectively construed any request for a DC SFRA flight plan to/from a location within the DC FRZ as a DC FRZ flight plan. Once the responsibilities for processing DC SFRA and DC FRZ flight plans are divided between two entities, however, the FAA will no longer be able to re-characterize a DC SFRA flight plan as a DC FRZ flight plan. The FAA is, therefore, removing the references to the DC SFRA from §§ 93.341(d) and 93.343(a)(2) to make clear that a pilot must file either an IFR or DC FRZ flight plan when operating to or from the DC FRZ.

Furthermore, the FAA notes that it has communicated with the Transportation Security Administration (TSA) about a corresponding technical amendment that must be made to 49 CFR 1562.3(g)(1) to include the new organization responsible for processing IFR and DC FRZ flight plans.

Technical Amendment

In this technical amendment, the FAA is revising § 93.343(a)(2) and (3) by removing the references to the Washington Hub FSS. In their place, the FAA is inserting references to the Washington ARTCC, which is the new organization responsible for processing the flight plans. Furthermore, the FAA is revising §§ 93.341(d) and 93.343(a)(2) by removing the references to the DC SFRA flight plan.

List of Subjects in 14 CFR Part 93

Air traffic control, Airports, Navigation (air), Reporting and recordkeeping requirements.

The Amendment

In consideration of the foregoing, the Federal Aviation Administration amends chapter I of title 14, Code of Federal Regulations as follows:

PART 93—SPECIAL AIR TRAFFIC RULES

■ 1. The authority citation for part 93 continues to read as follows:

Authority: 49 U.S.C. 106(f), 106(g), 40103, 40106, 40109, 40113, 44502, 44514, 44701, 44715, 44719, 46301.

■ 2. Amend § 93.341 by revising paragraph (d) to read as follows:

§ 93.341 Aircraft operations in the DC FRZ.

* * * * *

(d) Before departing from an airport within the DC FRZ, or before entering the DC FRZ, all aircraft, except DOD, law enforcement, and lifeguard or air ambulance aircraft operating under an FAA/TSA airspace authorization must file and activate an IFR or a DC FRZ flight plan and transmit a discrete transponder code assigned by an Air Traffic Control facility. Aircraft must transmit the discrete transponder code at all times while in the DC FRZ or DC SFRA.

■ 3. Amend § 93.343 by revising paragraphs (a)(2) and (a)(3) to read as follows:

§ 93.343 Requirements for aircraft operations to or from College Park Airport, Potomac Airfield, or Washington Executive/Hyde Field Airport.

(a) * * *

(2) Before departing, the pilot files an IFR or DC FRZ flight plan with the Washington Air Route Traffic Control Center for each departure and arrival from/to College Park, Potomac Airfield, and Washington Executive/Hyde Field airports, whether or not the aircraft makes an intermediate stop;

(3) When filing a flight plan with the Washington Air Route Traffic Control Center, the pilot identifies himself or herself by providing the assigned pilot identification code. The Washington Air Route Traffic Control Center will accept the flight plan only after verifying the code; and

* * * * *

Issued under the authority of 49 U.S.C. 106(f) and (g) and 40103 in Washington, DC.

Lirio Liu,

Executive Director, Office of Rulemaking.

[FR Doc. 2018–06335 Filed 3–28–18; 8:45 am]

BILLING CODE 4910–13–P

[1] The FAA notes that this change in responsibility will also generate a change in the dedicated phone number used for pilots to confirm their flight plan. Therefore, the FAA is also revising its Orders to update the phone number and organization responsible for filing IFR and DC FRZ flight plans.

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 97

[Docket No. 31184; Amdt. No. 3791]

Standard Instrument Approach Procedures, and Takeoff Minimums and Obstacle Departure Procedures; Miscellaneous Amendments

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: This rule establishes, amends, suspends, or removes Standard Instrument Approach Procedures (SIAPs) and associated Takeoff Minimums and Obstacle Departure Procedures (ODPs) for operations at certain airports. These regulatory actions are needed because of the adoption of new or revised criteria, or because of changes occurring in the National Airspace System, such as the commissioning of new navigational facilities, adding new obstacles, or changing air traffic requirements. These changes are designed to provide safe and efficient use of the navigable airspace and to promote safe flight operations under instrument flight rules at the affected airports.

DATES: This rule is effective March 29, 2018. The compliance date for each SIAP, associated Takeoff Minimums, and ODP is specified in the amendatory provisions.

The incorporation by reference of certain publications listed in the regulations is approved by the Director of the **Federal Register** as of March 29, 2018.

ADDRESSES: Availability of matters incorporated by reference in the amendment is as follows:

For Examination

1. U.S. Department of Transportation, Docket Ops-M30, 1200 New Jersey Avenue SE, West Bldg., Ground Floor, Washington, DC, 20590–0001.

2. The FAA Air Traffic Organization Service Area in which the affected airport is located;

3. The office of Aeronautical Navigation Products, 6500 South MacArthur Blvd., Oklahoma City, OK 73169 or,

4. 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.*

Availability

All SIAPs and Takeoff Minimums and ODPs are available online free of charge. Visit the National Flight Data Center at *nfdc.faa.gov* to register. Additionally, individual SIAP and Takeoff Minimums and ODP copies may be obtained from the FAA Air Traffic Organization Service Area in which the affected airport is located.

FOR FURTHER INFORMATION CONTACT: Thomas J. Nichols, Flight Procedure Standards Branch (AFS–420), Flight Technologies and Programs Divisions, Flight Standards Service, Federal Aviation Administration, Mike Monroney Aeronautical Center, 6500 South MacArthur Blvd. Oklahoma City, OK. 73169 (Mail Address: P.O. Box 25082, Oklahoma City, OK 73125) Telephone: (405) 954–4164.

SUPPLEMENTARY INFORMATION: This rule amends Title 14 of the Code of Federal Regulations, Part 97 (14 CFR part 97), by establishing, amending, suspending, or removes SIAPS, Takeoff Minimums and/or ODPS. The complete regulatory description of each SIAP and its associated Takeoff Minimums or ODP for an identified airport is listed on FAA form documents which are incorporated by reference in this amendment under 5 U.S.C. 552(a), 1 CFR part 51, and 14 CFR part 97.20. The applicable FAA forms are FAA Forms 8260–3, 8260–4, 8260–5, 8260–15A, and 8260–15B when required by an entry on 8260–15A.

The large number of SIAPs, Takeoff Minimums and ODPs, their complex nature, and the need for a special format make publication in the **Federal Register** expensive and impractical. Further, airmen do not use the regulatory text of the SIAPs, Takeoff Minimums or ODPs, but instead refer to their graphic depiction on charts printed by publishers of aeronautical materials. Thus, the advantages of incorporation by reference are realized and publication of the complete description of each SIAP, Takeoff Minimums and ODP listed on FAA form documents is unnecessary. This amendment provides the affected CFR sections and specifies the types of SIAPs, Takeoff Minimums and ODPs with their applicable effective dates. This amendment also identifies the airport and its location, the procedure, and the amendment number.

Availability and Summary of Material Incorporated by Reference

The material incorporated by reference is publicly available as listed in the **ADDRESSES** section.

The material incorporated by reference describes SIAPS, Takeoff Minimums and/or ODPS as identified in the amendatory language for part 97 of this final rule.

The Rule

This amendment to 14 CFR part 97 is effective upon publication of each separate SIAP, Takeoff Minimums and ODP as Amended in the transmittal. Some SIAP and Takeoff Minimums and textual ODP amendments may have been issued previously by the FAA in a Flight Data Center (FDC) Notice to Airmen (NOTAM) as an emergency action of immediate flight safety relating directly to published aeronautical charts.

The circumstances that created the need for some SIAP and Takeoff Minimums and ODP amendments may require making them effective in less than 30 days. For the remaining SIAPs and Takeoff Minimums and ODPs, an effective date at least 30 days after publication is provided.

Further, the SIAPs and Takeoff Minimums and ODPs contained in this amendment are based on the criteria contained in the U.S. Standard for Terminal Instrument Procedures (TERPS). In developing these SIAPs and Takeoff Minimums and ODPs, the TERPS criteria were applied to the conditions existing or anticipated at the affected airports. Because of the close and immediate relationship between these SIAPs, Takeoff Minimums and ODPs, and safety in air commerce, I find that notice and public procedure under 5 U.S.C. 553(b) are impracticable and contrary to the public interest and, where applicable, under 5 U.S.C 553(d), good cause exists for making some SIAPs effective in less than 30 days.

The FAA has determined that this regulation only involves an established body of technical regulations for which frequent and routine amendments are necessary to keep them operationally current. It, therefore—(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); and (3) does not warrant preparation of a regulatory evaluation as the anticipated impact is so minimal. For the same reason, the FAA certifies that this amendment will not have a significant economic impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

List of Subjects in 14 CFR Part 97

Air Traffic Control, Airports, Incorporation by reference, Navigation (Air).

Issued in Washington, DC, on March 9, 2018.

John S. Duncan,

Director, Flight Standards Service.

Adoption of the Amendment

Accordingly, pursuant to the authority delegated to me, Title 14, Code of Federal Regulations, Part 97 (14 CFR part 97) is amended by establishing, amending, suspending, or removing Standard Instrument Approach Procedures and/or Takeoff Minimums and Obstacle Departure Procedures effective at 0901 UTC on the dates specified, as follows:

PART 97—STANDARD INSTRUMENT APPROACH PROCEDURES

■ 1. The authority citation for part 97 continues to read as follows:

Authority: 49 U.S.C. 106(f), 106(g), 40103, 40106, 40113, 40114, 40120, 44502, 44514, 44701, 44719, 44721–44722.

■ 2. Part 97 is amended to read as follows:

Effective 26 April 2018

Washington, DC, Ronald Reagan Washington National, LDA Z RWY 19, Amdt 3B
Washington, DC, Ronald Reagan Washington National, RNAV (GPS) RWY 15, Orig-A
Washington, DC, Ronald Reagan Washington National, RNAV (RNP) RWY 1, Amdt 1B

Effective 24 May 2018

Unalakleet, AK, Unalakleet, LOC RWY 15, Amdt 5
Unalakleet, AK, Unalakleet, RNAV (GPS) RWY 33, Amdt 1
Unalakleet, AK, Unalakleet, RNAV (GPS)–A, Amdt 1
Unalakleet, AK, Unalakleet, RNAV (GPS) Z RWY 33, Orig-A, CANCELED
Unalakleet, AK, Unalakleet, Takeoff Minimums and Obstacle DP, Amdt 2
Unalakleet, AK, Unalakleet, UNALAKLEET ONE, Graphic DP
Unalakleet, AK, Unalakleet, VOR–D, Amdt 6
Haleyville, AL, Posey Field, VOR/DME–A, Amdt 4A, CANCELED
Hamilton, AL, Marion County-Rankin Fite, VOR RWY 18, Amdt 5A, CANCELED
Prattville, AL, Prattville—Grouby Field, RNAV (GPS) RWY 27, Amdt 1
Vernon, AL, Lamar County, VOR/DME–A, Amdt 3, CANCELED
Rogers, AR, Rogers Executive—Carter Field, Takeoff Minimums and Obstacle DP, Amdt 1
San Diego/El Cajon, CA, Gillespie Field, RNAV (GPS) RWY 9L, Orig
Meriden, CT, Meriden Markham Muni, VOR RWY 36, Amdt 5
Millen, GA, Millen, NDB RWY 17, Orig-B, CANCELED
Gooding, ID, Gooding Muni, NDB RWY 25, Amdt 1A, CANCELED
Angola, IN, Tri-State Steuben County, RNAV (GPS) RWY 5, Orig-D
Angola, IN, Tri-State Steuben County, RNAV (GPS) RWY 23, Orig-C

Kendallville, IN, Kendallville Muni, RNAV (GPS) RWY 10, Orig-B
Kendallville, IN, Kendallville Muni, RNAV (GPS) RWY 28, Amdt 1B
Hugoton, KS, Hugoton Muni, RNAV (GPS) RWY 2, Orig-A
Hugoton, KS, Hugoton Muni, RNAV (GPS) RWY 20, Orig-A
Smith Center, KS, Smith Center Muni, VOR–A, Amdt 3
Flemingsburg, KY, Fleming-Mason, LOC RWY 25, Amdt 1A, CANCELED
Houlton, ME, Houlton Intl, VOR/DME RWY 5, Amdt 11B, CANCELED
Adrian, MI, Lenawee County, NDB RWY 5, Orig-A
Adrian, MI, Lenawee County, RNAV (GPS) RWY 5, Amdt 1A
Adrian, MI, Lenawee County, RNAV (GPS) RWY 23, Orig-A
Ann Arbor, MI, Ann Arbor Muni, Takeoff Minimums and Obstacle DP, Amdt 9A
Battle Creek, MI, W K Kellogg, RNAV (GPS) RWY 31, Amdt 1
Caro, MI, Tuscola Area, RNAV (GPS) RWY 6, Amdt 2
Caro, MI, Tuscola Area, RNAV (GPS) RWY 24, Amdt 2
Caro, MI, Tuscola Area, VOR–A, Amdt 7
Davison, MI, Athelone Williams Memorial, RNAV (GPS) RWY 8, Orig-A, CANCELED
Davison, MI, Athelone Williams Memorial, RNAV (GPS) RWY 26, Orig-A, CANCELED
Davison, MI, Athelone Williams Memorial, Takeoff Minimums and Obstacle DP, Amdt 2, CANCELED
Davison, MI, Athelone Williams Memorial, VOR RWY 8, Orig-D, CANCELED
Detroit/Grosse Ile, MI, Grosse Ile Muni, Takeoff Minimums and Obstacle DP, Amdt 5A
Detroit, MI, Detroit Metropolitan Wayne County, Takeoff Minimums and Obstacle DP, Amdt 1A
Gladwin, MI, Gladwin Zettel Memorial, RNAV (GPS) RWY 9, Orig-B
Hillsdale, MI, Hillsdale Muni, RNAV (GPS) RWY 28, Amdt 1
Hillsdale, MI, Hillsdale Muni, VOR–A, Amdt 8A, CANCELED
Howell, MI, Livingston County Spencer J. Hardy, Takeoff Minimums and Obstacle DP, Amdt 3A
Lambertville, MI, Toledo Suburban, RNAV (GPS)–A, Orig
Lambertville, MI, Toledo Suburban, VOR OR GPS–A, Amdt 7A, CANCELED
Monroe, MI, Custer, RNAV (GPS) RWY 3, Orig-A
Monroe, MI, Custer, RNAV (GPS) RWY 21, Orig-A
Monroe, MI, Custer, Takeoff Minimums and Obstacle DP, Amdt 6A
Monroe, MI, Custer, VOR RWY 21, Amdt 2, CANCELED
Pontiac, MI, Oakland County Intl, Takeoff Minimums and Obstacle DP, Amdt 6A
Ada/Twin Valley, MN, Norman County Ada/Twin Valley, RNAV (GPS) RWY 33, Orig-A
Raleigh/Durham, NC, Raleigh-Durham Intl, ILS OR LOC RWY 5R, Amdt 29
Raleigh/Durham, NC, Raleigh-Durham Intl, ILS OR LOC RWY 23L, Amdt 9
Raleigh/Durham, NC, Raleigh-Durham Intl, RNAV (GPS) Y RWY 5R, Amdt 3
Raleigh/Durham, NC, Raleigh-Durham Intl, RNAV (GPS) Y RWY 23L, Amdt 2
Toms River, NJ, Ocean County, RNAV (GPS) RWY 24, Amdt 1
Toms River, NJ, Ocean County, VOR RWY 24, Amdt 5
Gallup, NM, Gallup Muni, LOC RWY 6, Amdt 3C
Gallup, NM, Gallup Muni, VOR RWY 6, Amdt 8A
New York, NY, John F Kennedy Intl, COPTER RNAV (GPS) 027, Orig-C
New York, NY, John F Kennedy Intl, ILS OR LOC RWY 22R, Amdt 2B
Akron, OH, Akron-Canton Rgnl, ILS OR LOC RWY 1, Amdt 38A
Ashland, OH, Ashland County, VOR–A, Amdt 9D
Ashtabula, OH, Northeast Ohio Rgnl, VOR RWY 27, Amdt 7A
Ashtabula, OH, Northeast Ohio Rgnl, VOR–A, Orig-A
Bowling Green, OH, Wood County, RNAV (GPS) RWY 10, Orig-D
Bowling Green, OH, Wood County, RNAV (GPS) RWY 18, Orig-C
Bowling Green, OH, Wood County, RNAV (GPS) RWY 28, Orig-C
Bowling Green, OH, Wood County, RNAV (GPS) RWY 36, Orig-C
Bucyrus, OH, Port Bucyrus-Crawford County, RNAV (GPS) RWY 4, Orig-A
Bucyrus, OH, Port Bucyrus-Crawford County, RNAV (GPS) RWY 22, Orig-B
Bucyrus, OH, Port Bucyrus-Crawford County, VOR RWY 22, Amdt 5A
Cleveland, OH, Cleveland-Hopkins Intl, Takeoff Minimums and Obstacle DP, Amdt 16A
Cleveland, OH, Cuyahoga County, Takeoff Minimums and Obstacle DP, Amdt 1A
Defiance, OH, Defiance Memorial, RNAV (GPS) RWY 12, Amdt 1
Findlay, OH, Findlay, RNAV (GPS) RWY 7, Orig-B
Findlay, OH, Findlay, RNAV (GPS) RWY 18, Amdt 1A
Findlay, OH, Findlay, RNAV (GPS) RWY 25, Amdt 1A
Findlay, OH, Findlay, RNAV (GPS) RWY 36, Amdt 1B
Fostoria, OH, Fostoria Metropolitan, RNAV (GPS) RWY 27, Amdt 1B
Fostoria, OH, Fostoria Metropolitan, VOR–A, Amdt 4B
Fremont, OH, Fremont, RNAV (GPS) RWY 9, Orig-B
Fremont, OH, Fremont, VOR RWY 9, Amdt 6A, CANCELED
Fremont, OH, Sandusky County Rgnl, RNAV (GPS) RWY 6, Amdt 1A
Fremont, OH, Sandusky County Rgnl, RNAV (GPS) RWY 24, Amdt 1A
Galion, OH, Galion Muni, VOR RWY 23, Amdt 13B
Kenton, OH, Hardin County, RNAV (GPS) RWY 4, Orig-A
Kenton, OH, Hardin County, RNAV (GPS) RWY 22, Orig-A
Lorain/Elyria, OH, Lorain County Rgnl, RNAV (GPS) RWY 7, Orig-B
Lorain/Elyria, OH, Lorain County Rgnl, Takeoff Minimums and Obstacle DP, Orig-A
Mansfield, OH, Mansfield Lahm Rgnl, ILS OR LOC RWY 32, Amdt 17A
Mansfield, OH, Mansfield Lahm Rgnl, VOR RWY 14, Amdt 16A
Mansfield, OH, Mansfield Lahm Rgnl, VOR RWY 32, Amdt 7B
Medina, OH, Medina Muni, RNAV (GPS) RWY 9, Orig-C
Ottawa, OH, Putnam County, RNAV (GPS) RWY 9, Orig-A
Ottawa, OH, Putnam County, RNAV (GPS) RWY 27, Orig-A
Ottawa, OH, Putnam County, VOR RWY 27, Amdt 2B
Salem, OH, Salem Airpark Inc, Takeoff Minimums and Obstacle DP, Amdt 2
Wauseon, OH, Fulton County, RNAV (GPS) RWY 9, Orig-B
Willard, OH, Willard, VOR–A, Orig-B
Willoughby, OH, Willoughby Lost Nation Muni, NDB RWY 10, Amdt 10A
Willoughby, OH, Willoughby Lost Nation Muni, RNAV (GPS) RWY 5, Orig-A
Willoughby, OH, Willoughby Lost Nation Muni, RNAV (GPS) RWY 10, Orig-B
Willoughby, OH, Willoughby Lost Nation Muni, RNAV (GPS) RWY 23, Orig-B
Willoughby, OH, Willoughby Lost Nation Muni, RNAV (GPS) RWY 28, Orig-A
Willoughby, OH, Willoughby Lost Nation Muni, Takeoff Minimums and Obstacle DP, Amdt 3A
Zanesville, OH, Zanesville Muni, ILS OR LOC RWY 22, Amdt 1A
Holdenville, OK, Holdenville Muni, NDB RWY 17, Amdt 4A, CANCELED
Erie, PA, Erie Intl/Tom Ridge Field, ILS OR LOC RWY 6, Amdt 18A
Erie, PA, Erie Intl/Tom Ridge Field, RNAV (GPS) RWY 6, Amdt 1B
Mount Pocono, PA, Pocono Mountains Muni, RNAV (GPS) RWY 13, Amdt 3C
Mount Pocono, PA, Pocono Mountains Muni, RNAV (GPS) RWY 31, Amdt 2D
Perkasie, PA, Pennridge, RNAV (GPS) RWY 26, Orig-C
Philadelphia, PA, Philadelphia Intl, ILS OR LOC RWY 27R, ILS RWY 27R (SA CAT I), ILS RWY 27R (SA CAT II), Amdt 10H
Pittsburgh, PA, Pittsburgh Intl, RNAV (GPS) Y RWY 28C, Amdt 4C
Winnsboro, SC, Fairfield County, NDB RWY 4, Amdt 5, CANCELED
Amarillo, TX, Rick Husband Amarillo Intl, VOR/DME–A, Orig, CANCELED
Tyler, TX, Tyler Pounds Rgnl, RNAV (GPS) RWY 4, Amdt 3
Tyler, TX, Tyler Pounds Rgnl, Takeoff Minimums and Obstacle DP, Amdt 3
Renton, WA, Renton Muni, NDB RWY 16, Amdt 8, CANCELED
Moundsville, WV, Marshall County, RNAV (GPS) RWY 6, Orig-C
Philippi, WV, Philippi/Barbour County Rgnl, RNAV (GPS) RWY 26, Orig-A

Rescinded: On February 27, 2018 (83 FR 8334), the FAA published an Amendment in Docket No. 31179, Amdt No. 3787, to Part 97 of the Federal Aviation Regulations under section 97.37. The following entry for Buckland, AK, effective March 29, 2018, is hereby rescinded in its entirety:

Buckland, AK, Buckland, Takeoff Minimums and Obstacle DP, Amdt 2

[FR Doc. 2018–06008 Filed 3–28–18; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 97

[Docket No. 31185; Amdt. No. 3792]

Standard Instrument Approach Procedures, and Takeoff Minimums and Obstacle Departure Procedures; Miscellaneous Amendments

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: This rule amends, suspends, or removes Standard Instrument Approach Procedures (SIAPs) and associated Takeoff Minimums and Obstacle Departure Procedures for operations at certain airports. These regulatory actions are needed because of the adoption of new or revised criteria, or because of changes occurring in the National Airspace System, such as the commissioning of new navigational facilities, adding new obstacles, or changing air traffic requirements. These changes are designed to provide for the safe and efficient use of the navigable airspace and to promote safe flight operations under instrument flight rules at the affected airports.

DATES: This rule is effective March 29, 2018. The compliance date for each SIAP, associated Takeoff Minimums, and ODP is specified in the amendatory provisions.

The incorporation by reference of certain publications listed in the regulations is approved by the Director of the Federal Register as of March 29, 2018.

ADDRESSES: Availability of matter incorporated by reference in the amendment is as follows:

For Examination

1. U.S. Department of Transportation, Docket Ops–M30, 1200 New Jersey Avenue SE, West Bldg., Ground Floor, Washington, DC 20590–0001;

2. The FAA Air Traffic Organization Service Area in which the affected airport is located;

3. The office of Aeronautical Navigation Products, 6500 South MacArthur Blvd., Oklahoma City, OK 73169 or,

4. 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.*

Availability

All SIAPs and Takeoff Minimums and ODPs are available online free of charge. Visit the National Flight Data Center online at *nfdc.faa.gov* to register. Additionally, individual SIAP and Takeoff Minimums and ODP copies may be obtained from the FAA Air Traffic Organization Service Area in which the affected airport is located.

FOR FURTHER INFORMATION CONTACT: Thomas J. Nichols, Flight Procedure Standards Branch (AFS–420)Flight Technologies and Procedures Division, Flight Standards Service, Federal Aviation Administration, Mike Monroney Aeronautical Center, 6500 South MacArthur Blvd., Oklahoma City, OK 73169 (Mail Address: P.O. Box 25082 Oklahoma City, OK 73125) telephone: (405) 954–4164.

SUPPLEMENTARY INFORMATION: This rule amends Title 14, Code of Federal Regulations, Part 97 (14 CFR part 97) by amending the referenced SIAPs. The complete regulatory description of each SIAP is listed on the appropriate FAA Form 8260, as modified by the National Flight Data Center (NFDC)/Permanent Notice to Airmen (P–NOTAM), and is incorporated by reference under 5 U.S.C. 552(a), 1 CFR part 51, and 14 CFR 97.20. The large number of SIAPs, their complex nature, and the need for a special format make their verbatim publication in the **Federal Register** expensive and impractical. Further, airmen do not use the regulatory text of the SIAPs, but refer to their graphic depiction on charts printed by publishers of aeronautical materials. Thus, the advantages of incorporation by reference are realized and publication of the complete description of each SIAP contained on FAA form documents is unnecessary.

This amendment provides the affected CFR sections, and specifies the SIAPs and Takeoff Minimums and ODPs with their applicable effective dates. This amendment also identifies the airport and its location, the procedure and the amendment number.

Availability and Summary of Material Incorporated by Reference

The material incorporated by reference is publicly available as listed in the **ADDRESSES** section.

The material incorporated by reference describes SIAPs, Takeoff Minimums and ODPs as identified in the amendatory language for part 97 of this final rule.

The Rule

This amendment to 14 CFR part 97 is effective upon publication of each separate SIAP and Takeoff Minimums and ODP as amended in the transmittal. For safety and timeliness of change considerations, this amendment incorporates only specific changes contained for each SIAP and Takeoff Minimums and ODP as modified by FDC permanent NOTAMs.

The SIAPs and Takeoff Minimums and ODPs, as modified by FDC permanent NOTAM, and contained in this amendment are based on the criteria contained in the U.S. Standard for Terminal Instrument Procedures (TERPS). In developing these changes to SIAPs and Takeoff Minimums and ODPs, the TERPS criteria were applied only to specific conditions existing at the affected airports. All SIAP amendments in this rule have been previously issued by the FAA in a FDC NOTAM as an emergency action of immediate flight safety relating directly to published aeronautical charts.

The circumstances that created the need for these SIAP and Takeoff Minimums and ODP amendments require making them effective in less than 30 days.

Because of the close and immediate relationship between these SIAPs, Takeoff Minimums and ODPs, and safety in air commerce, I find that notice and public procedure under 5 U.S.C. 553(b) are impracticable and contrary to the public interest and, where applicable, under 5 U.S.C. 553(d), good cause exists for making these SIAPs effective in less than 30 days.

The FAA has determined that this regulation only involves an established body of technical regulations for which frequent and routine amendments are necessary to keep them operationally current. It, therefore— (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) ; and (3) does not warrant preparation of a regulatory evaluation as the anticipated impact is so minimal. For the same reason, the FAA certifies that this amendment will not have a significant economic impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

List of Subjects in 14 CFR Part 97

Air Traffic Control, Airports, Incorporation by reference, Navigation (air).

Issued in Washington, DC on March 9, 2018.

John S. Duncan,

Director, Flight Standards Service.

Adoption of the Amendment

Accordingly, pursuant to the authority delegated to me, Title 14, Code of Federal regulations, Part 97, (14 CFR part 97), is amended by amending Standard Instrument Approach Procedures and Takeoff Minimums and ODPs, effective at 0901 UTC on the dates specified, as follows:

PART 97—STANDARD INSTRUMENT APPROACH PROCEDURES

■ 1. The authority citation for part 97 continues to read as follows:

Authority: 49 U.S.C. 106(f), 106(g), 40103, 40106, 40113, 40114, 40120, 44502, 44514, 44701, 44719, 44721–44722.

■ 2. Part 97 is amended to read as follows:

§§ 97.23, 97.25, 97.27, 97.29, 97.31, 97.33, 97.35 [Amended]

By amending: § 97.23 VOR, VOR/DME, VOR or TACAN, and VOR/DME or TACAN; § 97.25 LOC, LOC/DME, LDA, LDA/DME, SDF, SDF/DME; § 97.27 NDB, NDB/DME; § 97.29 ILS, ILS/DME, MLS, MLS/DME, MLS/RNAV; § 97.31 RADAR SIAPs; § 97.33 RNAV SIAPs; and § 97.35 COPTER SIAPs, Identified as follows:

** * * Effective Upon Publication*

AIRAC Date	State	City	Airport	FDC No.	FDC Date	Subject
26–Apr–18	WA	Seattle	Seattle-Tacoma Intl	7/2572	3/1/18	ILS OR LOC RWY 34L, Amdt 1E
26–Apr–18	OR	Roseburg	Roseburg Rgnl	7/4908	2/20/18	VOR–A, Amdt 6
26–Apr–18	CA	Los Angeles	Los Angeles Intl	7/5971	3/1/18	ILS OR LOC RWY 24L, Amdt 27A
26–Apr–18	CA	Los Angeles	Los Angeles Intl	7/5981	3/1/18	RNAV (GPS) Y RWY 24L, Amdt 5
26–Apr–18	MN	Alexandria	Chandler Field	7/9368	3/1/18	VOR RWY 22, Amdt 15
26–Apr–18	MN	Alexandria	Chandler Field	8/0189	3/1/18	RNAV (GPS) RWY 22 , Orig
26–Apr–18	MS	Batesville	Panola County	8/0713	2/20/18	RNAV (GPS) RWY 19, Amdt 1
26–Apr–18	IL	Peoria	General Downing—Peoria Intl	8/1895	3/1/18	ILS OR LOC RWY 13, Amdt 6F
26–Apr–18	CO	Fort Collins/ Loveland.	Northern Colorado Rgnl	8/2900	3/1/18	Takeoff Minimums and Obstacle DP, Amdt 5
26–Apr–18	TX	Crosbyton	Crosbyton Muni	8/3493	3/1/18	Takeoff Minimums and Obstacle DP, Orig
26–Apr–18	MI	Lapeer	Dupont-Lapeer	8/3495	3/1/18	Takeoff Minimums and Obstacle DP, Amdt 3
26–Apr–18	TN	Bristol/Johnson/ Kingsport.	Tri-Cities	8/3742	2/20/18	RNAV (GPS) RWY 23, Amdt 1C
26–Apr–18	OH	Wooster	Wayne County	8/3745	3/1/18	Takeoff Minimums and Obstacle DP, Amdt 1
26–Apr–18	KS	Eureka	Lt William M Milliken	8/3753	3/1/18	Takeoff Minimums and Obstacle DP, Orig
26–Apr–18	MA	New Bedford	New Bedford Rgnl	8/3764	2/20/18	RNAV (GPS) RWY 14, Orig-B
26–Apr–18	ND	Oakes	Oakes Muni	8/3892	3/1/18	Takeoff Minimums and Obstacle DP, Amdt 1
26–Apr–18	NV	Reno	Reno/Tahoe Intl	8/4030	2/20/18	ILS X OR LOC X RWY 16R, Orig-A
26–Apr–18	NV	Reno	Reno/Tahoe Intl	8/4031	2/20/18	ILS Z OR LOC Z RWY 16R, Orig-A
26–Apr–18	MA	Vineyard Haven	Martha's Vineyard	8/5969	3/1/18	ILS OR LOC RWY 24, Amdt 3A
26–Apr–18	WA	Pasco	Tri-Cities	8/5970	3/1/18	ILS OR LOC/DME RWY 21R, Amdt 13

[FR Doc. 2018–06009 Filed 3–28–18; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

21 CFR Part 10

[Docket No. FDA–2018–N–1097]

Good Guidance Practices; Technical Amendment

AGENCY: Food and Drug Administration, HHS.

ACTION: Final rule; technical amendment.

SUMMARY: The Food and Drug Administration (FDA or Agency) is amending its good guidance practices regulation to inform the public on how to electronically submit a draft of a proposed guidance to the Agency. This technical amendment is nonsubstantive.

DATES: This rule is effective March 29, 2018.

FOR FURTHER INFORMATION CONTACT: Megan Velez, Office of Policy, Food and Drug Administration, 10903 New Hampshire Ave., Bldg. 32, Rm. 4254, Silver Spring, MD 20993–0002, 301–796–9301.

SUPPLEMENTARY INFORMATION: FDA is amending 21 CFR 10.115(f)(3), good guidance regulations, by adding language on how the public can electronically submit drafts of proposed guidance documents to participate in the development and issuance of guidance documents. The amendment provides an option for submitting the draft of a proposed guidance to the Agency electronically through *https://www.regulations.gov* at Docket No. FDA–2013–S–0610.

Publication of this document constitutes final action on the change under the Administrative Procedure Act (5 U.S.C. 553). This technical amendment is nonsubstantive. FDA therefore, for good cause, has determined that notice and public comment are unnecessary under 5 U.S.C. 553(b)(3)(B). Further, this rule places no burden on affected parties for which such parties would need a reasonable time to prepare for the effective date of the rule. Accordingly, FDA, for good cause, has determined

this technical amendment to be exempt under 5 U.S.C. 553(d)(3) and that the rule can become effective upon publication.

List of Subjects in 21 CFR Part 10

Administrative practice and procedure, News media.

Therefore, under the Federal Food, Drug, and Cosmetic Act and under authority delegated to the Commissioner of Food and Drugs, 21 CFR part 10 is amended as follows:

PART 10—ADMINISTRATIVE PRACTICES AND PROCEDURES

■ 1. The authority citation for part 10 continues to read as follows:

Authority: 5 U.S.C. 551–558, 701–706; 15 U.S.C. 1451–1461; 21 U.S.C. 141–149, 321–397, 467f, 679, 821, 1034; 28 U.S.C. 2112; 42 U.S.C. 201, 262, 263b, 264.

■ 2. In § 10.115, add two sentences to the end of paragraph (f)(3) to read as follows:

§ 10.115 Good guidance practices.

* * * * *

(f) * * *

(3) * * * If you wish to submit the draft of a proposed guidance document electronically, submit it through *https://www.regulations.gov* at Docket No. FDA–2013–S–0610. It is only necessary to submit one copy.

* * * * *

Dated: March 20, 2018.

Leslie Kux,

Associate Commissioner for Policy.

[FR Doc. 2018–06252 Filed 3–28–18; 8:45 am]

BILLING CODE 4164–01–P

DEPARTMENT OF HOMELAND SECURITY

Federal Emergency Management Agency

44 CFR Part 64

[Docket ID FEMA–2018–0002; Internal Agency Docket No. FEMA–8523]

Suspension of Community Eligibility

AGENCY: Federal Emergency Management Agency, DHS.

ACTION: Final rule.

SUMMARY: This rule identifies communities where the sale of flood insurance has been authorized under the National Flood Insurance Program (NFIP) that are scheduled for suspension on the effective dates listed within this rule because of noncompliance with the floodplain management requirements of the program. If the Federal Emergency Management Agency (FEMA) receives documentation that the community has adopted the required floodplain management measures prior to the effective suspension date given in this rule, the suspension will not occur and a notice of this will be provided by publication in the **Federal Register** on a subsequent date. Also, information identifying the current participation status of a community can be obtained from FEMA's Community Status Book (CSB). The CSB is available at *https://www.fema.gov/national-flood-insurance-program-community-status-book*.

DATES: The effective date of each community's scheduled suspension is the third date (''Susp.'') listed in the third column of the following tables.

FOR FURTHER INFORMATION CONTACT: If you want to determine whether a particular community was suspended on the suspension date or for further information, contact Adrienne L. Sheldon, PE, CFM, Federal Insurance and Mitigation Administration, Federal Emergency Management Agency, 400 C Street SW, Washington, DC 20472, (202) 212–3966.

SUPPLEMENTARY INFORMATION: The NFIP enables property owners to purchase Federal flood insurance that is not otherwise generally available from private insurers. In return, communities agree to adopt and administer local floodplain management measures aimed at protecting lives and new construction from future flooding. Section 1315 of the National Flood Insurance Act of 1968, as amended, 42 U.S.C. 4022, prohibits the sale of NFIP flood insurance unless an appropriate public body adopts adequate floodplain management measures with effective enforcement measures. The communities listed in this document no longer meet that statutory requirement for compliance with program regulations, 44 CFR part 59. Accordingly, the communities will be suspended on the effective date in the third column. As of that date, flood insurance will no longer be available in the community. We recognize that some of these communities may adopt and submit the required documentation of legally enforceable floodplain management measures after this rule is published but prior to the actual suspension date. These communities will not be suspended and will continue to be eligible for the sale of NFIP flood insurance. A notice withdrawing the suspension of such communities will be published in the **Federal Register**.

In addition, FEMA publishes a Flood Insurance Rate Map (FIRM) that identifies the Special Flood Hazard Areas (SFHAs) in these communities. The date of the FIRM, if one has been published, is indicated in the fourth column of the table. No direct Federal financial assistance (except assistance pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act not in connection with a flood) may be provided for construction or acquisition of buildings in identified SFHAs for communities not participating in the NFIP and identified for more than a year on FEMA's initial FIRM for the community as having flood-prone areas (section 202(a) of the Flood Disaster Protection Act of 1973, 42 U.S.C. 4106(a), as amended). This prohibition against certain types of Federal assistance becomes effective for the communities listed on the date shown in the last column. The Administrator finds that notice and public comment procedures under 5 U.S.C. 553(b), are impracticable and unnecessary because communities listed in this final rule have been adequately notified.

Each community receives 6-month, 90-day, and 30-day notification letters addressed to the Chief Executive Officer stating that the community will be suspended unless the required floodplain management measures are met prior to the effective suspension date. Since these notifications were made, this final rule may take effect within less than 30 days.

National Environmental Policy Act. FEMA has determined that the community suspension(s) included in this rule is a non-discretionary action and therefore the National Environmental Policy Act of 1969 (42 U.S.C. 4321 *et seq.*) does not apply.

Regulatory Flexibility Act. The Administrator has determined that this rule is exempt from the requirements of the Regulatory Flexibility Act because the National Flood Insurance Act of 1968, as amended, Section 1315, 42 U.S.C. 4022, prohibits flood insurance coverage unless an appropriate public body adopts adequate floodplain management measures with effective enforcement measures. The communities listed no longer comply with the statutory requirements, and after the effective date, flood insurance will no longer be available in the communities unless remedial action takes place.

Regulatory Classification. This final rule is not a significant regulatory action under the criteria of section 3(f) of Executive Order 12866 of September 30,

1993, Regulatory Planning and Review, 58 FR 51735.

Executive Order 13132, Federalism. This rule involves no policies that have federalism implications under Executive Order 13132.

Executive Order 12988, Civil Justice Reform. This rule meets the applicable standards of Executive Order 12988.

Paperwork Reduction Act. This rule does not involve any collection of information for purposes of the Paperwork Reduction Act, 44 U.S.C. 3501 *et seq.*

List of Subjects in 44 CFR Part 64

Flood insurance, Floodplains.

Accordingly, 44 CFR part 64 is amended as follows:

PART 64—[AMENDED]

■ 1. The authority citation for part 64 continues to read as follows:

Authority: 42 U.S.C. 4001 *et seq.;* Reorganization Plan No. 3 of 1978, 3 CFR, 1978 Comp.; p. 329; E.O. 12127, 44 FR 19367, 3 CFR, 1979 Comp.; p. 376.

§ 64.6 [Amended]

■ 2. The tables published under the authority of § 64.6 are amended as follows:

State and location	Community No.	Effective date authorization/cancellation of sale of flood insurance in community	Current effective map date	Date certain Federal assistance no longer available in SFHAs
Region VII				
Iowa:				
Corwith, City of, Hancock County	190407	October 11, 1989, Emerg; July 1, 1991, Reg; April 4, 2018, Susp	April 4, 2018	April 4, 2018.
Forest City, City of, Hancock and Winnebago Counties.	190283	June 18, 1975, Emerg; January 2, 1981, Reg; April 4, 2018, Susp	do *	Do.
Garner, City of, Hancock County	190581	N/A, Emerg; March 24, 2015, Reg; April 4, 2018, Susp	do *	Do.
Hancock County, Unincorporated Areas	190873	June 16, 1995, Emerg; December 2, 2003, Reg; April 4, 2018, Susp	do *	Do.
Woden, City of, Hancock County	190410	July 19, 2012, Emerg; N/A, Reg; April 4, 2018, Susp	do *	Do.
Region VIII				
Colorado:				
Brush, City of, Morgan County	080130	June 18, 1975, Emerg; December 1, 1977, Reg; April 4, 2018, Susp	do *	Do.
Fort Morgan, City of, Morgan County	080131	February 4, 1982, Emerg; February 5, 1986, Reg; April 4, 2018, Susp	do *	Do.
Morgan County, Unincorporated Areas	080129	April 22, 1980, Emerg; September 29, 1989, Reg; April 4, 2018, Susp	do *	Do.
Region IX				
California:				
Thousand Oaks, City of, Ventura County.	060422	November 13, 1970, Emerg; September 29, 1978, Reg; April 4, 2018, Susp	do *	Do.
Ventura County, Unincorporated Areas	060413	September 18, 1970, Emerg; October 31, 1985, Reg; April 4, 2018, Susp	do *	Do.
Westlake Village, City of, Los Angeles and Ventura Counties.	060744	N/A, Emerg; October 1, 1992, Reg; April 4, 2018, Susp	April 4, 2018	April 4, 2018.

* do = Ditto.

Code for reading third column: Emerg.—Emergency; Reg.—Regular; Susp.—Suspension.

Dated: March 14, 2018.

Michael M. Grimm,

Assistant Administrator for Mitigation, Federal Insurance and Mitigation Administration, Department of Homeland Security, Federal Emergency Management Agency.

[FR Doc. 2018–06279 Filed 3–28–18; 8:45 am]

BILLING CODE 9110–12–P

FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 54

[WC Docket No. 10–90, WT Docket No. 10–208; DA 18–186]

Procedures for the Mobility Fund Phase II Challenge Process

AGENCY: Federal Communications Commission.

ACTION: Final action; requirements and procedures.

SUMMARY: In this document, the Rural Broadband Auctions Task Force, with the Wireline Competition Bureau and the Wireless Telecommunications Bureau, adopt specific parameters and procedures to implement the Mobility Fund Phase II challenge process. This document describes the steps the Federal Communications Commission will use to establish a map of areas presumptively eligible for MF–II support from the newly collected, standardized 4G Long Term Evolution coverage data and proposes specific parameters for the data that challengers and respondents will submit as part of the challenge process, as well as a process for validating challenges.

DATES: The challenge window will open March 29, 2018, and will remain open until August 27, 2018.

ADDRESSES: Submit waivers by email to *mf2challengeprocess@fcc.gov* or by hard copy to Margaret W. Wiener, Chief,

Auctions and Spectrum Access Division, Wireless Telecommunications Bureau, FCC, 445 12th Street SW, Room 6–C217, Washington, DC 20554.

FOR FURTHER INFORMATION CONTACT: For general questions about the challenge process and the USAC portal, email *mf2challengeprocess@fcc.gov* or contact Jonathan McCormack, *Jonathan.McCormack@fcc.gov,* (202) 418–0660. For questions about the one-time, 4G LTE data collection, contact Ken Lynch, *Kenneth.Lynch@fcc.gov,* (202) 418–7356, or Ben Freeman, *Ben.Freeman@fcc.gov,* (202) 418–0628. Additional challenge process information is available at the Mobility Fund Phase II website (*https://www.fcc.gov/mobility-fund-phase-2*).

SUPPLEMENTARY INFORMATION: This is a summary of the Public Notice (*MF–II Challenge Process Procedures Public Notice*), WC Docket No. 10–90, WT Docket No. 10–208, DA 18–186, adopted on February 27, 2018, and released on February 27, 2018. The *MF–II Challenge Process Procedures Public Notice* includes as attachments the following appendices: Appendix A, Generating Initial Eligible Areas Map; Appendix B, Validating Challenge Evidence; Appendix C, Applying Subsidy Data; Appendix D, File Specifications and File Formats; Appendix E, Relational Mapping of Form 477 Filers to Providers; and Appendix F, Challenge Data Certification Form. The complete text of the *MF–II Challenge Process Procedures Public Notice,* including all attachments, is available for public inspection and copying from 8:00 a.m. to 4:30 p.m. Eastern Time (ET) Monday through Thursday or from 8:00 a.m. to 11:30 a.m. ET on Fridays in the FCC Reference Information Center, 445 12th Street SW, Room CY–A257, Washington, DC 20554. The complete text is also available on the Commission's website at *https://apps.fcc.gov/edocs_public/attachmatch/DA-18-186A1.pdf.* Alternative formats are available to persons with disabilities by sending an email to *FCC504@fcc.gov* or by calling the Consumer & Governmental Affairs Bureau at (202) 418–0530 (voice), (202) 418–0432 (TTY).

I. Introduction

1. In the *MF–II Challenge Process Procedures Public Notice,* the Rural Broadband Auctions Task Force (Task Force), with the Wireless Telecommunications Bureau and the Wireline Competition Bureau (the Bureaus), establishes the parameters and procedures to implement the Mobility Fund Phase II (MF–II) challenge process.

2. In the *MF–II Challenge Process Order,* 82 FR 42473, September 8, 2017, the Federal Communications Commission (Commission) directed the Bureaus to provide more details regarding the procedures for generating the initial map of presumptively eligible areas and the procedures for the challenge process. In the *MF–II Challenge Process Comment Public Notice,* 82 FR 51180, November 3, 2017, the Task Force and Bureaus proposed and sought comment on the procedures for processing the coverage and subsidy data and creating the initial eligible areas map, the specific parameters for the data that challengers and respondents will submit as part of the challenge process, and a process for validating challenges. The Bureaus now resolve these issues and describe the filing requirements and procedures related to the challenge process.

II. Procedures for Generating the Initial Eligible Areas Map

3. The Bureaus adopt the proposed methodology for generating the initial map of areas presumptively eligible for MF–II support, *i.e.,* those areas lacking unsubsidized qualifying coverage by any provider. In this multi-step approach, Commission staff first determines the unsubsidized coverage for each provider based on its submitted standardized coverage data of qualified 4G Long Term Evolution (LTE), and then aggregates these data across all providers; this aggregate area of unsubsidized coverage is then removed from the rest of the land area within each state to determine the presumptively eligible areas. This approach is consistent with the Commission's decision that areas lacking unsubsidized, qualifying 4G LTE service will be eligible for the auction, as well as its decision to create the map of areas presumptively eligible for MF–II support using a combination of the new 4G LTE coverage data and subsidy data from USAC. Specifically, the methodology the Bureaus adopt produces a map of unsubsidized qualified 4G LTE coverage for each provider by removing from that provider's submitted coverage any areas that the USAC subsidy data show are subsidized. The resulting maps of unsubsidized coverage are then merged across all providers to determine the areas ineligible for MF–II support. The initial eligible areas map shows all areas that are not ineligible for MF–II support.

4. To generate a map of unsubsidized qualified 4G LTE coverage for each provider, Commission staff: (1) Removes any subsidized areas from the provider's coverage map; (2) removes any water-only areas; (3) overlays a uniform grid with cells of one square kilometer (1 km by 1 km) on the provider's coverage map; and (4) removes grid cells with coverage of less than the minimum area that could be covered by a single speed test measurement when buffered. The term ''water-only area'' is defined as a water-only census block (that is, a census block for which the entire area is categorized by the U.S. Census Bureau as water).

5. Using the maps that result from steps 1–4 of this process, staff then generates the map of presumptively eligible areas for each state (or state equivalent) by: (5) Merging the maps of unsubsidized coverage for all providers; (6) removing the merged unsubsidized coverage generated in step 5 (the ineligible areas) from the state's boundary to produce the eligible areas; and (7) removing any water-only areas from the eligible areas. Since the Bureaus waived the deadline for mobile wireless providers in Puerto Rico and the U.S. Virgin Islands to submit information regarding 4G LTE coverage, the map of presumptively eligible areas does not include Puerto Rico and the U.S. Virgin Islands.

6. The Bureaus define a uniform grid with cells of equal area (1 km by 1 km) across the continental United States, and separate uniform grids with cells of equal area (1 km by 1 km) for overseas territories and Hawaii. These grids are defined using an ''equal area'' map projection so that the same number of speed tests will be required to challenge the cell regardless of the location of the grid cell. The USAC portal system will use the uniform grid system to validate and process data submitted during the challenge process.

7. Commission staff is making available to the public the resulting map of presumptively eligible areas (overlaid with the uniform grid) for each state or state equivalent. The maps of unsubsidized coverage for specific providers will only be made available to a challenger through USAC's online challenge portal (the USAC portal) after the challenger agrees to keep such maps confidential.

III. Procedures for MF–II Challenges

A. Procedures for Challengers: Filing a Challenge

1. Timing for Availability of Initial Coverage Data and Challenge Window

8. The Bureaus adopt the proposal to make public the map of areas presumptively eligible for MF–II support no earlier than four weeks after

the deadline for submission of the new, one-time 4G LTE provider coverage data. The challenge process window will open no sooner than 30 days after the release of the map. Contemporaneously with the release of the *MF–II Challenge Process Procedures Public Notice,* the Bureaus released the *MF–II Challenge Process Initial Eligible Areas Map Public Notice,* DA 18–187, on February 27, 2018, announcing the publication of the initial eligible areas map and that the challenge window will open 30 days later, on March 29, 2018. Once the challenge window opens, an eligible party will be able to access the USAC portal and download the provider-specific confidential data necessary to begin conducting speed tests. If a consumer, organization, or business believes that its interests cannot be met through its state, local, or Tribal government entity and wishes to participate in the process as a challenger, the individual or entity may file a petition with the Commission requesting a waiver for good cause shown. The challenge window will close 150 days later, consistent with the procedures adopted in the *MF–II Challenge Process Order.* Although challengers will be able to submit speed test data until the close of the challenge window, the Commission determined that only those challenges to areas that are certified by a challenger at the close of the window will proceed. Since a challenger will not be able to certify a challenge until the submitted speed test data has been validated, the Bureaus strongly encourage challengers to submit data in advance of the closing date to allow ample time for validation processing. Each challenger is responsible for ensuring timely certification of its challenges.

9. The Bureaus are providing 30 days' notice of the opening of the USAC portal and commencement of the challenge window.

2. Using the USAC Challenge Process Portal

a. Accessing the Portal

10. Under the challenge process framework adopted by the Commission, a challenger must use the USAC portal to access the confidential provider-specific information that is pertinent to a challenge, as well as to submit its challenge, including all supporting evidence and required certifications. A challenger must log into the USAC portal using the account created pursuant to the procedures in the *MF–II Handset and USAC Portal Access Public Notice,* 83 FR 254, January 3, 2018, and the *MF–II Challenge Process Portal Access Request Form is Available Public Notice,* DA 18–142, February 14, 2018.

11. The Bureaus remind parties participating in the challenge process that it is each party's responsibility to ensure the security of its computer systems, user IDs, and passwords, and to ensure that only authorized persons access, download, or upload data into the challenge process portal on the party's behalf. The Commission assumes no responsibility or liability for these matters. To the extent a technical or security issue arises with the USAC portal, Commission staff will take all appropriate measures to resolve such issues quickly and equitably. Should an issue arise that is outside the USAC portal or attributable to a challenge process participant—including, but not limited to, a participant's hardware, software, or internet access problem—and which prevents the participant from accessing provider-specific data or submitting a challenge prior to the close of the challenge window, the Commission shall have no obligation to resolve or remediate such an issue on behalf of the participant.

b. Access to Provider-Specific Data

12. The Bureaus adopt the proposal to make available in a downloadable format through the USAC portal the provider-specific data underlying the map of presumptively eligible areas. Among other geographic data, a challenger will be able to access the following data in shapefile format on a state-by-state basis: (a) The boundaries of the state (or state equivalent) overlaid with the uniform grid; (b) the confidential coverage maps submitted by providers for the one-time 4G LTE data collection; and (c) the map of initial eligible areas. In addition, as proposed, challengers will be able to access, for each state, the confidential provider-specific data on the list of pre-approved handsets and the clutter information submitted for the one-time 4G LTE data collection. These data will be available for download in a tabular comma-separated value (CSV) format. A challenger will not have access to confidential provider-specific information unless and until it agrees to treat the data as confidential. Specifically, a challenger must agree to only use confidential provider-specific information for the purpose of submitting an MF–II challenge in the USAC portal before a challenger may download these data.

3. Evidentiary Requirements for Challenge Data

a. General Requirements Adopted by the Commission for Speed Test Measurements

13. In the *MF–II Challenge Process Order,* the Commission decided that a challenger must submit detailed proof of lack of unsubsidized, qualified 4G LTE coverage in support of its challenge in the form of actual outdoor speed test data showing measured download throughput. A challenger must submit speed data from hardware- or software-based drive tests or application-based tests that overlap the challenged area. Each speed test must be conducted between the hours of 6:00 a.m. and 12:00 a.m. (midnight) local time, and the date of the test must be after the publication of the initial eligibility map but not more than six months before the scheduled close of the challenge window. Speed test data must be certified under penalty of perjury by a qualified engineer or government official.

14. When collecting speed data, a challenger must use at least one of the three handsets identified by each provider whose coverage is the subject of the specific challenge. A challenger must purchase an appropriate service plan from each unsubsidized service provider in the challenged area. The Commission explained in the *MF–II Challenge Process Order* that ''[a]n appropriate service plan would allow for speed tests of full network performance, *e.g.,* an unlimited high-speed data plan.'' A challenger should be cognizant of the limitations under the service plan(s) it purchases and that respondents have the ability to respond to challenger speed tests with evidence of speed reductions. Depending on the size of the area being challenged and the terms of the plans offered by a challenged provider, a challenger may determine that it should purchase more than one service plan for the handset(s) it uses to test a provider's coverage in the challenged area. The Bureaus are not requiring a challenger to purchase multiple service plans from a challenged carrier; it is a challenger's decision what type of service plan and how many plans to purchase in order to collect speed test data that support a challenge.

b. Substantial Coverage of the Challenged Area

15. The Commission decided in the *MF–II Challenge Process Order* that a challenger must submit actual outdoor speed test measurements with sufficient density to reflect actual consumer

experience throughout the entire challenged area. Specifically, the Commission adopted a requirement that a challenger must take measurements that: (1) Are no more than a fixed distance apart from one another in each challenged area; and (2) substantially cover the entire area.

16. The density of submitted speed points will be validated as part of a multi-step geospatial-data-processing approach. Consistent with the Commission's decision in the *MF–II Challenge Process Order,* the Bureaus will determine whether a challenger's speed test points substantially cover a challenged area (*i.e.,* cover at least 75 percent of the challenged area) by buffering each speed test point that reports a downstream speed less than 5 Mbps, calculating the buffered area, and then comparing the area of the buffered points to the challengeable area within a 1 km by 1 km grid cell. The Commission determined in the *MF–II Challenge Process Order* that the radius of the buffer will equal ''half of the maximum distance parameter.'' Under this validation process, if a challenger submits speed test measurements that are further apart than the maximum distance parameter in a challenged area, its evidence may be insufficient to cover at least 75 percent of the challengeable area within a cell, and its challenge would presumptively fail.

17. The Bureaus adopt the proposal to use kilometers instead of miles to be consistent with the de minimis challenge size adopted by the Commission, as well as to be consistent with the units used for the ''equal area'' map projection that we will use when processing geospatial data. Consistent with the Commission's direction to adopt a maximum distance value, the Bureaus adopt the proposal that speed test measurements must be no more than one-half of one kilometer apart from one another. As a result, the buffer radius will equal one-quarter of one kilometer. The Bureaus also adopt the proposal to require a challenger to submit data for at least one speed test within the challengeable area of a grid cell in order to challenge an area within the grid cell. The requirement that measurements be taken no more than one-half of one kilometer apart from one another serves as an upper bound (*i.e.,* maximum distance apart), and a challenger will be free to and, in some circumstances, may be required to submit measurements taken more densely in order to sufficiently prove its challenge.

18. Under the challenge process framework that the Commission adopted, all ineligible areas may be challenged and challengers have the option to conduct speed tests that cover the areas they wish to challenge. Similarly, responding providers have the option to submit speed tests that demonstrate their coverage. These options will not be diminished or otherwise modified by the relative accessibility of an area.

c. Additional Parameters and Specifications for Speed Test Measurements

19. In addition to the general requirements for speed tests, the Commission directed the Bureaus to implement any additional parameters to ensure that speed tests accurately reflect the consumer experience in the challenged area. Consistent with this direction, the Bureaus adopt the proposal to require a challenger to submit all speed test measurements collected during the relevant time frame, including those that show speeds greater than or equal to 5 Mbps. While a challenger is able to delete speed tests from the USAC portal, this function should only be used to correct errors in submissions or add information to previous submissions. The Commission will have the ability to review all submitted data, including deleted submissions and speed test data points that show speeds equal to or greater than 5 Mbps.

20. In addition, the Bureaus adopt the proposal to require a challenger to provide data that is commonly collected by speed test software and speed test apps. Specifically, a challenger must provide: Signal strength and latency; the service provider's identity; the make and model of the device used (which must be from that provider's list of pre-approved handsets); the international mobile equipment identity (IMEI) of the tested device; the method of the test (*i.e.,* hardware- or software-based drive test or non-drive test app-based test); and, if an app was used to conduct the measurement, the identity and version of the app. The Bureaus will not allow a challenger to submit speed test data of its own network.

21. The Bureaus also adopt a requirement that a challenger report information about the server used for speed and latency testing. Specifically, a challenger is required to submit the identity and location of the server used for speed and latency testing.

22. The complete list of data required for a challenge may be found in Appendix D.

d. File Formats

23. The Bureaus adopt the proposal that a challenger must submit speed test data in CSV format matching the respective file specifications. A challenger is required to submit a CSV file that contains entries for each speed test run by the challenger to provide evidence in support of its challenge. A challenger can create this file using a template provided in the USAC portal.

24. The Bureaus require a challenger to report information about the server used for speed and latency testing. As a result, the Bureaus have modified the speed test data template proposed in the *MF–II Challenge Process Comment Public Notice* to include the identity and location of the server used for testing.

25. Additional details about the file formats required for challengers may be found in Appendix D.

4. Validation of Challenges

26. The Bureaus adopt and explain the detailed procedures for implementing system validation of evidence submitted by a challenger, as directed by the Commission in the *MF–II Challenge Process Order.* Consistent with the Bureaus' decision to use the uniform grid system to validate and process data submitted by a challenger, the USAC system will use a uniform grid of one square kilometer cells to perform geospatial analysis of a challenger's speed test data. The first step in the validation process requires the USAC system to determine whether a particular challenged area meets the de minimis threshold of one square kilometer. For each grid cell containing a speed test measurement submitted by a challenger, the challenged area will equal the challengeable portion of the grid cell (*i.e.,* the ineligible area, or any area that is neither eligible nor water-only). The USAC system will superimpose each challenged area onto the initial eligibility map and remove any portions that overlap eligible areas. Since the USAC portal will use a uniform grid of one square kilometer cells to perform geospatial analysis, a challenge for a grid cell that is entirely challengeable will inherently meet the de minimis size threshold. In areas where the challengeable portion of the grid cell is less than this threshold, the Bureaus adopt the proposal to have the system validate that the sum of all areas challenged by a challenger in a state is greater than or equal to one square kilometer. If a challenge does not meet the de minimis area threshold, the challenge would fail step one of the validation process. If a challenge meets the de minimis area threshold, the USAC system will proceed to the second step of the validation process.

27. In the second step of the system validation process, the USAC system will analyze each speed test record to ensure it meets all standard parameters, other than the maximum distance and substantial coverage requirement. Consistent with the Bureau's proposal, a challenger must submit speed test data in a standard format on a state-by-state basis. If the challenge speed test data meet all standard parameters, the USAC system, as proposed, will determine the set of grid cells in which at least one counted speed test is contained (the challenged grid cells) and will proceed to the third step of the validation process.

28. In step three, the USAC system creates a buffer (*i.e.,* draws a circle of fixed size) around each counted speed test (*i.e.,* each speed test point that passes steps one and two) using a radius of one quarter of one kilometer, which is equal to half of the maximum distance allowed between tests. For each challenged grid cell, the system will then determine how much of the total buffered area overlaps with the coverage map of the challenged provider for whose network the speed test measurement was recorded; this overlapping portion is the measured area. Since a challenger has the burden of showing insufficient coverage by each provider of unsubsidized, qualified 4G LTE service, the system will also determine the unmeasured area for each such provider, that is, the portion of each provider's coverage in the grid cell falling outside of the buffered area.

29. In the last step of the validation process, the USAC system determines whether the buffered area of all counted speed tests covers at least 75 percent of the challengeable area in a grid cell. The system will merge the unmeasured area of all providers in a grid cell to determine the aggregated unmeasured area where the challenger has not submitted sufficient speed test evidence for every provider. If the calculated size of the aggregated unmeasured area in the grid cell is greater than 25 percent of the total challengeable area of the grid cell (*i.e.,* the total area of the grid cell minus any water-only areas and any eligible areas), the challenge will be presumptively unsuccessful because it failed the requirement to include speed test measurements of sufficient density for all providers. The system will provide a warning to the challenger for any grid cells that fail this step. The system will consider all certified challenges in a particular grid cell across all challengers at the close of the challenge window.

5. Certifying a Challenge

a. Qualified Engineer/Government Official Certification

30. The Commission decided in the *MF–II Challenge Process Order* that all submitted speed tests must be substantiated by the certification of a qualified engineer or government official to be considered during the adjudication phase of the challenge process. The Bureaus clarify that a qualified engineer may be an employee of the challenger or a third-party vendor, so long as the individual: (1) Possesses a sufficient degree of technical knowledge and experience to validate the accuracy of submitted speed test data; and (2) has actual knowledge of the accuracy of the submitted data. For purposes of certification, a qualified engineer need not meet state professional licensing requirements, such as may be required for a licensed Professional Engineer, so long as the individual possesses the requisite technical knowledge, engineering training, and relevant experience to validate the accuracy of the submitted data. Using the Challenge Data Certification form in Attachment F, the qualified engineer or government official shall certify under penalty of perjury that: (a) He/she has examined the information prepared for submission; and (b) all data and statements contained therein were generated in accordance with the parameters specified by the Commission and are true, accurate, and complete to the best of his/her knowledge, information, and belief. The challenger must possess an executed Challenge Data Certification form in order to have all of the information it needs to certify a challenge. Persons making willful false statements in any part of a speed data submission may be subject to punishment by fine or imprisonment.

b. Challenger Certification

31. A challenger must certify its challenge(s) before the challenge window closes in order for the challenge to proceed. Through the USAC portal, a challenger will be able to electronically certify its counted speed test measurements on a grid cell by grid cell basis, since the system will consider each challenged grid cell as a separate challenge, or to certify some or all of its challenged grid cells on an aggregated basis. To certify a challenged grid cell, an authorized representative of the challenger must: (1) Provide the name and title of the certifying engineer or government official who substantiated the speed test data; and (2) certify under penalty of perjury that: (a) The qualified engineer or government official has examined the information submitted; and (b) the qualified engineer or government official has certified that all data and statements contained in the submission were generated in accordance with the parameters specified by the Commission and are true, accurate, and complete to the best of his or her knowledge, information, and belief. The Bureaus will not require a challenger to submit an executed Challenge Data Certification form when it certifies a challenge, though the Bureaus reserve the right to request a copy of the executed form. The Bureaus caution challengers that they will not be legally capable of making the required challenge certification in the USAC portal unless a qualified engineer or government official has substantiated the challenge speed test data by executing the Challenge Data Certification form.

32. The Bureaus adopt the proposal to allow a challenger to certify a presumptively unsuccessful challenge in a grid cell that fails validation solely because the challenger did not include speed test measurements of sufficient density for all providers. This will allow the system to consider all certified challenges in a particular grid cell across all challengers at the close of the challenge window, even if the individual challenges would fail the density requirement on their own.

33. During the challenge window, each challenger will be able to review its certified challenges on a grid cell by grid cell basis and may modify data submitted in support of a challenge after certifying (*e.g.,* to correct or submit additional data). A challenger will be required to re-certify any challenges for which it submits additional or modified data; however, any new or modified data must also be substantiated by the certification of a qualified engineer or government official. At the close of the challenge window, only those challenges that are certified will proceed to adjudication; however, all data entered into the USAC portal may be considered in determining the weight of the evidence.

B. Procedures for Challenged Parties: Responding to a Challenge

1. Timing for Availability of Challenge Data and Response Window

34. Following the close of the challenge window, the USAC portal system will process the data submitted by challengers. The type of processing that occurs after the challenge window closes is different from the automatic validation processing that takes place

before the window closes. Specifically, once the challenge window closes, the system will aggregate all certified challenges and recalculate density for each challenged grid cell to determine whether the combined challenges cover at least 75 percent of the challenged area. Only those challenges that are certified at the close of the challenge window will undergo this post-window processing; any challenges that have not completed automatic validation processing and/or have not been certified by the close of the challenge window will not proceed. The Bureaus will provide challenged parties 30 days to review challenges and supporting data in the USAC portal prior to opening the response window. The response window will open no sooner than 30 days after the USAC system finishes processing the data submitted by challengers.

35. Once opened, the response window will close 30 days later. Although a challenged party will have an opportunity to submit additional data via the USAC portal in response to a certified challenge for the entire duration of the response window, challenged parties are encouraged to file in advance of the deadline. A challenged party will not have an opportunity to submit additional data for the Commission's consideration after the response window closes.

2. Using the USAC Challenge Process Portal

a. Accessing the Portal

36. A challenged provider must use the USAC portal if it chooses to: (1) access and review the data submitted by the challenger with respect to a challenge within the provider's service area; and/or (2) submit additional data/information to oppose the challenge (*i.e.,* demonstrate that the challenger's speed test data are invalid or do not accurately reflect network performance). A challenged provider must log into the USAC portal using the account created pursuant to the procedures in the *MF–II Handset and USAC Portal Public Notice*.

37. The Bureaus again remind parties participating in the challenge process that it is each party's responsibility to ensure the security of its computer systems, user IDs, and passwords, and to ensure that only authorized persons access, download, or upload data into the challenge process portal on the party's behalf. The Commission assumes no responsibility or liability for these matters. To the extent a technical or security issue arises with the USAC portal, Commission staff will take all appropriate measures to resolve such issues quickly and equitably. Should an issue arise that is outside the USAC portal or attributable to a challenge process participant—including, but not limited to, a participant's hardware, software, or internet access problem—and which prevents the participant from accessing challenge information or submitting response data prior to the close of the response window, the Commission shall have no obligation to resolve or remediate such an issue on behalf of the participant.

b. Challenge Information

38. Each challenged provider will be able to access and download through the USAC portal all speed test data associated with certified challenges on that provider's network. Specifically, after the USAC system finishes processing challenger data, a challenged party will be able to view and download the counted speed test data associated with a certified challenge that disputes the challenged party's coverage, *i.e.,* counted speed tests conducted by a challenger on the challenged party's network. In addition, each challenged provider will be able to view and download speed test measurements that failed validation solely because the measurement was greater than or equal to 5 Mbps. USAC will not make available to a challenged party any speed tests that receive error codes other than for being above the 5 Mbps download speed threshold (*e.g.,* tests that failed because they were not conducted during the required time period). The Bureaus note that, since the USAC system will not fully process the failed speed test data, these data will only be available in a downloadable format. Also, the Bureaus remind parties that challenger speed test data for speed tests above 5 Mbps are not certified to, as they did not make it all the way through the challenger validation process.

3. Evidentiary Requirements for Response Data

a. General Requirements Adopted by the Commission

39. A challenged party is not required to respond to a challenge within its service area. If a challenged provider chooses to respond to a challenge, the Commission will accept as response data certain technical information that is probative regarding the validity of a challenger's speed tests, including speed test data, information regarding speed reductions that affected specific challenger speed tests, and other device-specific data collected from transmitter monitoring software. If a challenged party submits its own speed test data, the data must conform to the same standards and requirements adopted for the challengers, except for the recency of the submitted data. Parties submitting technical data other than speed tests, including data from transmitter monitoring software, are required to include ''geolocated, device-specific throughput measurements and other device-specific information (rather than generalized key performance indicator statistics for a cell-site).'' Only data collected after the publication of the initial eligibility map and within six months of the scheduled close of the response window will be accepted from challenged parties. Response data must be reliable and credible to be useful during the adjudication process. Any evidence submitted by a challenged party in response to a challenge must be substantiated by the certification of a qualified engineer or official under penalty of perjury.

b. Additional Requirements for Speed Test Measurements

40. Consistent with the Commission's decision in the *MF–II Challenge Process Order,* if a challenged party chooses to submit its own speed test data, the data must conform to the same additional parameters adopted for challengers, except for the requirement to identify the service provider. A challenged party may only provide speed tests of its own network in response to a challenge. In addition to the parameters adopted by the Commission in the *MF–II Challenge Process Order,* a challenged party's speed data must include: Signal strength and latency; the device used (which must be from that provider's list of pre-approved handsets); the IMEI of the tested device; the method of the test (*i.e.,* hardware or software-based drive test or non-drive test app-based test); if an app was used to conduct the measurement, the identity and version of the app; and the identity and location of the server used for testing. As with challenger data, a challenged party's speed test measurements may be no further than one-half kilometer apart from one another. While the system will not validate a challenged party's response data, response speed tests must record a download speed of at least 5 Mbps and meet all other standard parameters. A challenged party must submit all speed test measurements collected during the relevant time frame, including those that show speeds less than or equal to 5 Mbps. The complete file specification for respondent speed tests is detailed in Appendix D.

41. While data submitted by a challenged party will not be subject to the identical system validation process used for challenger speed test data, the system will process any submitted speed data using a similar approach. The USAC system will analyze each speed test record to ensure it meets all standard parameters and apply a buffer with a fixed radius to each counted speed measurement.

c. Additional Requirements for Speed Reduction Data

42. The Bureaus adopt the proposal to allow a challenged party to submit data identifying a particular device that a challenger used to conduct its speed tests as having been subjected to reduced speeds, along with the precise date and time the speed reductions were in effect on the challenger's device (speed reduction data). As the Commission explained in the *MF–II Challenge Process Order,* the Bureaus expect that speed test data will be particularly persuasive evidence to rebut a challenge. The Bureaus do not expect a challenged provider to submit challenger speed tests as part of its rebuttal because the challenged provider would need actual knowledge of the conditions under which the challenger speed tests were conducted to be able to certify to the accuracy of the challenger's speed tests.

43. The Bureaus acknowledge that a provider may reduce data speed for various reasons, and expect that evidence of user-specific speed reductions will be more probative and given more weight during adjudication than evidence of common network practices affecting all subscribers independent of the service plan used. Speed reduction data will be most probative of the validity of challenger speed tests when those data show that specific test results were caused by the challenger's chosen rate plan or the challenger's data usage in the relevant billing period. While the Bureaus will not require a challenger and challenged party to coordinate before speed test data are recorded, interested parties will not be prohibited from coordinating with one another regarding speed tests if they choose to do so.

d. Requirements for Data From Transmitter Monitoring Software

44. Under the MF–II challenge process framework adopted by the Commission, a challenged party may submit device-specific data collected from transmitter monitoring software in responding to a challenge. As stated in the *MF–II Challenge Process Order,* these data ''should include geolocated, device-specific throughput measurements or other device-specific information (rather than generalized key performance indicator statistics for a cell-site) in order to help refute a challenge.'' The Bureaus adopt the proposal to allow challenged parties to submit transmitter monitoring software data that is substantially similar in form and content to speed test data in order to facilitate comparison of such data during the adjudication process. In particular, challenged parties wishing to submit such data must include: The latitude and longitude to at least five decimals of the measured device; the date and time of the measurement; and signal strength, latency, and recorded speeds. The Bureaus will not require challenged parties submitting data from transmitter monitoring software to provide the measured distance between the device and transmitter.

45. The Bureaus adopt the proposal to require that measurements from submitted transmitter monitoring software data conform to the standard parameters and requirements adopted by the Commission for speed test data submitted by a challenged party. The Bureaus will require that such measurements reflect device usage between the hours of 6:00 a.m. and 12:00 a.m. (midnight) local time and be collected after the publication of the initial eligibility map and within six months of the scheduled close of the response window. The Bureaus will not require challenged parties to submit all transmitter monitoring software data collected over the relevant time period due to the potential massive volume of data that could be collected over six months. The complete file specifications for respondent transmitter monitoring software data is detailed in Appendix D. The Bureaus caution that triangulated data with large inaccuracies may not be precise enough to constitute device-specific geolocated measurements because an engineer would not be able to certify to the accuracy of a particular speed test occurring at a particular location.

e. File Formats

46. The Bureaus adopt the proposal that challenged parties submit speed test data in CSV format matching the respective file specifications. Challenged parties are required to submit a CSV file that contains entries for each speed test run by the challenged party to provide evidence in support of its response. A challenged party can create this file using a template provided in the USAC portal. The Bureaus will also require that data from transmitter monitoring software be submitted using this same template. A challenged party may leave the device IMEI and device ID fields blank when submitting data from transmitter monitoring software.

47. The Bureaus also adopt the proposal to require challenged parties that file speed reduction data to file the data in CSV format matching the respective file specifications. This file can be created using a template provided in the USAC portal. The Bureaus will permit challenged parties to leave the device download speed data field blank if that provider's plan does not reduce speeds to a fixed value. In order to be useful when evaluating challenges, the Bureaus conclude that the data captured in the speed reduction data template must reflect when a particular device was known to have actually experienced reduced speeds.

48. The Bureaus expect that speed reduction data would need to show that a specific speed test result was affected by a speed reduction—not merely that the challenger was eligible for (*i.e.,* potentially subject to) reduced speeds sometimes under the terms of its service plan (because of the amount of recent data usage or not). Accordingly, the Bureaus expect that, for speed data submitted by challengers that chose appropriate rate plans (those that allowed for testing of full network performance), a challenged party's data showing that a specific speed reduction occurred over a very limited time period, such as a few minutes, would be more probative of the validity of challenger speed tests taken during that time than data alleging that a speed reduction occurred over several hours or several days. If, however, the challenger chose an inappropriate rate plan or the challenger's data usage triggered a constant and extended speed reduction, for example by the challenger going over a high-speed data allotment in a billing period, the Bureaus expect that a challenged party's speed reduction data would be useful if it showed the entire period that challenger speed tests were taken under such conditions.

49. The Bureaus' decision to require that response speed test data, transmitter monitoring software data, and speed reduction data be submitted in a certain format is consistent with the Commission's direction that the Bureaus implement ''any additional requirements that may be necessary or appropriate for data submitted by a challenged party in response to a challenge.'' To the extent response data requires further explanation that does not fit into the templates, a challenged party may additionally provide a descriptive narrative in a text box

accessible via the USAC portal; however, speed test data, transmitter monitoring data, or speed reduction data submitted by challenged parties must otherwise conform to the required templates in order to be considered.

50. Additional details about the attributes and the file formats that we will require for respondents may be found in Appendix D.

4. Certifying a Response

a. Qualified Engineer Certification

51. The Commission decided in the *MF–II Challenge Process Order* that all response evidence must be certified by a qualified engineer to be considered during the adjudication phase of the challenge process. The Bureaus again clarify that a qualified engineer may be an employee of the challenged party or a third-party vendor so long as the individual: (1) Possesses a sufficient degree of technical knowledge and experience to validate the accuracy of submitted data; and (2) has actual knowledge of the accuracy of the submitted data. For purposes of certification, a qualified engineer need not meet state professional licensing requirements, such as may be required for a licensed Professional Engineer, so long as the individual possesses the requisite technical knowledge, engineering training, and relevant experience to validate the accuracy of the submitted data. Using the Challenge Data Certification form in Attachment F, the qualified engineer shall certify under penalty of perjury that: (a) He/she has examined the information prepared for submission; and (b) all data and statements contained therein were generated in accordance with the parameters specified by the Commission and are true, accurate, and complete to the best of his/her knowledge, information, and belief. The Bureaus will not require a challenged party to submit an executed Challenge Data Certification form when it certifies a response, though the Bureaus reserve the right to request a copy of the form. The Bureaus caution challenged parties that they will not be legally capable of making the required response certification unless a qualified engineer has substantiated the response data by executing the Challenge Data Certification form. The challenged party must possess an executed Challenge Data Certification form in order to have all of the information it needs to certify a response. Persons making willful false statements in any part of a speed data submission may be subject to punishment by fine or imprisonment.

b. Challenged Party Certification

52. Only those responses that have been certified by the close of the response window will be considered during the adjudication phase. A challenged party will be able to electronically certify its submitted response data for each challenged grid cell via the USAC portal. To certify a response, an authorized representative of the challenged party must: (1) Provide the name and title of the certifying engineer that substantiated the data; and (2) certify under penalty of perjury that: (a) The qualified engineer has examined the information submitted; and (b) the qualified engineer has certified that all data and statements contained in the submission were generated in accordance with the parameters specified by the Commission and are true, accurate, and complete to the best of his or her knowledge, information, and belief.

53. During the response window, a challenged party will also be able to review, modify, and delete any certified response data it no longer wishes to submit, and will be required to re-certify any responses for which it submits additional or modified data or deletes data; however, any new or modified data must also be certified by a qualified engineer. A challenged party will not have an opportunity to amend submitted data, submit additional data, or certify any response after the response window has closed.

C. Adjudication of Challenges

1. Standard of Review

54. As the Commission determined in the *MF–II Challenge Process Order,* the Bureaus will adjudicate the merits of certified challenges based upon a preponderance of the evidence standard of review, and the challenger will bear the burden of persuasion.

2. Announcing Results

55. The Bureaus adopt the proposal to make available to challengers and respondents data about their challenges and responses through the USAC portal after Commission staff have adjudicated all challenges and responses. In particular, the Bureaus will provide to each challenger or respondent for each of the grid cells associated with their certified challenges or certified responses, respectively: (a) The outcome of the adjudication; (b) the evidence submitted and certified by all challengers; and (c) the evidence submitted and certified by all respondents. Additionally, the Bureaus will make public on the Commission's website, concurrent with the publication of the final eligibility map, the outcome of the adjudication for each challenged cell and the non-confidential components of the data submitted by challengers and respondents.

IV. Procedural Matters

A. Congressional Review Act

56. The Commission will send a copy of this Public Notice to Congress and the Government Accountability Office, pursuant to the Congressional Review Act.

B. Paperwork Reduction Act Analysis

57. The *MF–II Challenge Process Procedures Public Notice* implements the information collection requirements adopted in the *MF–II Challenge Process Order,* 82 FR 42473, September 8, 2017, and does not contain any additional information collection requirements subject to the Paperwork Reduction Act of 1995 (PRA), Public Law 104–13. The Commission received PRA approval from the Office of Management and Budget (OMB) for the information collection requirements related to the challenge process, as adopted in the *MF–II Challenge Process Order. See* 83 FR 6562 (Feb. 14, 2018). Because this Public Notice does not adopt any additional information collection requirements beyond those adopted in the *MF–II Challenge Process Order* and approved by OMB, the *MF–II Challenge Process Procedures Public Notice* does not implicate the procedural requirements of the PRA or the Small Business Paperwork Relief Act of 2002, Public Law 107–198.

C. Supplemental Final Regulatory Flexibility Analysis

58. As required by the Regulatory Flexibility Act of 1980, as amended (RFA), the Commission prepared Initial Regulatory Flexibility Analyses (IRFAs) in connection with the *USF/ICC Transformation FNPRM* (76 FR 78383, December 16, 2011), the *2014 CAF FNPRM* (80 FR 4445, January 27, 2015), and the *MF–II FNPRM* (82 FR 13413, March 13, 2017) (collectively, *MF–II FNPRMs*). A Supplemental Initial Regulatory Flexibility Analysis (Supplemental IRFA) was also filed in the *MF–II Challenge Process Comment Public Notice* in this proceeding. The Commission sought written public comment on the proposals in the *MF–II FNPRMs* and in the *MF–II Challenge Process Comment Public Notice,* including comments on the IRFAs and Supplemental IRFA. The Commission received three comments in response to the *MF–II FNPRM* IRFA. No comments were filed addressing the other IRFAs or

the Supplemental IRFA. The Commission included Final Regulatory Flexibility Analyses (FRFAs) in connection with the *2014 CAF Order,* the *MF–II Order,* and the *MF–II Challenge Process Order* (collectively, the *MF–II Orders*). This Supplemental Final Regulatory Flexibility Analysis (Supplemental FRFA) supplements the FRFAs in the *MF–II Orders* to reflect the actions taken in the *MF–II Challenge Process Procedures Public Notice* and conforms to the RFA.

1. Need for, and Objectives of, This Public Notice

59. The *MF–II Challenge Process Procedures Public Notice* establishes the parameters and procedures to implement the MF–II challenge process. Following the release of the *MF–II Orders,* the Commission released the *MF–II Challenge Process Comment Public Notice.* The *MF–II Challenge Process Comment Public Notice* proposed and sought comment on specific parameters and procedures to implement the MF–II challenge process.

60. More specifically, the *MF–II Challenge Process Procedures Public Notice* establishes the technical procedures for generating the initial eligible areas map and processing challenges or responses submitted by challengers and challenged parties, respectively. The *MF–II Challenge Process Procedures Public Notice* also establishes additional requirements and parameters, including file formats and specifications, for data submitted during the challenge process.

61. Finally, the challenge procedures established in the *MF–II Challenge Process Procedures Public Notice* are designed to anticipate the challenges faced by small entities (*e.g.,* governmental entities or small mobile service providers) in complying with the implementation of the Commission's rules and the Bureau's proposals. For example, the Commission will perform all geospatial data analysis on a uniform grid, which will remove the need for a challenger to submit a map of the area(s) it wishes to challenge on top of its evidence, reducing burdens on small entities. Additionally, the *MF–II Challenge Process Procedures Public Notice* adopts procedures to allow a challenged entity to submit evidence identifying devices that were subject to data speed regulations, alongside evidence from transmitter monitoring software and speed tests, which would allow for a small entity to more easily respond to a challenge. Challenged parties will also be given 30 days to review challenges and supporting data before the response window opens, further reducing the burden on small entities of responding to a challenge.

2. Summary of Significant Issues Raised by Public Comments in Response to the IRFA

62. There were no comments filed that specifically addressed the proposed procedures and policies presented in the Supplemental IRFA.

3. Response to Comments by the Chief Counsel for Advocacy of the Small Business Administration

63. Pursuant to the Small Business Jobs Act of 2010, which amended the RFA, the Commission is required to respond to any comments filed by the Chief Counsel for Advocacy of the Small Business Administration (SBA), and to provide a detailed statement of any change made to the proposed rule(s) as a result of those comments.

64. The Chief Counsel did not file any comments in response to the proposed procedures in this proceeding.

4. Description and Estimate of the Number of Small Business Entities to Which Procedures Will Apply

65. The RFA directs agencies to provide a description of and, where feasible, an estimate of the number of small entities that may be affected by the proposed rules adopted herein. The RFA generally defines the term ''small entity'' as having the same meaning as the terms ''small business,'' ''small organization,'' and ''small governmental jurisdiction.'' In addition, the term ''small business'' has the same meaning as the term ''small business concern'' under the Small Business Act. A ''small business concern'' is one which: (1) Is independently owned and operated; (2) is not dominant in its field of operation; and (3) satisfies any additional criteria established by the SBA.

66. FRFAs were incorporated into the *MF–II Orders.* In those analyses, the Commission described in detail the small entities that might be significantly affected. In the *MF–II Challenge Process Procedures Public Notice,* the Bureaus incorporate by reference the descriptions and estimates of the number of small entities from the previous FRFAs in the *MF–II Orders.*

5. Description of Projected Reporting, Recordkeeping, and Other Compliance Requirements for Small Entities

67. The data, information, and document collection required by the *MF–II Orders,* as described in the previous FRFAs and the SIRFA in the *MF–II Challenge Process Comment Public Notice* in this proceeding, are hereby incorporated by reference. The *MF–II Challenge Process Procedures Public Notice* describes certain additional parameters for the data submitted by challengers and challenged parties during the challenge process. Specifically, the Bureaus require a challenger to submit all speed test measurements collected during the relevant time frame, including those that show speeds greater than or equal to 5 Mbps. Each submitted speed test measurement must include: Signal strength and latency; the service provider's identity; the make and model of the device used (which must be from that provider's list of pre-approved handsets); the international mobile equipment identity (IMEI) of the tested device; the method of the test (*i.e.,* hardware- or software-based drive test or non-drive test app-based test); if an app was used to conduct the measurement, the identity and version of the app; and the identity and location of the server used for speed and latency testing.

68. If a challenged party chooses to submit its own speed test data in response to a challenge, the data must conform to the additional parameters that are required for challengers, except for the requirement to identify the service provider. A challenged party may also submit data identifying a particular device that a challenger used to conduct its speed tests as having been subjected to reduced speeds, along with the precise date and time the speed reductions were in effect on the challenger's device. If a challenged party chooses to submit data collected from transmitter monitoring software, the data should include geolocated, device-specific throughput measurements or other device-specific information (rather than generalized key performance indicator statistics for a cell-site). Measurements from submitted transmitter monitoring software data must conform to the standard parameters and requirements for speed test data submitted by a challenged party, and must include: The latitude and longitude to at least five decimals of the measured device; the date and time of the measurement; and signal strength, latency, and recorded speeds. The Bureaus also clarify that such geolocated data be accurate to within 7.8 meters of the actual device location 95 percent of the time.

6. Steps Taken To Minimize the Significant Economic Impact on Small Entities, and Significant Alternatives Considered

69. The RFA requires an agency to describe any significant alternatives that it has considered in reaching its

proposed approach, which may include the following four alternatives (among others): ''(1) the establishment of differing compliance or reporting requirements or timetables that take into account the resources available to small entities; (2) the clarification, consolidation, or simplification of compliance or reporting requirements under the rule for small entities; (3) the use of performance, rather than design, standards; and (4) and exemption from coverage of the rule, or any part thereof, for small entities.''

70. The challenge procedures established in the *MF–II Challenge Process Procedures Public Notice* are intended to remove the need for a challenger to submit a map of the area(s) it wishes to challenge on top of its evidence by having the Commission perform all geospatial data analysis on a uniform grid, which will benefit small entities. The challenge procedures also allow a challenged entity to submit evidence identifying devices that were subject to data speed reductions, alongside evidence from transmitter monitoring software and speed tests, thereby minimizing the significant economic impact on small entities. Challenged parties will also be given 30 days to review challenges and supporting data before the response window opens. In addition, the Bureaus note that the challenge processes and procedures adopted in the *MF–II Challenge Process Procedures Public Notice* will only apply to small entities who participate in the challenge process. The Bureaus also note that to the extent a challenged party is a small entity, since a challenged party is not required to respond to challenges within their service area(s) the processes and procedures associated with responding to challenges adopted in the *MF–II Challenge Process Procedures Public Notice* are only applicable should a small entity choose to submit responsive evidence.

7. Report to Congress

71. The Commission will send a copy of the *MF–II Challenge Process Procedures Public Notice,* including this Supplemental FRFA, in a report to Congress pursuant to the Congressional Review Act. In addition, the Commission will send a copy of the *MF–II Challenge Process Procedures Public Notice,* including this Supplemental FRFA, to the Chief Counsel for Advocacy of the SBA. A copy of the *MF–II Challenge Process Procedures Public Notice* and Supplemental FRFA (or summaries thereof) will also be published in the **Federal Register**.

Federal Communications Commission.

Gary D. Michaels,

Deputy Chief, Auctions and Spectrum Access Division, WTB.

[FR Doc. 2018–06382 Filed 3–28–18; 8:45 am]

BILLING CODE 6712–01–P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

50 CFR Part 622

[Docket No. 171017999–8262–01]

RIN 0648–BH32

Fisheries of the Caribbean, Gulf of Mexico, and South Atlantic; Reef Fish Fishery of the Gulf of Mexico; Modifications to Greater Amberjack Recreational Fishing Year and Fixed Closed Season

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

ACTION: Final rule.

SUMMARY: NMFS issues regulations to implement management measures described in a framework action to the Fishery Management Plan for the Reef Fish Resources of the Gulf of Mexico (FMP), as prepared by the Gulf of Mexico Fishery Management Council (Council). This final rule revises the recreational fishing year and modifies the recreational fixed closed season for greater amberjack in the Gulf of Mexico (Gulf) exclusive economic zone (EEZ). The purposes of this final rule and the framework action are to constrain recreational harvest to assist in ending overfishing, and to rebuild the greater amberjack stock in the Gulf, while achieving optimum yield of the stock in the Gulf.

DATES: This final rule is effective April 30, 2018.

ADDRESSES: Electronic copies of the framework action, which includes an environmental assessment, a regulatory impact review, and a Regulatory Flexibility Act (RFA) analysis may be obtained from the Southeast Regional Office website at *http://sero.nmfs.noaa.gov/sustainable_fisheries/gulf_fisheries/reef_fish/2017/GAJ_Fishing%20Year/index.html.*

FOR FURTHER INFORMATION CONTACT: Kelli O'Donnell, NMFS SERO, telephone: 727–824–5305, email: *Kelli.ODonnell@noaa.gov.*

SUPPLEMENTARY INFORMATION: The Gulf reef fish fishery, which includes greater amberjack, is managed under the FMP. The Council prepared the FMP, and NMFS implements the FMP under the authority of the Magnuson-Stevens Fishery Conservation and Management Act (Magnuson-Steven Act) through regulations at 50 CFR part 622.

On January 26, 2018, NMFS published a proposed rule for the framework action and requested public comment (83 FR 3670). The proposed rule and the framework action outline the rationale for the actions contained in this final rule. A summary of the management measures described in the framework action and implemented by this final rule is provided below.

Management Measures Contained in This Final Rule

This final rule revises the recreational fishing year and the recreational fixed closed season for greater amberjack in the Gulf.

Greater Amberjack Recreational Fishing Year

This final rule revises the Gulf greater amberjack recreational fishing year to be August 1 through July 31. The current Gulf recreational fishing year for greater amberjack is January 1 through December 31 and was established in the original FMP (49 FR 39548; October 9, 1984). The change implemented through this final rule allows for greater amberjack recreational harvest to occur later in the year and provides an opportunity to harvest greater amberjack when harvest of many other reef fish species is prohibited due to in-season closures as a result of harvest limits. By starting the fishing year in August, when fishing effort is less, NMFS and the Council expect enough recreational quota remaining to allow for harvest during May of the following calendar year.

Consistent with the change in the fishing year, this final rule revises the years associated with the greater amberjack recreational annual catch limits (ACLs) and quotas. Currently, the recreational ACLs and quotas are defined by the calendar year, which is also the fishing year. With the change to the recreational fishing year, the recreational ACLs and quotas apply across calendar years. Therefore, this final rule assigns the recently implemented 2018 ACL and quota to the remainder of the August 1, 2017, through July 31, 2018, recreational fishing year. The 2019 recreational ACL and quota will correspond to the 2018–2019 recreational fishing year, and the recreational ACL and quota for 2020 and beyond will correspond to all subsequent fishing years.

Greater Amberjack Recreational Fixed Closed Season

NMFS recently published a final rule that changed the greater amberjack recreational closed season from June through July each year to January through June (82 FR 61485; December 28, 2017) to allow the Council time to further modify the closed season to create two separate recreational fishing seasons.

This final rule modifies the recreational fixed closed season for greater amberjack to be from January 1 through April 30, June 1 through July 31, and November 1 through December 31, each year. This means that recreational harvest would be allowed in May and from August through October each calendar year unless an in-season closure is necessary to constrain harvest to the recreational quota. Because this final rule also changes the recreational fishing year, NMFS expects any in-season quota closure to occur later in the fall or during May of the following year. However, because NMFS expects the recreational fixed closed season to reduce recreational landings NMFS also expects this change to reduce the likelihood of an in-season closure and landings exceeding the recreational ACL. This final rule is also expected to protect greater amberjack during peak spawning months in the majority of the Gulf (March through April), thereby contributing to rebuilding the greater amberjack stock by the end of the designated time period in 2027.

Comments and Responses

NMFS received a total of 46 comments on the proposed rule for the framework action from individual fishers and two for-hire fishing vessel associations. Several commenters supported the proposed measures for Gulf greater amberjack. Other comments stated that changes to fishing regulations cause confusion, and suggested a tag system to measure harvest of greater amberjack, but those assertions were outside the scope of the proposed rule and therefore are not addressed here.

Specific comments related to the framework action and the proposed rule are grouped by topic and summarized below, followed by NMFS' respective responses.

Comment 1: Greater amberjack is abundant in the Gulf which suggests the stock is healthy; therefore, the greater amberjack stock is not in need of rebuilding, and these additional management measures are not necessary.

Response: NMFS disagrees that the greater amberjack stock is not in need of rebuilding and that the management measures in this final rule are unnecessary. In 2016, a Southeast Data, Assessment, and Review (SEDAR) stock assessment for greater amberjack was completed (SEDAR 33) and indicated the Gulf greater amberjack stock remained overfished, was undergoing overfishing, and would not be rebuilt by 2019, as was previously estimated. Therefore, the Council established a new rebuilding time period that ends in 2027 and revised the ACLs and quotas. (82 FR 61485; December 28, 2017). The management measures implemented through this final rule are expected to constrain harvest to the new catch levels and protect the stock during springtime spawning activity in March and April. The Council determined, and NMFS agrees, that these management measures will help meet rebuilding goals for this stock.

Comment 2: The greater amberjack recreational fishing year should not be changed. Changing the fishing year to start on August 1 will cost money and take time to implement without providing any benefit. It will also shift effort in the eastern Gulf to the western Gulf, changing the dynamics of the fishery. This change will eliminate any recreational spring fishery for greater amberjack in the eastern Gulf because there will be enough of the recreational quota remaining after the fall season.

Response: While NMFS agrees that the change in the fishing year may shift fishery dynamics, this change is expected to provide benefits by reducing the overall recreational harvest of greater amberjack, which will reduce the likelihood of an in-season closure, and allow for harvest in May as well as August through October. The first season is limited to 3 months (August, September, and October) and is during a time of historically low fishing effort. Analysis included in the framework action predicted that the new recreational quota should be sufficient to allow for harvest both in the fall and the spring.

In addition, changing the fishing year to begin on August 1 provides access to greater amberjack later in the calendar year, which is a period when the harvest of other targeted species (*e.g.,* red snapper) is typically unavailable in Federal waters. Opening recreational fishing for greater amberjack later in the calendar year is also expected to improve access to this species because weather tends to be more favorable.

Comment 3: The recreational closed season for greater amberjack should not be changed.

Response: NMFS disagrees that the recreational closed season for greater amberjack should not be changed. The current recreational greater amberjack closed season of January 1 through June 30 was intended to be a temporary measure to allow the Council time to consider alternatives that would allow for harvest in both the spring and fall. If the current closed season were left in place, it would not allow for recreational harvest in the spring, which is a time when many recreational anglers have requested that recreational harvest of greater amberjack occur because this is a time when other targeted species, such as red snapper, are usually unavailable for harvest. The Council considered several options for modifying the closed season to allow harvest in the spring and chose May as the open month to avoid harvest during the peak spawning months of March and April.

Comment 4: A 4-month recreational open season for greater amberjack is too short. Recreational harvest should be allowed year-round or at least also in June and July.

Response: NMFS disagrees. Allowing recreational harvest of greater amberjack during June and July, historically the months of highest recreational fishing effort, or year-round, would likely result in an in-season quota closure, and would increase the likelihood of exceeding the recreational ACL. It would also be inconsistent with the Council's intent to have both fall and spring fishing seasons. Allowing for recreational harvest in May, August, September, and October is expected to increase the opportunity for recreational harvest while still protecting the stock as it rebuilds.

Comment 5: Modifying the recreational bag limits, implementing seasonal split quotas, and modifying the commercial trip limits would be more effective in managing the greater amberjack stock in the Gulf than changing the fishing year and closed season.

Response: The Council did not consider modifying recreational bag limits or establishing recreational seasonal quotas for greater amberjack in the Gulf in this framework action. However, in response to public comments at its October 2017 meeting, the Council began development of another framework action in which it will consider recreational bag limit options and split quotas as well as commercial vessel limits for greater amberjack. NMFS expects the Council to review a draft options paper for this framework in 2018.

Classification

The Regional Administrator for the NMFS Southeast Region has determined that this final rule is consistent with the framework action, the FMP, the Magnuson-Stevens Act, and other applicable law.

This final rule has been determined to be not significant for purposes of Executive Order 12866.

The Magnuson-Stevens Act provides the statutory basis for this final rule. No duplicative, overlapping, or conflicting Federal rules have been identified. In addition, no new reporting, record-keeping, or other compliance requirements are introduced by this final rule.

The Chief Counsel for Regulation of the Department of Commerce certified to the Chief Counsel for Advocacy of the Small Business Administration (SBA) during the proposed rule stage that this rule, if adopted, would not have a significant economic impact on a substantial number of small entities. The factual basis for this determination was published in the proposed rule and is not repeated here. No comments from the public or the SBA's Chief Counsel for Advocacy were received regarding the certification, and NMFS has not received any new information that would affect its determination. As a result, a final regulatory flexibility analysis is not required and none has been prepared.

List of Subjects in 50 CFR Part 622

Fisheries, Fishing, Greater amberjack, Gulf, Recreational, Reef fish.

Dated: March 23, 2018.

Samuel D. Rauch III,

Deputy Assistant Administrator for Regulatory Programs, National Marine Fisheries Service.

For the reasons set out in the preamble, 50 CFR part 622 is amended as follows:

PART 622—FISHERIES OF THE CARIBBEAN, GULF OF MEXICO, AND SOUTH ATLANTIC

■ 1. The authority citation for part 622 continues to read as follows:

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

■ 2. In § 622.7, add paragraph (h) to read as follows:

§ 622.7 Fishing years.

* * * * *

(h) *Gulf of Mexico greater amberjack recreational sector*—August 1 through July 31. (Note: The fishing year for the commercial sector for greater amberjack is January 1 through December 31).

■ 3. In § 622.34, revise paragraph (c) to read as follows:

§ 622.34 Seasonal and area closures designed to protect Gulf reef fish.

* * * * *

(c) *Seasonal closure of the recreational sector for greater amberjack.* The recreational sector for greater amberjack in or from the Gulf EEZ is closed from January 1 through April 30, June 1 through July 31, and November 1 through December 31, each year. During the closure, the bag and possession limit for greater amberjack in or from the Gulf EEZ is zero.

* * * * *

■ 4. In § 622.39, revise paragraph (a)(2)(ii) to read as follows:

§ 622.39 Quotas.

* * * * *

(a) * * *

(2) * * *

(ii) *Recreational quota for greater amberjack.* (A) For the 2017–2018 fishing year—716,173 lb (324,851 kg).

(B) For the 2018–2019 fishing year—902,185 lb (409,224 kg).

(C) For the 2019–2020 fishing year and subsequent fishing years—1,086,985 lb (493,048 kg).

* * * * *

■ 5. In § 622.41, revise paragraph (a)(2)(iii) to read as follows:

§ 622.41 Annual catch limits (ACLs), annual catch targets (ACTs), and accountability measures (AMs).

(a) * * *

(2) * * *

(iii) The applicable recreational ACL for greater amberjack, in round weight, is 862,860 lb (391,387 kg) for the 2017–2018 fishing year, 1,086,970 lb (493,041 kg) for the 2018–2019 fishing year, and 1,309,620 lb (594,034 kg) for 2019–2020 fishing year and subsequent fishing years.

* * * * *

[FR Doc. 2018–06317 Filed 3–28–18; 8:45 am]

BILLING CODE 3510–22–P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

50 CFR Part 660

[Docket No. 161024999–8248–02]

RIN 0648–BG40

Fisheries Off West Coast States; Pacific Coast Groundfish Fishery Management Plan; Authorization of an Oregon Recreational Fishery for Midwater Groundfish Species

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

ACTION: Final rule.

SUMMARY: This final rule authorizes the use of midwater long-leader gear for recreational fishing in waters seaward of a boundary line approximating the 40 fathoms depth contour off the coast of Oregon. Both charter and private vessels are authorized to use midwater long-leader gear seaward of the 40 fathom seasonal depth closure, while being monitored with the existing Oregon Ocean Recreational Boat Sampling (ORBS) program. The use of midwater long-leader gear is intended to limit bycatch of overfished and rebuilding rockfish species, such as bottom-dwelling yelloweye rockfish, while still allowing for the catch of abundant midwater species such as yellowtail and widow rockfish. The season will occur between April and September, months currently subject to depth restrictions.

DATES: Effective April 1, 2018.

FOR FURTHER INFORMATION CONTACT: Christopher Biegel, phone: 503–231–6291, fax: 503–872–2737, or email: *Christopher.biegel@noaa.gov.*

SUPPLEMENTARY INFORMATION:

Electronic Access

This final rule is accessible via the internet at the Office of the Federal Register website at *http://www.federalregister.gov.* Background information and documents are available at the NMFS West Coast Region website at *http://www.westcoast.fisheries.noaa.gov/fisheries/groundfish/index.html* and at the Pacific Fishery Management Council's website at *http://www.pcouncil.org.*

Background

Since 2004, NMFS has restricted Oregon recreational groundfish fisheries to shallow depths (<20–40 fm) during peak effort to reduce interactions with

deeper water species, especially yelloweye rockfish. The recreational groundfish fisheries are an important part of the local economy and social fabric in Oregon's coastal communities. From 2011–2015, anglers fished an average of 84,000 recreational groundfish trips per year in the Federal waters off of the Oregon coast, representing about 44 percent of the total Oregon recreational fishery effort during this period. The implementation of deep-water rockfish closures in 2004 left several Oregon ports without any viable groundfish fishing opportunities.

To increase recreational fishing opportunities in these ports and relieve pressure from nearshore reefs, NMFS issued exempted fishing permits (EFPs) to the Oregon Recreational Fishing Alliance and Oregon Department of Fish and Wildlife (ODFW) from 2009–2011 to test the viability of long-leader gear. The long-leader gear tested under this EFP test fishing program and authorized for use by this rule has one line with no more than three hooks, a sinker at the bottom, at least 30 feet (9.14 m) between the sinker and the lowest hook, and a non-compressible float above the hooks. This gear limits interaction with deeper water groundfish species that inhabit areas close to the seafloor by suspending the hooks well above the seafloor. In 2005, based in part on favorable EFP test fishing results using midwater long-leader gear on Oregon sport charter fishing vessels, the Council requested that NMFS implement regulations authorizing a midwater long-leader fishery in the Federal waters off the Oregon coast.

This final rule authorizes midwater long-leader recreational groundfish fishing seaward of a line approximating the 40 fathom depth curve exclusively off the coast of Oregon (42°00′ North latitude [N lat.] to 46°18′ N lat.) from April 1 to September 30. NMFS expects this gear configuration will allow recreational anglers to target abundant and healthy midwater species while avoiding or minimizing interactions with overfished rockfish species. When deploying this gear, anglers are authorized to use artificial lures or flies less than or equal to 5 inches (12.7 cm) in length. However, anglers may not use natural bait, or lures or flies greater than 5 inches (12.7 cm) in length, as was the case under the terms and conditions of the EFP. This final rule retains this prohibition on live bait, which was originally part of the EFP test fishing program to limit impacts to canary rockfish that were overfished at that time, because canary has only recently been declared rebuilt and it is prudent to take actions that are precautionary and limit initial impacts on newly rebuilt species. If desired, NMFS and the Council could work towards removing the prohibition in the future.

Under the action, anglers are also prohibited from possessing lingcod. All other existing state and Federal groundfish regulations, such as bag limits and rockfish conservation areas, remain in effect. ODFW will monitor this fishery through its existing Ocean Recreational Boat Survey. The Council approved language in the definition of long-leader gear that included a prohibition on ''large lures.'' However, the Council did not define this term. After consultation with ODFW, this final rule defines ''large lure'' as *over five inches in length.* This definition is based on industry standard lure sizes commonly used in the recreational fishery.

Comments and Responses

NMFS published a proposed rule for this action on December 12, 2017 (82 FR 60170). We received 67 comments on the proposed rule. We received public comments from 3 recreational fishing organizations, 2 boat owners, 6 charter operators, 1 tackle shop, 3 EFP participants, 32 recreational anglers, and 17 private citizens. These comments are discussed below.

Comment 1: All responsive comments supported creation of the midwater long-leader recreational fishery.

Response: NMFS agrees, and through this rule is promulgating regulations to allow recreational anglers to use midwater long-leader gear seaward of a line approximating the 40 fathom depth curve exclusively off the coast of Oregon (42°00′ N lat. to 46°18′ N lat.) from April 1 to September 30.

Comment 2: NMFS received five comments on the proposed gear configuration. Two recreational fishermen and one EFP participant commented in support of the gear as proposed. One charter operator proposed changes that would make the gear less likely to tangle. One recreational angler asked that the regulations exempt small vessels such as kayaks from the long-leader gear requirements while participating in the fishery.

Response: When the Council was developing this action, Council members discussed the need to develop regulations that reflect the same, or as similar as possible to, the gear configurations used in the EFP to test this fishery. The purpose of this was to ensure that impacts from this fishery would be similar to what occurred under the EFP. Because NMFS did not exempt small vessels, such as kayaks, from the EFP, or test the proposed changes suggested by the commentor in the EFP, it is difficult for NMFS to accurately predict the impacts associated with these suggestions. Therefore, NMFS will not remove or alter the required long-leader gear configuration, or allow exemptions for small vessels such as kayaks, without further Council discussion and consideration of these changes.

Comment 3: NMFS received sixteen comments on the proposed prohibition on natural bait. One charter operator, two EFP participants, and one recreational angler commented in support of the bait prohibition, stating that bait was unnecessary to produce good catches. One boat owner, one recreational fishing organizations, one tackle shop, one charter operator, seven recreational anglers, and one private citizen commented in opposition to the natural bait prohibition. Of these, one charter operator and one recreational angler commented that natural bait was prohibited during the EFP test fishing to avoid bycatch of canary rockfish. Because the canary rockfish stock is rebuilt, and can now be retained, they commented that the bait prohibition is no longer necessary.

Response: As noted above in the background section, NMFS will not remove the prohibition on the use of live bait for this fishery at this time. The prohibition on the use of live bait was included in the terms and conditions of the EFPs used to test this fishery as a means to protect the overfished canary rockfish by reducing interactions with the canary rockfish. Since then, canary rockfish has been declared rebuilt. However, NMFS is maintaining the prohibition because NMFS does not know the impacts to canary rockfish that could occur if this prohibition were removed. Those impacts were not tested or evaluated in the EFP test fishing and associated analysis. Additionally, because canary rockfish has only recently been rebuilt, NMFS believes it is important to take a precautionary approach in developing fisheries that could impact this newly rebuilt species. However, starting that discussion with the Council now would interfere with NMFS's goal to have this rule in place for the 2018 fishing season. April 1 is the start of the fishing season, ensuring that this rule is effective on April 1 will allow fishermen to access areas previously subject to depth restrictions for the entire season. If desired, NMFS and the Council could choose to work towards removing the prohibition in the future.

Changes From the Proposed Rule

We adjusted the proposed rule's regulatory text defining lure size to make it clearer and to assist in enforcement. The text ''*not to exceed* 5 inches in length'' was changed to ''*less than or equal to* 5 inches in length.''

Classification

Pursuant to section 304(b)(1)(A) of the Magnuson-Stevens Fishery Conservation and Management Act, 16 U.S.C. 1854(b)(1)(A), the NMFS Assistant Administrator has determined that this final rule is consistent with the Pacific Coast Groundfish Fishery Management Plan, other provisions of the Magnuson-Stevens Act, and other applicable law.

This final rule has been determined to be not significant for purposes of Executive Order (E.O.) 12866.

This final rule does not contain policies with federalism or ''takings'' implications as those terms are defined in E.O. 13132 and E.O. 12630, respectively.

Because this rule relieves a restriction, it is not subject to the 30-day delayed effectiveness provision of the Administrative Procedure Act (5 U.S.C. 553(d)(1)). This final rule allows recreational anglers to target groundfish using midwater long-leader gear, from April 1 to September 30, in waters seaward of a boundary line approximating the 40 fathoms depth contour off the coast of Oregon. These months were previously subject to depth restrictions. Therefore, NMFS is setting the effective date for this rule as April 1, 2018, to match the start of the fishing season and allow recreational anglers the opportunity to use long-leader gear for the duration of the 2018 fishing season.

Final Regulatory Flexibility Analysis

Section 604 of the Regulatory Flexibility Act (RFA), 5 U.S.C. 604, requires federal agencies to prepare a final regulatory flexibility analysis (FRFA) for each final rule. A FRFA was prepared and incorporates the Initial Regulatory Flexibility Analysis (IRFA) and includes a summary of the analyses completed to support the action are included below. A statement of the need for, and the objectives of, this action is contained in the proposed rule and the preamble to this final rule, and is not repeated here. NMFS also prepared a Regulatory Impact Review (RIR) for this action. A copy of the RIR/FRFA is available from NMFS (see the Electronic Access section of this preamble). A summary of the FRFA, per the requirements of RFA section 604 follows.

Significant Issues Raised by the Public in Response to the IRFA, and a Statement of Any Changes Made in the Final Rule as a Result of Such Comments

There were no issues raised about the IRFA in the public comments; therefore no changes were made with regard to issues discussed in the IRFA.

Description and Estimate of the Number of Small Entities To Which the Rule Applies

For RFA purposes only, NMFS has established a small business size standard for businesses, including their affiliates, whose primary industry is commercial fishing (see 50 CFR 200.2). A business primarily engaged in commercial fishing (NAICS code 11411) is classified as a small business if it is independently owned and operated, is not dominant in its field of operation (including its affiliates), and has combined annual receipts not in excess of $11 million for all its affiliated operations worldwide.

The SBA defines a small business as one that is:

- Independently owned and operated;
- Not dominant in its field of operation;
- Has annual receipts that do not exceed—
  - $20.5 million in the case of commercial finfish harvesting entities (NAIC[1] 114111)
  - $5.5 million in the case of commercial shellfish harvesting entities (NAIC 114112)
  - $7.5 million in the case of for-hire fishing entities (NAIC 114119); or
- Has fewer than—
  - 750 employees in the case of fish processors; or
  - 100 employees in the case of fish dealers.

This final rule impacts recreational fish harvesting entities engaged in the Pacific Coast groundfish fishery. An estimated 104 recreational charter entities targeted groundfish in Oregon in 2014. Each of these vessels had an estimated average revenue of $35,743 from groundfish, from a total annual average revenue of $116,453, with other significant revenue earned in the salmon, tuna/albacore, and shellfish fisheries.

In 2015 there were 106,504 angler trips in the Oregon recreational groundfish fisheries. This accounted for $14,225,329 in trip-related expenses (excludes durable goods) and 327 jobs in the state of Oregon.

Many charter operations in Oregon earn a majority of their revenue from salmon fishing, however given the natural variability of the salmon fishery year to year, there is a potential for more commercial charter operations to turn to groundfish if the salmon fishery declines.

Description of the Projected Reporting, Recordkeeping, and Other Compliance Requirements

There are no new reporting and recordkeeping requirements associated with this rule.

Description of the Steps the Agency Has Taken To Minimize the Significant Economic Impact on Small Entities Consistent With the Stated Objectives of Applicable Statutes

The economic impact of the measures in this rule are discussed in section 3.4 of the final Environmental Assessment (EA) (see the Electronic Access section of this preamble) and are not repeated here. This rule is expected to give recreational charter entities in Oregon increased flexibility to pursue groundfish fishing opportunities, which is expected to provide positive economic impacts. The rule does not limit any existing activity or impose any mandatory new costs on the fleet, so the overall benefit to small entities is expected to be slightly positive, as some or most vessels may not choose to participate in the midwater fishery due to increased fuel costs from the distance required to travel, and because of midwater gear requirements.

The EA analyzed three alternatives in addition to a no action alternative. The preferred alternative (Alternative 1) allows private and charter recreational vessels use long-leader gear seaward of the 40 fm depth curve from April to September. The other two alternatives would have allowed the same vessels to use long-leader gear seaward of the 40 fm depth curve from July to September (Alternative 2) or in the month of August (Alternative 3). All of the action alternatives are expected to result in minor beneficial economic impacts, with the preferred alternative providing the largest window of time for the recreational harvest to occur, and thus providing the greatest likely economic benefits. As all of the alternatives would provide positive benefits, there were no alternatives rejected that would have mitigated adverse effects on small entities.

[1] The North American Industry Classification System (NAICS) is the standard used by Federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data related to the U.S. business economy.

Small Entity Compliance Guide

Section 212 of the Small Business Regulatory Enforcement Fairness Act of 1996 states that, for each rule or group of related rules for which an agency is required to prepare a FRFA, the agency shall publish one or more guides to assist small entities in complying with the rule, and shall designate such publications as ''small entity compliance guides.'' The agency shall explain the actions a small entity is required to take to comply with a rule or group of rules. As part of this rulemaking process, NMFS will send a small entity compliance guide to interested parties via the groundfish email list server. In addition, copies of this final rule and guides (*i.e.,* information bulletins) are available from NMFS at the following website: *http://www.westcoast.fisheries.noaa.gov/*.

List of Subjects in 50 CFR Part 660

Fisheries, Fishing, and Reporting and recordkeeping requirements.

Dated: March 23, 2018.

Samuel D. Rauch III,

Deputy Assistant Administrator for Regulatory Programs, National Marine Fisheries Service.

For the reasons set out in the preamble, 50 CFR part 660 is amended as follows:

PART 660—FISHERIES OFF WEST COAST STATES

■ 1. The authority citation for part 660 continues to read as follows:

Authority: 16 U.S.C. 1801 *et seq.,* 16 U.S.C. 773 *et seq.,* and 16 U.S.C. 7001 *et seq.*

■ 2. In § 660.351, add in alphabetical order the definition of ''long-leader gear'' as follows:

§ 660.351 Recreational fishery—definitions.

* * * * *

Long-leader gear (also known as Holloway gear) means fishing gear with the following: One fishing line, deployed with a sinker and no more than three hooks, with a minimum of 30 feet (9.14 meters) between the sinker and the lowest hook, and a non-compressible float attached to the line above the hooks. The gear may be equipped with artificial lures and flies less than or equal to 5 inches in length. Natural bait, and lures or flies greater than 5 inches in length, may not be used.

* * * * *

■ 3. In § 660.360, paragraphs (c)(2)(i)(B) and (c)(2)(iii)(B) are revised to read as follows:

§ 660.360 Recreational fishery—management measures.

* * * * *

(c) * * *

(2) * * *

(i) * * *

(B) *Recreational rockfish conservation area (RCA).* Fishing for groundfish with recreational gear is prohibited within the recreational RCA, a type of closed area or groundfish conservation area. It is unlawful to take and retain, possess, or land groundfish taken with recreational gear within the recreational RCA. A vessel fishing in the recreational RCA may not be in possession of any groundfish. [For example, if a vessel fishes in the recreational salmon fishery within the RCA, the vessel cannot be in possession of groundfish while within the RCA. The vessel may, however, on the same trip fish for and retain groundfish shoreward of the RCA on the return trip to port.] Off Oregon, from April 1 through September 30, recreational fishing for groundfish is prohibited seaward of a recreational RCA boundary line approximating the 40 fm (73 m) depth contour, except that fishing for flatfish (other than Pacific halibut) is allowed seaward of the 40 fm (73 m) depth contour when recreational fishing for groundfish is permitted, and fishing with long-leader gear (as defined in § 660.351) is allowed seaward of the 40 fm (73 m) depth contour (*i.e.,* within the RCA) from April 1 through September 30. Coordinates for the boundary line approximating the 40 fm (73 m) depth contour are listed at § 660.71.

* * * * *

(iii) * * *

(B) *Lingcod.* There is a 3 fish limit per day for lingcod from January 1 through December 31. The minimum size for lingcod retained in the Oregon recreational fishery is 22 in (56 cm) total length. For vessels using long-leader gear (as defined in § 660.351) and fishing inside the recreational RCA, possession of lingcod is prohibited.

* * * * *

[FR Doc. 2018–06316 Filed 3–28–18; 8:45 am]

BILLING CODE 3510–22–P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

50 CFR Part 679

[Docket No. 170817779–8161–02]

RIN 0648–XG120

Fisheries of the Exclusive Economic Zone Off Alaska; Northern Rockfish in the Bering Sea and Aleutian Islands Management Area

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

ACTION: Temporary rule; modification of a closure.

SUMMARY: NMFS is opening directed fishing for northern rockfish in the Bering Sea and Aleutian Islands Management Area (BSAI). This action is necessary to fully use the 2018 total allowable catch (TAC) of northern rockfish in the BSAI.

DATES: Effective 1200 hrs, Alaska local time (A.l.t.), March 26, 2018, through 2400 hrs, A.l.t., December 31, 2018. Comments must be received at the following address no later than 4:30 p.m., A.l.t., April 10, 2018.

ADDRESSES: You may submit comments, identified by *NOAA–NMFS–2017–0108,* by either of the following methods:

- *Federal e-Rulemaking Portal.* Go to: *https://www.regulations.gov/docket?D=NOAA-NMFS-2017-0108,* click the ''Comment Now!'' icon, complete the required fields, and enter or attach your comments.
- *Mail:* Submit 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).

FOR FURTHER INFORMATION CONTACT: Steve Whitney, 907–586–7228.

SUPPLEMENTARY INFORMATION: NMFS manages the groundfish fishery in the BSAI according to the Fishery Management Plan for Groundfish of the Bering Sea and Aleutian Islands Management Area (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.

Pursuant to the final 2018 and 2019 harvest specifications for groundfish in the BSAI (83 FR 8365, February 27, 2018), NMFS closed directed fishing for northern rockfish under § 679.20(d)(1)(iii).

As of March 21, 2018, NMFS has determined that approximately 4,800 metric tons of northern rockfish initial TAC remains unharvested in the BSAI. Therefore, in accordance with § 679.25(a)(1)(i), (a)(2)(i)(C), and (a)(2)(iii)(D), and to fully utilize the 2018 TAC of northern rockfish in the BSAI, NMFS is terminating the previous closure and is opening directed fishing for northern rockfish in the BSAI. This will enhance the socioeconomic well-being of harvesters in this area. The Administrator, Alaska Region (Regional Administrator) considered the following factors in reaching this decision: (1) The current catch of northern rockfish in the BSAI 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) and § 679.25(c)(1)(ii) 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 northern rockfish in the BSAI. NMFS was unable to publish a notice providing time for public comment because the most recent, relevant data only became available as of March 21, 2018.

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 northern rockfish in the BSAI 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 April 10, 2018.

This action is required by §§ 679.20 and 679.25 and is exempt from review under Executive Order 12866.

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

Dated: March 26, 2018.

Jennifer M. Wallace,

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

[FR Doc. 2018–06330 Filed 3–26–18; 4:15 pm]

BILLING CODE 3510–22–P

Proposed Rules

Federal Register
Vol. 83, No. 61
Thursday, March 29, 2018

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

Animal and Plant Health Inspection Service

7 CFR Part 319

[Docket No. APHIS–2016–0034]

RIN 0579–AE33

Importation of Pummelo From Thailand Into the Continental United States

AGENCY: Animal and Plant Health Inspection Service, USDA.

ACTION: Proposed rule.

SUMMARY: We are proposing to amend the regulations to allow the importation of fresh pummelo fruit from Thailand into the continental United States. As a condition of entry, fresh pummelo fruit from Thailand would be subject to a systems approach that would include irradiation treatment, packinghouse processing requirements, and port of entry inspection. The fruit would also be required to be imported in commercial consignments and be accompanied by a phytosanitary certificate issued by the national plant protection organization of Thailand. This action would allow for the importation of fresh pummelo fruit from Thailand while continuing to provide protection against the introduction of plant pests into the continental United States.

DATES: We will consider all comments that we receive on or before May 29, 2018.

ADDRESSES: You may submit comments by either of the following methods:

- *Federal eRulemaking Portal:* Go to *http://www.regulations.gov/#!docketDetail;D=APHIS-2016-0034.*
- *Postal Mail/Commercial Delivery:* Send your comment to Docket No. APHIS–2016–0034, 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–2016–0034* 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 A. Ferguson, MS, Senior Regulatory Policy Coordinator, Imports, Regulations, and Manuals, Regulatory Coordination and Compliance, PPQ, APHIS, 4700 River Road, Unit 133, Riverdale, MD 20737–1236; (301) 851–2352.

SUPPLEMENTARY INFORMATION:

Background

Under the regulations in ''Subpart–Fruits and Vegetables'' (7 CFR 319.56–1 through 319.56–82, referred to below as the regulations), the Animal and Plant Health Inspection Service (APHIS) of the United States Department of Agriculture (USDA) prohibits or restricts the importation of fruits and vegetables into the United States from certain parts of the world to prevent the introduction and dissemination of plant pests.

The regulations currently do not authorize the importation of fresh pummelo fruit (*Citrus maxima* (Berm.) Merr.) from Thailand. The national plant protection organization (NPPO) of Thailand has requested that APHIS amend the regulations to allow the importation of commercially produced fresh pummelo fruit from Thailand into the continental United States. In evaluating Thailand's request, we prepared a pest risk assessment (PRA) and a risk management document (RMD). Copies of the PRA and the RMD may be obtained from the person listed under **FOR FURTHER INFORMATION CONTACT** or viewed on the *Regulations.gov* website (see **ADDRESSES** above for instructions for accessing *Regulations.gov*).

The PRA, titled ''Importation of Fruit of Pummelo, *Citrus maxima* (Burm.) Merr., from Thailand into the Continental United States'' (December 2017) analyzes the potential pest risk associated with the importation of fresh pummelo fruit into the continental United States from Thailand.

The PRA identifies 21 actionable pests that could be introduced into the United States in consignments of fresh pummelo fruit from Thailand. The pests listed in the PRA are as follows:

- *Bactrocera correcta* Bezzi, guava fruit fly;
- *Bactrocera cucurbitae* Coquillett, melon fruit fly;
- *Bactrocera dorsalis* Hendel, oriental fruit fly;
- *Bactrocera papayae* Drew & Hancock, Asian papaya fruit fly;
- *Bactrocera tau* Walker, a complex of fruit flies;
- *Ceroplastes rubens* Maskell, pink wax scale;
- *Citripestis sagittiferella* Moore, citrus fruit borer;
- *Eotetranychus cendanai* Rimando, citrus yellow mite;
- *Monacrostichus citricola* Bezzi, a fruit fly;
- *Nipaecoccus viridis* Newstead, spherical mealybug;
- *Paradrosophila punctipennis* Duda, a fruit fly;
- *Phyllosticta citriasiana* Wulandari, Crous & Gruyter, the causal agent for citrus tan spot;
- *Phyllosticta citricarpa,* the causal agent for citrus black spot;
- *Planococcus lilacinus* Cockerell, cacao mealybug;
- *Prays citri* Millière, citrus flower moth;
- *Prays endocarpa* Meyrick, citrus pock caterpillar;
- *Pseudococcus cryptus* Hempel, citriculus mealybug;
- *Rastrococcus spinosus* Robinson, Philippine mango mealybug;
- *Rastrococcus tropicasiaticus* Williams, a mealybug;
- *Schizotetranychus baltazari* Rimando, Bamboo spider mite; and
- *Xanthomonas citri* Gabriel et al. (XCC), the causal agent for citrus canker.

Based on the findings of the PRA, APHIS has determined that measures beyond standard port of entry inspection are required to mitigate the risks posed by these pests. These measures are identified in the RMD and are used as the basis for the requirements included in this proposed rule. We are therefore proposing to allow the importation of fresh pummelo fruit from Thailand into the continental United States if it is produced and

shipped in accordance with the systems approach as described below. The requirements of the systems approach would be added to the regulations as a new § 319.56–83.

Commercial Consignments

Only commercial consignments of fresh pummelo fruit from Thailand would be accepted for import into the continental United States. Produce grown commercially is less likely to be infested with plant pests than noncommercial consignments. Noncommercial consignments are more prone to infestations because the commodity is often ripe to overripe, could be of a variety with unknown susceptibility to pests, or is grown with little or no pest control. Commercial consignments, as defined in § 319.56–2, are consignments that an inspector identifies as having been imported for sale and distribution. Such identification is based on a variety of indicators, including, but not limited to: Quantity of produce, type of packing, identification of grower or packinghouse on the packaging, and documents consigning the fruits or vegetables to a wholesaler or retailer.

Treatments

Under this proposed rule, fresh pummelo fruit from Thailand would be required to be treated with a minimum absorbed irradiation dose of 400 Gy in accordance with § 305.9 of the phytosanitary treatment regulations in 7 CFR part 305. This is the established generic dose for all insect pests except pupae and adults of the order Lepidoptera.

While it is true that three of the quarantine pests associated with fresh pummelo fruit from Thailand are Lepidopteran, irradiation in conjunction with other mitigations against Lepidopteran pests, can provide phytosanitary protection for several reasons:

- While the treatment is not lethal to pupae and adults of the order Lepidoptera, it is lethal to larvae. Larvae are of greatest phytosanitary concern given that they are internal feeders and may therefore be overlooked upon inspection.
- Irradiation tends to prevent normal adult emergence from the pupal stage.
- Irradiation also causes sterility in pupae and emerged adults, preventing further larval reproduction. Moreover, pupae and adult Lepidoptera are unlikely to be associated with fresh pummelo fruit.

The shipments of fresh pummelo fruit from Thailand would also have to meet all other relevant treatment requirements in part 305.

Packinghouse Procedures

Those plant pests associated with the importation pathway for fresh pummelo fruit from Thailand that are non-Insecta (XCC, *P. citriasiana,* and *P. citricarpa*), Insecta but not neutralized by irradiation (*E. cendanai* and *S. baltazari*), and the pupae and adult forms of lepidoptera (*C. sagittiferella, P. citri,* and *P. endocarpa*), require the application of additional mitigations. Prior to packing, the fresh pummelo fruit would have to be washed, brushed, and disinfested. The fresh pummelo fruit would also be required to be submerged in a surfactant, treated for XCC with an APHIS-approved surface disinfectant, and treated for *P. citriasiana* and *P. citricarpa* with an APHIS-approved fungicide. These packinghouse processing requirements will ensure that all pests of concern not mitigated by irradiation are removed from the importation pathway.

Phytosanitary Certificate

A phytosanitary certificate issued by the NPPO of Thailand would have to accompany each consignment of fresh pummelo fruit. If the fresh pummelo fruit was irradiated in Thailand, the fresh pummelo fruit would have to be jointly inspected by APHIS and the NPPO of Thailand, and the phytosanitary certificate would have to contain additional declarations attesting to this joint inspection and to the irradiation of the fresh pummelo fruit in Thailand. If the fresh pummelo fruit will be irradiated upon arrival in the United States, these additional declarations would not be needed.

The phytosanitary certificate ensures the fresh pummelo fruit was inspected by the NPPO of Thailand, and certifies that the fresh pummelo fruit meets our requirements for export to the continental United States. Additional declarations provide assurances regarding joint inspection and proper administration of irradiation treatment.

Port of Entry Inspection

Shipments of fresh pummelo fruit from Thailand would be subject to inspection at the port of entry. This will provide an additional layer of phytosanitary protection in order to prevent the dissemination of plant pests into the continental United States.

Executive Orders 12866 and 13771 and Regulatory Flexibility Act

This proposed rule has been determined to be not significant for the purposes of Executive Order 12866 and, therefore, has not been reviewed by the Office of Management and Budget. This proposed rule is not expected to be an Executive Order 13771 regulatory action because this proposed rule is not significant under Executive Order 12866.

In accordance with 5 U.S.C. 603, we have performed an initial regulatory flexibility analysis, which is summarized below, regarding the economic effects of this proposed rule on small entities. Copies of the full analysis are available by contacting the person listed under **FOR FURTHER INFORMATION CONTACT** or on the *Regulations.gov* website (see **ADDRESSES** above for instructions for accessing *Regulations.gov*).

Pummelo is a relatively minor citrus fruit for which there is limited information. There are no official statistics on the volume or value of pummelos produced or consumed in the United States. Agricultural statistics for California report that the area planted in pummelo and hybrid groves in 2016 totaled 1,587 acres. California production that year totaled 540,000 boxes, or about 19,595 metric tons, and had a farm gate value of $9.04 million. The expected volume of imports from Thailand would be the equivalent of about 1 percent of California's pummelo production. Unofficially, there are about 100 pummelo growers in California. The majority of these producers likely operate as small entities, given that this is true for producers of citrus fruit generally.

Information on pummelo production in Arizona, Florida, or Texas is not available. U.S. import and export data specific to pummelo are also not available because pummelo is grouped with grapefruit in Department of Commerce trade statistics (Harmonized Tariff Schedule 080540).

Based on the information we have, there is no reason to conclude that adoption of this proposed rule would result in any significant economic effect on a substantial number of small entities. However, we do not currently have all of the data necessary for a comprehensive analysis of the effects of this proposed rule on small entities. Therefore, we are inviting comments on potential effects. In particular, we are interested in determining the number and kind of small entities that may incur benefits or costs from the implementation of this proposed rule.

Executive Order 12988

This proposed rule would allow fresh pummelo fruit to be imported into the continental United States from Thailand under a systems approach. If this

proposed rule is adopted, State and local laws and regulations regarding fresh pummelo fruit imported under this rule would be preempted while the fruit is in foreign commerce. Fresh fruits are generally imported for immediate distribution and sale to the consuming public and would remain in foreign commerce until sold to the ultimate consumer. The question of when foreign commerce ceases in other cases must be addressed on a case-by-case basis. If this proposed rule is adopted, no retroactive effect will be given to this rule, and this rule will not require administrative proceedings before parties may file suit in court challenging this rule.

Paperwork Reduction Act

In accordance with section 3507(d) of the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*), reporting and recordkeeping requirements included in this proposed rule have been submitted for approval to the Office of Management and Budget (OMB). Please send comments on the Information Collection Request (ICR) to OMB's Office of Information and Regulatory Affairs via email to *oira_submissions@omb.eop.gov,* Attention: Desk Officer for APHIS, Washington, DC 20503. Please state that your comments refer to Docket No. APHIS–2016–0034. Please send a copy of your comments to the USDA using one of the methods described under **ADDRESSES** at the beginning of this document.

APHIS is proposing to amend the regulations to allow the importation of fresh pummelo fruit from Thailand into the continental United States. As a condition of entry, fresh pummelo fruit from Thailand would be subject to a systems approach that would include irradiation treatment, packinghouse processing requirements, and port of entry inspection. The fruit would also be required to be imported in commercial consignments and accompanied by a phytosanitary certificate issued by the NPPO of Thailand. This action would allow for the importation of fresh pummelo fruit from Thailand while continuing to provide protection against the introduction of plant pests into the continental United States.

Implementing this information collection will require respondents to complete phytosanitary certificates and port of entry inspections.

We are soliciting comments from the public (as well as affected agencies) concerning our proposed information collection and recordkeeping requirements. These comments will help us:

(1) Evaluate whether the proposed information collection is necessary for the proper performance of our agency's functions, including whether the information will have practical utility;

(2) Evaluate the accuracy of our estimate of the burden of the proposed information collection, including the validity of the methodology and assumptions used;

(3) Enhance the quality, utility, and clarity of the information to be collected; and

(4) Minimize the burden of the information collection on those who are to respond (such as 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).

Estimate of burden: Public reporting burden for this collection of information is estimated to average 0.67 hours per response.

Respondents: Foreign businesses and the NPPO of Thailand.

Estimated annual number of respondents: 2.

Estimated annual number of responses per respondent: 18.

Estimated annual number of responses: 36.

Estimated total annual burden on respondents: 24 hours. (Due to averaging, the total annual burden hours may not equal the product of the annual number of responses multiplied by the reporting burden per response.)

A copy of the information collection may be viewed on the *Regulations.gov* website or in our reading room. (A link to *Regulations.gov* and information on the location and hours of the reading room are provided under the heading **ADDRESSES** at the beginning of this proposed rule.) Copies can also be obtained from Ms. Kimberly Hardy, APHIS' Information Collection Coordinator, at (301) 851–2483. APHIS will respond to any ICR-related comments in the final rule. All comments will also become a matter of public record.

E-Government Act Compliance

The Animal and Plant Health Inspection Service is committed to compliance 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. For information pertinent to E-Government Act compliance related to this proposed rule, please contact Ms. Kimberly Hardy, APHIS' Information Collection Coordinator, at (301) 851–2483.

Lists of Subjects in 7 CFR Part 319

Coffee, Cotton, Fruits, Imports, Logs, Nursery stock, Plant diseases and pests, Quarantine, Reporting and recordkeeping requirements, Rice, Vegetables.

Accordingly, we are proposing to amend 7 CFR part 319 as follows:

PART 319—FOREIGN QUARANTINE NOTICES

■ 1. The authority citation for part 319 continues to read as follows:

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.

■ 2. Section 319.56–83 is added to read as follows:

§ 319.56–83 Pummelo From Thailand.

Fresh pummelo fruit (*Citrus maxima* (Burm.) Merr.) (Rutaceae) may be imported into the continental United States from Thailand under the following conditions:

(a) *Commercial consignments.* The fresh pummelo fruit must be shipped in commercial consignments only.

(b) *Irradiation treatment.* The fresh pummelo fruit must be treated with irradiation in accordance with part 305 of this chapter.

(c) *Packinghouse procedures.* Prior to packing, the fresh pummelo fruit must be washed, brushed, disinfested, submerged in surfactant, treated for *Xanthomonas citri* Gabriel *et al.* with an APHIS-approved surface disinfectant, and treated for *Phyllosticta citriasiana* and *Phyllosticta citricarpa* with an APHIS-approved fungicide.

(d) *Phytosanitary certificate.* Each shipment of fresh pummelo fruit must be accompanied by a phytosanitary certificate issued by the national plant protection organization (NPPO) of Thailand. If the fresh pummelo fruit was irradiated in Thailand, each consignment of fruit must be inspected jointly in Thailand by APHIS and the NPPO of Thailand, and the phytosanitary certificate must contain an additional declaration attesting to irradiation of the fresh pummelo fruit in accordance with part 305 of this chapter. If the fresh pummelo fruit will be irradiated upon arrival into the continental United States, joint inspection in Thailand and an additional declaration on the phytosanitary certificate are not required.

(e) *Port of entry inspection.* Consignments of fresh pummelo fruit from Thailand are subject to inspection

at ports of entry in the continental United States.

Done in Washington, DC, this 23rd day of March 2018.

Kevin Shea,

Administrator, Animal and Plant Health Inspection Service.

[FR Doc. 2018–06288 Filed 3–28–18; 8:45 am]

BILLING CODE 3410–34–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2018–0167; Product Identifier 2017–NM–131–AD]

RIN 2120–AA64

Airworthiness Directives; ATR–GIE Avions de Transport Régional Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: We propose to adopt a new airworthiness directive (AD) for all ATR–GIE Avions de Transport Régional Model ATR42 and Model ATR72 airplanes. This proposed AD was prompted by reports of cracking in main landing gear (MLG) universal joints (U-joints). This proposed AD would require repetitive detailed inspections of the affected U-joints for cracks, and replacement if necessary. This proposed AD would also provide an optional terminating action for the repetitive inspections. We are proposing this AD to address the unsafe condition on these products.

DATES: We must receive comments on this proposed AD by May 14, 2018.

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 Safran Landing Systems, Inovel Parc Sud-7, rue Général Valérie André, 78140 VELIZY–VILLACOUBLAY—FRANCE; phone: +33 (0) 1 46 29 81 00; internet: *www.safran-landing-systems.com.* You may view this service information at the FAA, Transport Standards Branch, 2200 South 216th St., Des Moines, WA. For information on the availability of this material at the FAA, call 206–231–3195.

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–2018–0167; 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 NPRM, 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: Shahram Daneshmandi, Aerospace Engineer, International Section, Transport Standards Branch, FAA, 2200 South 216th St., Des Moines, WA 98198; telephone and fax 206–231–3220.

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–2018–0167; Product Identifier 2017–NM–131–AD'' at the beginning of your comments. We specifically invite comments on the overall regulatory, economic, environmental, and energy aspects of this NPRM. We will consider all comments received by the closing date and may amend this NPRM 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 NPRM.

Discussion

The European Aviation Safety Agency (EASA), which is the Technical Agent for the Member States of the European Union, has issued EASA Airworthiness Directive 2017–0172, dated September 7, 2017 (referred to after this as the Mandatory Continuing Airworthiness Information, or ''the MCAI''), to correct an unsafe condition for all ATR–GIE Avions de Transport Régional Model ATR42 and Model ATR72 airplanes. The MCAI states:

> Occurences were reported of finding cracked universal joints (U-joints) Part Number (P/N) D56805, P/N D56805–2, P/N D61036 and P/N D62050. Subsequent investigation identified a batch of affected U-joints which were subjected to a possible non-detected thermal abuse done during the grinding process by the U-joint manufacturer in production, or by a maintenance organization during overhaul and/or repair.
>
> This condition, if not detected and corrected, could lead to MLG structural failure and subsequent collapse of the MLG, possibly resulting in damage to the aeroplane and injury to the occupants.
>
> To address this potential unsafe condition, SAFRAN Landing Systems (SLS), published Service Bulletin (SB) 631–32–249 for MLGs fitted on ATR42–200, ATR42–300 and ATR42–320; SB 631–32–250 for MLGs fitted on ATR42–400 and ATR42–500; and SB 631–32–251 for MLGs fitted on ATR72 (all models), to provide inspection instructions.
>
> For the reasons described above, this [EASA] AD requires repetitive detailed visual inspections (DVI) of the affected U-joints for cracks, and, depending on findings, replacement with a serviceable part [and provides an optional terminating action].

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–2018–0167.

Related Service Information Under 1 CFR Part 51

Safran Landing Systems has issued Service Bulletin 631–32–249, Revision 1, dated June 26, 2017; Service Bulletin 631–32–250, Revision 1, dated June 26, 2017; and Service Bulletin 631–32–251, Revision 1, dated June 26, 2017. The service information describes procedures for detailed inspections of the affected U-joints for cracking, and replacement if necessary. These documents are distinct since they apply to different airplane models. 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 these same type designs.

Costs of Compliance

We estimate that this proposed AD affects 62 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
Inspection	1 work-hour × $85 per hour = $85 per inspection cycle.	$0	$85 per inspection cycle	$5,270 per inspection cycle.

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

ON-CONDITION COSTS

Action	Labor cost	Parts cost	Cost per product
Replacement	8 work-hours × $85 per hour = $680	$14,083	$14,763

According to the manufacturer, some of the costs of this proposed AD may be covered under warranty, thereby reducing the cost impact on affected individuals. We do not control warranty coverage for affected individuals. As a result, we have included all costs in our cost estimate.

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.

This proposed AD is issued in accordance with authority delegated by the Executive Director, Aircraft Certification Service, as authorized by FAA Order 8000.51C. In accordance with that order, issuance of ADs is normally a function of the Compliance and Airworthiness Division, but during this transition period, the Executive Director has delegated the authority to issue ADs applicable to transport category airplanes to the Director of the System Oversight Division.

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):

ATR–GIE Avions de Transport Régional: Docket No. FAA–2018–0167; Product Identifier 2017–NM–131–AD.

(a) Comments Due Date

We must receive comments by May 14, 2018.

(b) Affected ADs

None.

(c) Applicability

This AD applies to ATR–GIE Avions de Transport Régional Model ATR42–200, –300, –320, and –500 airplanes; and Model ATR72–101, –102, –201, –202, –211, –212, and –212A airplanes, certificated in any category, all manufacturer serial numbers.

(d) Subject

Air Transport Association (ATA) of America Code 32, Landing gear.

(e) Reason

This AD was prompted by reports of cracking in certain main landing gear (MLG) universal joints (U-joints). We are issuing this AD to detect and correct cracking in MLG U-joints, which could lead to MLG structural failure and subsequent collapse of the MLG, possibly resulting in damage to the airplane and injury to the occupants.

(f) Compliance

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

(g) Definitions

(1) For the purposes of this AD, an affected U-joint is any U-joint identified by part number (P/N) and serial number in the applicable service bulletin specified in paragraph (g)(1)(i), (g)(1)(ii), or (g)(1)(iii) of this AD.

(i) For Model ATR42–200, –300, and –320 airplanes: Safran Landing Systems Service Bulletin 631–32–249, Revision 1, dated June 26, 2017.

(ii) For Model ATR42–500 airplanes: Safran Landing Systems Service Bulletin 631–32–250, Revision 1, dated June 26, 2017.

(iii) For Model ATR72–101, –102, –201, –202, –211, –212, and –212A airplanes: Safran Landing Systems Service Bulletin 631–32–251, Revision 1, dated June 26, 2017.

(2) For the purposes of this AD, a serviceable part is an affected U-joint, as defined in paragraph (g)(1) of this AD, released to service by Safran Landing Systems, free of defect, with the letter ''V'' added on the part (on the identification plate, or in the vicinity of the P/N marking); or a new (never installed) U-joint; or a U-joint repaired as specified in the applicable component maintenance manual (CMM) identified in paragraph (g)(2)(i), (g)(2)(ii), or (g)(2)(iii).

(i) For Model ATR42–200, –300, and –320 airplanes: Safran Landing Systems CMM 32–18–28, Rev. 10 or Safran Landing Systems CMM 32–18–30, Rev. 8, both dated June 2, 2017.

(ii) For Model ATR42–500 airplanes: Safran Landing Systems CMM 32–18–45, Rev. 5 or Safran Landing Systems CMM 32–18–63, Rev. 6, both dated June 2, 2017.

(iii) For Model ATR72–101, –102, –201, –202, –211, –212, and –212A airplanes: Safran Landing Systems CMM 32–18–34, Rev. 9, dated June 2, 2017.

(h) Repetitive Inspections

Within 3 months or 500 flight cycles (FC), whichever occurs first, after the effective date of this AD, and thereafter at intervals not to exceed 500 FC: Do a detailed inspection for damage or cracking of each affected U-joint, as identified in paragraph (g)(1) of this AD, in accordance with the Accomplishment Instructions of the applicable service bulletin specified in paragraphs (g)(1)(i), (g)(1)(ii), or (g)(1)(iii) of this AD.

(i) Corrective Action

If, during any inspection required by paragraph (h) of this AD, any damaged or cracked U-joint is found, before further flight: Replace the U-joint of the affected MLG with a serviceable part, as defined in paragraph (g)(2) of this AD, in accordance with the Accomplishment Instructions of the applicable service bulletin specified in paragraph (g)(1)(i), (g)(1)(ii), or (g)(1)(iii) of this AD.

(j) Terminating Action

Replacement on an airplane of all affected U-joints, as identified in paragraph (g)(1) of this AD, with serviceable parts, as defined in paragraph (g)(2) of this AD, constitutes terminating action for the repetitive inspections required by paragraph (h) of this AD for that airplane.

(k) Parts Installation Limitation

As of the effective date of this AD, no person may install, on any airplane, an affected U-joint, as identified in paragraph (g)(1) of this AD, unless it is a serviceable part, as defined in paragraph (g)(2) of this AD.

(l) No Reporting Requirement

Although the Accomplishment Instructions of the service bulletins identified in paragraphs (g)(1)(i), (g)(1)(ii), and (g)(1)(iii) of this AD specify to submit certain information to the manufacturer, this AD does not include that requirement.

(m) Other FAA AD Provisions

The following provisions also apply to this AD:

(1) *Alternative Methods of Compliance (AMOCs):* The Manager, International Section, Transport Standards Branch, 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 International Section, send it to the attention of the person identified in paragraph (n)(2) of this AD. Information may be emailed to: *9-ANM-116-AMOC-REQUESTS@faa.gov.* 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.

(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, International Section, Transport Standards Branch, FAA; or the European Aviation Safety Agency (EASA); or ATR–GIE Avions de Transport Régional's EASA Design Organization Approval (DOA). If approved by the DOA, the approval must include the DOA-authorized signature.

(n) Related Information

(1) Refer to Mandatory Continuing Airworthiness Information (MCAI) EASA Airworthiness Directive 2017–0172, dated September 7, 2017, 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–2018–0167.

(2) For more information about this AD, contact Shahram Daneshmandi, Aerospace Engineer, International Section, Transport Standards Branch, FAA, 2200 South 216th St., Des Moines, WA 98198; telephone and fax 206–231–3220.

(3) For service information identified in this AD, contact Safran Landing Systems, Inovel Parc Sud-7, rue Général Valérie André, 78140 VELIZY–VILLACOUBLAY—FRANCE; phone: +33 (0) 1 46 29 81 00; internet: *www.safran-landing-systems.com.* You may view this service information at the FAA, Transport Standards Branch, 2200 South 216th St., Des Moines, WA. For information on the availability of this material at the FAA, call 206–231–3195.

Issued in Des Moines, Washington, on March 15, 2018.

Dionne Palermo,

Acting Director, System Oversight Division, Aircraft Certification Service.

[FR Doc. 2018–06270 Filed 3–28–18; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 71

[Docket No. FAA–2018–0137; Airspace Docket No. 18–ACE–2]

Proposed Amendment and Establishment of Class E Airspace; Columbus, NE

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This action proposes to amend Class E airspace designated as a surface area and remove the Notice to Airmen (NOTAM) part-time status, amend Class E airspace extending upward from 700 feet above the surface, and establish Class E airspace designated as an extension to the Class E surface area at Columbus Municipal Airport, Columbus, NE. The FAA is proposing this action at the request of Minneapolis Air Route Traffic Control Center (ARTCC) and as the result of an FAA airspace review. Additionally, the geographic coordinates of the airport would be updated to coincide with the FAA's aeronautical database. This action is necessary for the safety and management of instrument flight rules (IFR) operations at the airport.

DATES: Comments must be received on or before May 14, 2018.

ADDRESSES: Send comments on this proposal to the U.S. Department of Transportation, Docket Operations, 1200 New Jersey Avenue SE, West Building Ground Floor, Room W12–140, Washington, DC 20590; telephone (202) 366–9826, or (800) 647–5527. You must identify FAA Docket No. FAA–2018–0137; Airspace Docket No. 18–ACE–2 at the beginning of your comments. You may also submit comments through the internet at *http://www.regulations.gov.* You may review the public docket containing the proposal, any comments received, and any final disposition in person in the Dockets Office between 9:00 a.m. and 5:00 p.m., Monday through Friday, except federal holidays.

FAA Order 7400.11B, Airspace Designations and Reporting Points, and subsequent amendments can be viewed online at *http://www.faa.gov/air_traffic/publications/.* For further information, you can contact the Airspace Policy Group, Federal Aviation Administration, 800 Independence Avenue SW, Washington, DC 20591; telephone: (202) 267–8783. The Order is also available for inspection at the National Archives and Records

Administration (NARA). For information on the availability of FAA Order 7400.11B at NARA, call (202) 741–6030, or go to *https://www.archives.gov/federal-register/cfr/ibr-locations.html.*

FAA Order 7400.11, Airspace Designations and Reporting Points, is published yearly and effective on September 15.

FOR FURTHER INFORMATION CONTACT: Jeffrey Claypool, Federal Aviation Administration, Operations Support Group, Central Service Center, 10101 Hillwood Parkway, Fort Worth, TX 76177; telephone (817) 222–5711.

SUPPLEMENTARY INFORMATION:

Authority for This Rulemaking

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

Comments Invited

Interested parties are invited to participate in this proposed rulemaking by submitting such written data, views, or arguments, as they may desire. Comments that provide the factual basis supporting the views and suggestions presented are particularly helpful in developing reasoned regulatory decisions on the proposal. Comments are specifically invited on the overall regulatory, aeronautical, economic, environmental, and energy-related aspects of the proposal. Communications should identify both docket numbers and be submitted in triplicate to the address listed above. Commenters wishing the FAA to acknowledge receipt of their comments on this notice must submit with those comments a self-addressed, stamped postcard on which the following statement is made: ''Comments to Docket No. FAA–2018–0137; Airspace Docket No. 18–ACE–2.'' The postcard will be date/time stamped and returned to the commenter.

All communications received before the specified closing date for comments will be considered before taking action on the proposed rule. The proposal contained in this notice may be changed in light of the comments received. A report summarizing each substantive public contact with FAA personnel concerned with this rulemaking will be filed in the docket.

Availability of NPRMs

An electronic copy of this document may be downloaded through the internet at *http://www.regulations.gov.* Recently published rulemaking documents can also be accessed through the FAA's web page at *http://www.faa.gov/air_traffic/publications/airspace_amendments/.*

You may review the public docket containing the proposal, any comments received, and any final disposition in person in the Dockets Office (see the **ADDRESSES** section for the address and phone number) between 9:00 a.m. and 5:00 p.m., Monday through Friday, except federal holidays. An informal docket may also be examined during normal business hours at the Federal Aviation Administration, Air Traffic Organization, Central Service Center, Operations Support Group, 10101 Hillwood Parkway, Fort Worth, TX 76177.

Availability and Summary of Documents for Incorporation by Reference

This document proposes to amend FAA Order 7400.11B, Airspace Designations and Reporting Points, dated August 3, 2017, and effective September 15, 2017. FAA Order 7400.11B is publicly available as listed in the **ADDRESSES** section of this document. FAA Order 7400.11B lists Class A, B, C, D, and E airspace areas, air traffic service routes, and reporting points.

The Proposal

The FAA is proposing an amendment to Title 14 Code of Federal Regulations (14 CFR) part 71 that would:

Amend the Class E airspace designated as a surface area within a 4.2-mile radius (reduced from a 4.7-mile radius) at Columbus Municipal Airport, Columbus, NE; remove the Columbus VOR/DME and the extensions to the southeast and northwest of the airport as they are no longer needed to define this boundary; remove the NOTAM part-time language from the airspace description; and update the geographic coordinates of the airport to coincide with the FAA's aeronautical database;

Establish Class E airspace designated as an extension to the Class E surface area at Columbus Municipal Airport within 2.4 miles each side of the Columbus VOR/DME 150° radial from the 4.2-mile radius of the airport to 7.0 miles southeast of the airport, and within 2.4 miles each side of the Columbus VOR/DME 309° radial from the 4.2-mile radius of the airport to 7.7 miles northwest of the airport; and

Amend Class E airspace extending upward from 700 feet above the surface to within a 6.7-mile radius (reduced from a 7.7-mile radius) of Columbus Municipal Airport; remove the Columbus Municipal ILS Localizer, Platte Center NDB, and the associated northwest extension; amend the extension to the southeast to within 2.4 miles (increased from 1.6 miles) each side of the Columbus VOR/DME 150° (previously 157°) radial from the 6.7-mile radius to 7.0 miles (decreased from 11 miles) southeast of the airport; add an extension 2.4 miles each side of the Columbus VOR/DME 309° radial extending from the 6.7-mile radius to 7.7 miles northeast of the airport; and update the geographic coordinates of the airport to coincide with the FAA's aeronautical database.

Airspace reconfiguration is necessary due to a request from Minneapolis ARTCC, to bring the airspace into compliance with FAA Order 7400.2L, Procedures for Handling Airspace, and to support the safety and management of IFR operations at this airport.

Class E airspace designations are published in paragraphs 6002, 6004, and 6005, respectively, of FAA Order 7400.11B, dated August 3, 2017, and effective September 15, 2017, which is incorporated by reference in 14 CFR 71.1. The Class E airspace designations listed in this document will be published subsequently in the Order.

Regulatory Notices and Analyses

The FAA has determined that this proposed regulation only involves an established body of technical regulations for which frequent and routine amendments are necessary to keep them operationally current, is non-controversial and unlikely to result in adverse or negative comments. It, therefore: (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); and (3) does not warrant preparation of a regulatory evaluation as the anticipated impact is so minimal. Since this is a routine matter that will only affect air traffic procedures and air navigation, it is certified that this proposed rule, when promulgated, would not have a significant economic impact on a substantial number of small

entities under the criteria of the Regulatory Flexibility Act.

Environmental Review

This proposal will be subject to an environmental analysis in accordance with FAA Order 1050.1F, ''Environmental Impacts: Policies and Procedures'' prior to any FAA final regulatory action.

List of Subjects in 14 CFR Part 71

Airspace, Incorporation by reference, Navigation (air).

The Proposed Amendment

Accordingly, pursuant to the authority delegated to me, the Federal Aviation Administration proposes to amend 14 CFR part 71 as follows:

PART 71—DESIGNATION OF CLASS A, B, C, D, AND E AIRSPACE AREAS; AIR TRAFFIC SERVICE ROUTES; AND REPORTING POINTS

■ 1. The authority citation for 14 CFR part 71 continues to read as follows:

Authority: 49 U.S.C. 106(f), 106(g); 40103, 40113, 40120; E.O. 10854, 24 FR 9565, 3 CFR, 1959–1963 Comp., p. 389.

§ 71.1 [Amended]

■ 2. The incorporation by reference in 14 CFR 71.1 of FAA Order 7400.11B, Airspace Designations and Reporting Points, dated August 3, 2017, and effective September 15, 2017, is amended as follows:

Paragraph 6002 Class E Airspace Areas Designated as Surface Areas.

* * * * *

ACE NE E2 Columbus, NE [Amended]

Columbus Municipal Airport, NE
(Lat. 41°26′55″ N, long. 97°20′34″ W)

Within a 4.7 mile radius of Columbus Municipal Airport.

Paragraph 6004. Class E Airspace Areas Designated as an Extension to a Class D or Class E Surface Area.

* * * * *

ACE MO E4 Columbus, NE [New]

Columbus Municipal Airport, NE
(Lat. 41°26′55″ N, long. 97°20′34″ W)
Columbus VOR/DME
(Lat. 41°27′00″ N, long. 97°20′27″ W)

That airspace extending upward from the surface within 2.4 miles each side of the Columbus VOR/DME 150° radial extending from the 4.2-mile radius of Columbus Municipal Airport to 7.0 miles southeast of the airport, and within 2.4 miles each side of the Columbus VOR/DME 309° radial extending from the 4.2-mile radius of Columbus Municipal Airport to 7.7 miles northwest of the airport.

Paragraph 6005 Class E Airspace Areas Extending Upward From 700 Feet or More Above the Surface of the Earth.

* * * * *

ACE NE E5 Columbus, NE [Amended]

Columbus Municipal Airport, NE
(Lat. 41°26′55″ N, long. 97°20′34″ W)
Columbus VOR/DME
(Lat. 41°27′00″ N, long. 97°20′27″ W)

That airspace extending upward from 700 feet above the surface within a 6.7-mile radius of Columbus Municipal Airport and within 2.4 miles each side of the Columbus VOR/DME 150° radial extending from the 6.7-mile radius to 7.0 miles southeast of the airport and within 2.4 miles each side of the Columbus VOR/DME 309°radial extending from the 6.7-mile radius to 7.7 miles northwest of the airport.

Issued in Fort Worth, Texas, on March 21, 2018.

Christopher L. Southerland,

Acting Manager, Operations Support Group, ATO Central Service Center.

[FR Doc. 2018–06246 Filed 3–28–18; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

21 CFR Chapter I

[Docket No. FDA–2018–N–1214]

Medical Gas Regulation; Public Workshop; Request for Comments

AGENCY: Food and Drug Administration, HHS.

ACTION: Request for comments; public workshop.

SUMMARY: The Food and Drug Administration (FDA, the Agency, or we) is announcing an additional public workshop on medical gas regulation entitled ''Medical Gas Regulation: Workshop III.'' FDA has previously held two public workshops entitled ''Medical Gas Regulation: Workshop I'' and ''Medical Gas Regulation: Workshop II.'' The topic to be discussed is potential areas of Federal drug regulation that should be revised with respect to medical gases.

DATES: The public workshop will be held on May 11, 2018, from 9 a.m. to 5 p.m. Submit either electronic or written comments on this public workshop by August 9, 2018. See the **SUPPLEMENTARY INFORMATION** section for registration date and information.

ADDRESSES: The public workshop will be held at FDA's White Oak Campus, 10903 New Hampshire Ave., Bldg. 31 Conference Center, Rm. 1503 (the ''Great Room''), Silver Spring, MD 20993–0002. Entrance for public workshop participants (non-FDA employees) is through Building 1 where routine security check procedures will be performed. For parking and security information, please refer to *https://www.fda.gov/AboutFDA/WorkingatFDA/BuildingsandFacilities/WhiteOakCampusInformation/ucm241740.htm.* The workshop is free and seating will be on a first-come, first-served basis. Attendees who do not wish to make an oral presentation do not need to register.

You may submit comments as follows. Please note that late, untimely filed comments may not be considered. For timely consideration, we request that electronic comments on workshop topics be submitted before or within 90 days after each workshop (*i.e.,* comments submitted by or before March 15, 2018, for Workshop I; May 10, 2018, for Workshop II; and August 9, 2018, for Workshop III). FDA has one shared docket for all workshops. However, with this notice, the docket number will change from FDA–2017–N–0001 to FDA–2018–N–1214. All comments submitted on the previous docket number will be transferred to the new docket number. The *https://www.regulations.gov* electronic filing system will accept comments until midnight Eastern Time at the end of August 9, 2018. Comments received by mail/hand delivery/courier (for written/paper submissions) will be considered timely if they are postmarked or the delivery service acceptance receipt is on or before the relevant date.

Electronic Submissions

Submit electronic comments in the following way:

- *Federal eRulemaking Portal: https://www.regulations.gov.* Follow the instructions for submitting comments. Comments submitted electronically, including attachments, to *https://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 *https://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):* Dockets Management Staff (HFA–305), Food and Drug Administration, 5630 Fishers Lane, Rm. 1061, Rockville, MD 20852.
- For written/paper comments submitted to the Dockets Management Staff, 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–2018–N–1214 for ''Medical Gas Regulation.'' Received comments, those filed in a timely manner (see **ADDRESSES**), will be placed in the docket and, except for those submitted as ''Confidential Submissions,'' publicly viewable at *https://www.regulations.gov* or at the Dockets Management Staff 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 *https://www.regulations.gov.* Submit both copies to the Dockets Management Staff. 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: *https://www.gpo.gov/fdsys/pkg/FR-2015-09-18/pdf/2015-23389.pdf.*

Docket: For access to the docket to read background documents or the electronic and written/paper comments received, go to *https://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 Dockets Management Staff, 5630 Fishers Lane, Rm. 1061, Rockville, MD 20852.

FOR FURTHER INFORMATION CONTACT: Christine Kirk, Center for Drug Evaluation and Research, Food and Drug Administration, 10903 New Hampshire Ave., Silver Spring, MD 20993–0002, 301–796–2465, Fax: 301–847–8440, email: *MedgasPublicWorkshops@fda.hhs.gov.*

SUPPLEMENTARY INFORMATION:

I. Background

On May 5, 2017, President Trump signed the Consolidated Appropriations Act of 2017 (Pub. L. 115–31). Section 756 of the Consolidated Appropriations Act requires FDA to issue final regulations revising Federal drug regulations with respect to medical gases. These public workshops are being held as part of FDA's implementation of the requirements of section 756.

Since the enactment of the Food and Drug Administration Safety and Innovation Act (FDASIA) (Pub. L. 112–144), FDA has engaged in multiple activities related to medical gases, including rulemaking. For example, in 2016, FDA issued the final rule ''Medical Gas Containers and Closures: Current Good Manufacturing Practice Requirements'' (81 FR 81685; November 18, 2016). Other activities include FDA's June 2017 revised draft guidance for industry on current good manufacturing practice for medical gases,[1] updated guidance for FDA inspectors regarding medical gases (March 2015),[2] an extensive review of Federal drug regulations related to medical gases from 2012 to 2014 (a report on the review was submitted to Congress in 2015),[3] and implementation of FDASIA's requirements regarding certification of medical gases (to date, over 70 certifications have been granted).

FDA intends to engage in additional rulemaking in this area in accordance with section 756 of the Consolidated Appropriations Act of 2017. To conduct rulemaking as efficiently as possible, FDA intends to build on the information and stakeholder input received since FDASIA's enactment. As noted in more detail below, FDA invites comments from stakeholders on specific medical gas issues that could or should be addressed in regulation.

II. Topics for Discussion at the Public Workshops

We are holding these workshops to provide an opportunity for medical gas manufacturers and any other interested members of the public to provide input on potential areas of Federal drug regulation that should be revised with respect to medical gases.

We are asking stakeholders to comment on existing medical gas issues that, in their view, should be addressed by regulation change (rather than through other means, such as revisions to guidance or inspection practices). Commenters should include concrete and specific reasons that rulemaking is preferable to other options. Commenters' views regarding the prioritization of particular rulemaking proposals would also be helpful. As noted above, the *https://www.regulations.gov* electronic filing system will accept comments until midnight Eastern Time at the end of August 9, 2018. Late comments may not be considered.

During Workshop I (December 2017), FDA and workshop participants discussed the anticipated scope of the medical gas rulemaking, as well as three regulations to which stakeholders have previously requested changes: Part 201 (21 CFR part 201) (labeling generally and labeling for medical air specifically), part 207 (21 CFR part 207) (registration and listing), and parts 210 and 211 (21 CFR parts 210 and 211) (current good manufacturing practice). A stakeholder presentation addressed parts 201, 210, and 211, among other things, including initial stakeholder views on the possibility of having one or more separate CFR sections for designated medical gases. FDA also heard comments on additional regulations and medical gas issues as time allowed.

During Workshop II (February 2018), FDA and workshop participants discussed parts 310, 314, and 514 (21 CFR parts 310, 314, and 514) (postmarket reporting of adverse drug experiences, including adverse reactions and medication errors) and the intersection of regulations for medical gases and regulations for medical devices and animal drugs. A stakeholder

[1] Available at: *https://www.fda.gov/downloads/Drugs/GuidanceComplianceRegulatoryInformation/Guidances/ucm070270.pdf.*

[2] Available at: *https://www.fda.gov/downloads/ICECI/ComplianceManuals/CompliancePrograManual/UCM125417.pdf.*

[3] Available at: *https://www.fda.gov/downloads/regulatoryinformation/lawsenforcedbyfda/significantamendmentstothefdcact/fdasia/ucm453727.pdf.*

presentation also addressed, among other things, followup information related to Workshop I topics, including part 207 (registration and listing) and parts 210 and 211 (current good manufacturing practice), including the possibility of one or more separate CFR sections for designated medical gases, as well as additional topics including the certification process for designated medical gases and issues related to the filling of oxygen containers by emergency medical service (EMS) providers and health care facilities. FDA also heard comments on additional regulations and medical gas issues as time allowed.

The Agency has determined that we will hold a third workshop to hear additional comments from stakeholders regarding the issues discussed at Workshops I and II, as well as any additional topics related to medical gas regulation that stakeholders may wish to discuss, as time allows. This workshop is primarily intended to build on the discussion from the previous workshops, as well as written comments submitted to the docket.

During Workshop III (May 11, 2018), FDA intends to provide designated panel time for followup discussion of several topics raised at previous workshops, and for an open panel to discuss any additional issues related to medical gas regulation that are of interest to FDA or other workshop participants. The topics for designated panel time include further consideration of potential changes to: Part 201 (labeling); parts 210 and 211 (current good manufacturing practice); part 207 (registration and listing); and parts 310, 314, and 514 (postmarket reporting of adverse drug experiences, including adverse reactions and medication errors); including the possibility of one or more separate CFR sections for designated medical gases. Potential topics for open panel time include, but are not limited to: The certification process for designated medical gases; issues related to the filling of oxygen containers by EMS providers and health care facilities; or other topics of interest to stakeholders.

III. Participating in the Public Workshop

Registration and Requests for Oral Presentations: If you wish to a make an oral presentation, you must register by submitting your name, title, firm name, address, telephone, email address, and Fax number to *MedgasPublicWorkshops@fda.hhs.gov* (see **FOR FURTHER INFORMATION CONTACT**) by May 4, 2018, for Workshop III. Please also indicate the type of organization you represent (*e.g.,* industry, consumer organization) and a brief summary of your remarks (including the discussion topic(s) that you would like to address).

FDA will try to accommodate all persons who wish to make a presentation; however, the duration of each speaker's presentation may be limited by time constraints. FDA will notify registered presenters of their scheduled presentation times. Persons registered to speak should check in before the workshop and are encouraged to arrive early to ensure their designated order of presentation. Participants who are not present when called may not be permitted to speak at a later time. An agenda will be made available at least 3 days before the workshop at *https://www.fda.gov/Drugs/NewsEvents/ucm582091.htm.* FDA may also post specific questions for consideration at the meeting web page; these will be made available at least 3 days before the workshop at *https://www.fda.gov/Drugs/NewsEvents/ucm582091.htm.*

Streaming Webcast of the Public Workshops: This public workshop will be webcast; the URL will be posted at *https://www.fda.gov/Drugs/NewsEvents/ucm582091.htm* at least 1 day before the workshop. A video record of the public workshops will be available at the same website address for 1 year. If you need special accommodations because of a disability, please contact *MedgasPublicWorkshops@fda.hhs.gov* (or see **FOR FURTHER INFORMATION CONTACT**) at least 7 days in advance of the workshop.

Dated: March 21, 2018.

Leslie Kux,

Associate Commissioner for Policy.

[FR Doc. 2018–06251 Filed 3–28–18; 8:45 am]

BILLING CODE 4164–01–P

DEPARTMENT OF JUSTICE

Bureau of Alcohol, Tobacco, Firearms, and Explosives

27 CFR Parts 447, 478, and 479

[Docket No. 2017R–22; AG Order No. 4132–2018]

RIN 1140–AA52

Bump-Stock-Type Devices

AGENCY: Bureau of Alcohol, Tobacco, Firearms, and Explosives (ATF), Department of Justice.

ACTION: Notice of proposed rulemaking.

SUMMARY: The Department of Justice (Department) proposes to amend the Bureau of Alcohol, Tobacco, Firearms, and Explosives regulations to clarify that ''bump fire'' stocks, slide-fire devices, and devices with certain similar characteristics (bump-stock-type devices) are ''machineguns'' as defined by the National Firearms Act of 1934 (NFA) and the Gun Control Act of 1968 (GCA), because such devices allow a shooter of a semiautomatic firearm to initiate a continuous firing cycle with a single pull of the trigger. Specifically, these devices convert an otherwise semiautomatic firearm into a machinegun by functioning as a self-acting or self-regulating mechanism that harnesses the recoil energy of the semiautomatic firearm in a manner that allows the trigger to reset and continue firing without additional physical manipulation of the trigger by the shooter. Hence, a semiautomatic firearm to which a bump-stock-type device is attached is able to produce automatic fire with a single pull of the trigger. With limited exceptions, primarily as to government agencies, the GCA makes it unlawful for any person to transfer or possess a machinegun unless it was lawfully possessed prior to the effective date of the statute. The bump-stock-type devices covered by this proposed rule were not in existence prior to the GCA's effective date, and therefore would fall within the prohibition on machineguns if this Notice of Proposed Rulemaking (NPRM) is implemented. Consequently, current possessors of these devices would be required to surrender them, destroy them, or otherwise render them permanently inoperable upon the effective date of the final rule.

DATES: Written comments must be postmarked and electronic comments must be submitted on or before June 27, 2018. Commenters should be aware that the electronic Federal Docket Management System will not accept comments after midnight Eastern Daylight Time on the last day of the comment period.

ADDRESSES: You may submit comments, identified by docket number ATF 2017R–22, by any of the following methods:

- *Federal eRulemaking Portal: http://www.regulations.gov.* Follow the directions for submitting comments.
- *Fax:* (202) 648–9741.
- *Mail:* Vivian Chu, Mailstop 6N–518, Office of Regulatory Affairs, Enforcement Programs and Services, Bureau of Alcohol, Tobacco, Firearms, and Explosives, 99 New York Ave. NE, Washington DC 20226. *ATTN: 2017R–22.*

Instructions: All submissions received must include the agency name and docket number for this notice of proposed rulemaking. All properly

completed comments received will be posted without change to the Federal eRulemaking portal, *http://www.regulations.gov,* including any personal information provided. For detailed instructions on submitting comments and additional information on the rulemaking process, see the ''Public Participation'' section of the **SUPPLEMENTARY INFORMATION** section of this document.

FOR FURTHER INFORMATION CONTACT: Vivian Chu, Office of Regulatory Affairs, Enforcement Programs Services, Bureau of Alcohol, Tobacco, Firearms, and Explosives, U.S. Department of Justice, 99 New York Ave. NE, Washington DC 20226; telephone: (202) 648–7070.

SUPPLEMENTARY INFORMATION: On October 1, 2017, a shooter attacked a large crowd attending an outdoor concert in Las Vegas, Nevada. By using several AR-type rifles with attached bump-stock-type devices, the shooter was able to fire several hundred rounds of ammunition in a short period of time, killing 58 people and injuring over 800. The bump-stock-type devices recovered from the hotel room from which the shooter conducted the attack included two distinct, but functionally equivalent, model variations from the same manufacturer. These devices were readily available in the commercial marketplace through online sales directly from the manufacturer, and through multiple retailers. The manufacturer of these devices is the primary manufacturer and seller of bump-stock-type devices; it has obtained multiple patents for its designs, and has rigorously enforced the patents to prevent competitors from infringing them. Consequently, at the time of the attack, very few competing bump-stock-type devices were available in the marketplace.

The devices used in Las Vegas and the other bump-stock-type devices currently available on the market all utilize essentially the same functional design. They are designed to be affixed to a semiautomatic long gun (most commonly an AR-type rifle or an AK-type rifle) in place of a standard, stationary rifle stock, for the express purpose of allowing ''rapid fire'' operation of the semiautomatic firearm to which they are affixed. They are configured with a sliding shoulder stock molded (or otherwise attached) to a pistol-grip/handle (or ''chassis'') that includes an extension ledge (or ''finger rest'') on which the shooter places the trigger finger while shooting the firearm. The devices also generally include a detachable rectangular receiver module (or ''bearing interface'') that is placed in the receiver well of the device's pistol-grip/handle to assist in guiding and regulating the recoil of the firearm when fired.

These bump-stock-type devices are generally designed to operate with the shooter shouldering the stock of the device (in essentially the same manner a shooter would use an unmodified semiautomatic shoulder stock), maintaining constant forward pressure with the non-trigger hand on the barrel-shroud or fore-grip of the rifle, and maintaining the trigger finger on the device's extension ledge with constant rearward pressure. The device itself then harnesses the recoil energy of the firearm, providing the primary impetus for automatic fire.

In general, bump-stock-type devices—including those currently on the market with the characteristics described above—are designed to channel recoil energy to increase the rate of fire of semiautomatic firearms from a single trigger pull. Specifically, they are designed to allow the shooter to maintain a continuous firing cycle after a single pull of the trigger by directing the recoil energy of the discharged rounds into the space created by the sliding stock (approximately 1.5 inches) in constrained linear rearward and forward paths. Ordinarily, to operate a semiautomatic firearm, the shooter must repeatedly pull and release the trigger to allow it to reset, so that only one shot is fired with each pull of the trigger. When a bump-stock-type device is affixed to a semiautomatic firearm, however, the device harnesses the recoil energy to slide the firearm back and forth so that the trigger automatically re-engages by ''bumping'' the shooter's stationary trigger finger without additional physical manipulation of the trigger by the shooter. The bump-stock-type device functions as a self-acting and self-regulating force that channels the firearm's recoil energy in a continuous back-and-forth cycle that allows the shooter to attain continuous firing after a single pull of the trigger so long as the trigger finger remains stationary on the device's extension ledge (as designed). No further physical manipulation of the trigger by the shooter is required.

In 2006, ATF concluded that certain bump-stock-type devices qualified as machineguns under the GCA and NFA. Specifically, ATF concluded that devices attached to semiautomatic firearms that use an internal spring to harness the force of the recoil so that the firearm shoots more than one shot with a single pull of the trigger are machineguns. Between 2008 and 2017, however, ATF also issued classification decisions concluding that other bump-stock-type devices were not machineguns, including a device submitted by the manufacturer of the bump-stock-type devices used in the Las Vegas shooting. Those decisions did not include extensive legal analysis relating to the definition of ''machinegun.'' Nonetheless, they indicated that semiautomatic firearms modified with these bump-stock-type devices did not fire ''automatically,'' and were thus not ''machineguns,'' because the devices did not rely on internal springs or similar mechanical parts to channel recoil energy. ATF has now determined that that conclusion does not reflect the best interpretation of the term ''machinegun'' under the GCA and NFA. In this proposed rule, the Department accordingly interprets the definition of ''machinegun'' to clarify that all bump-stock-type devices are ''machineguns'' under the GCA and NFA because they convert a semiautomatic firearm into a firearm that shoots automatically more than one shot, without manual reloading, by a single function of the trigger.

I. Background

The Attorney General is responsible for enforcing the GCA, as amended, and the NFA, as amended.[1] This includes the authority to promulgate regulations necessary to enforce the provisions of the GCA and NFA. *See* 18 U.S.C. 926(a); 26 U.S.C. 7801(a)(2)(ii), 7805(a). The Attorney General has delegated the responsibility for administering and enforcing the GCA and NFA to the Director of ATF, subject to the direction of the Attorney General and the Deputy Attorney General. *See* 28 CFR 0.130(a)(1)–(2). The Department and ATF have promulgated regulations implementing both the GCA and the NFA. *See* 27 CFR pts. 478, 479. In particular, while still part of the Department of the Treasury, ATF for decades promulgated rules governing ''the procedural and substantive requirements relative to the importation, manufacture, making, exportation, identification and registration of, and the dealing in, machine guns.'' 27 CFR 479.1; *see, e.g., United States* v. *Dodson,* 519 F. App'x 344, 348–49 & n.4 (6th Cir. 2013) (acknowledging ATF's role in interpreting the NFA's definition of

[1] NFA provisions still refer to the ''Secretary of the Treasury.'' 26 U.S.C. ch. 53. However, the Homeland Security Act of 2002, Pub. L. 107–296, 116 Stat. 2135 (2002), transferred the functions of ATF from the Department of the Treasury to the Department of Justice, under the general authority of the Attorney General. 26 U.S.C. 7801(a)(2); 28 U.S.C. 599A(c)(1). Thus, for ease of reference, this notice refers to the Attorney General.

''machinegun''); *F.J. Vollmer Co.* v. *Higgins,* 23 F.3d 448, 449–51 (D.C. Cir. 1994) (upholding an ATF determination regarding machinegun receivers). Courts have recognized ATF's leading regulatory role with respect to firearms, including in the specific context of classifying devices as machineguns under the NFA. *See, e.g., York* v. *Sec'y of Treasury,* 774 F.2d 417, 419–20 (10th Cir. 1985).

The GCA defines ''machinegun'' by referring to the NFA definition,[2] which includes ''any weapon which shoots, is designed to shoot, or can be readily restored to shoot, automatically more than one shot, without manual reloading, by a single function of the trigger.'' 26 U.S.C. 5845(b). The term ''machinegun'' also includes the frame or receiver of any such weapon or any part, or combination of parts, designed and intended for use in converting a weapon into a machinegun, and ''any combination of parts from which a machinegun can be assembled if such parts are in the possession or under the control of a person.'' *Id.* With limited exceptions, the GCA prohibits the transfer or possession of machineguns under 18 U.S.C. 922(o).[3]

In 1986, Congress passed the Firearm Owners' Protection Act (FOPA), Pub. L. 99–308, 100 Stat. 449, which included a provision that effectively froze the number of legally transferrable machineguns to those that were registered before May 19, 1986. 18 U.S.C. 922(o). Due to the fixed universe of ''pre-1986'' machineguns that may be lawfully transferred by nongovernmental entities, the value of those machineguns has steadily increased over time. For example, the current average price range for pre-1986 fully automatic versions of AR-type rifles is between $20,000 and $30,000, while the price range for semiautomatic versions of these rifles is between $600 and $2,500.[4]

This price premium on automatic weapons has spurred inventors and manufacturers to attempt to develop firearms, triggers, and other devices that permit shooters to use semiautomatic rifles to replicate automatic fire without converting these rifles into ''machineguns'' under the GCA and NFA. ATF began receiving classification requests for such firearms, triggers, and other devices in the period from 1988 to 1990. ATF has observed a significant increase in such requests since 2004, often in connection with rifle models that were, until 2004, defined as ''semiautomatic assault weapons'' and prohibited under the Public Safety and Recreational Firearms Use Protection Act, 18 U.S.C. 921(a)(30) (commonly known as the Federal Assault Weapons Ban) (repealed effective Sept. 13, 2004). Consistent with ATF's experience, the inventor and manufacturer of the bump-stock-type devices used in the Las Vegas shooting has attributed his innovation of those products specifically to the high cost of fully automatic firearms. In a 2011 interview, he stated that he developed the original device because he ''couldn't afford what [he] wanted—a fully automatic rifle—so . . . [he made] something that would work and be affordable.'' [5]

II. ATF's Determinations Regarding Bump-Stock-Type Devices

Shooters use bump-stock-type devices with semiautomatic firearms to accelerate the firearm's cyclic firing rate to mimic automatic fire. Such devices are designed principally to increase the rate of fire of semiautomatic firearms. These devices replace a rifle's standard stock and free the weapon to slide back and forth rapidly, harnessing the energy from the firearm's recoil either through a mechanism like an internal spring or in conjunction with the shooter's maintenance of pressure (typically constant forward pressure with the non-trigger hand on the barrel-shroud or fore-grip of the rifle, and constant rearward pressure on the device's extension ledge with the shooter's trigger finger).

As noted above, ATF has regulated some of these devices as machineguns. Other bump-stock-type devices currently on the market, however, have not been regulated by ATF as machineguns under the GCA or NFA, and thus have not typically been marked with a serial number and other identification markings. Individuals therefore may purchase these devices without undergoing a background check or complying with any other federal regulations applicable to firearms.

A. ATF's Interpretation of ''Single Function of the Trigger''

In 2002, an inventor submitted a device known as the ''Akins Accelerator'' to ATF for classification. To operate the Akins Accelerator, the shooter initiated an automatic firing sequence by pulling the trigger one time, which in turn caused the rifle to recoil within the stock, permitting the trigger to lose contact with the finger and manually reset. Springs in the Akins Accelerator then forced the rifle forward, forcing the trigger against the finger, which caused the weapon to discharge the ammunition. The recoil and the spring-powered device thus caused the firearm to cycle back and forth, impacting the trigger finger, which remained rearward in a constant pull without further input by the shooter while the firearm discharged multiple shots. The device was advertised as able to fire approximately 650 rounds per minute. *See* ATF Ruling 2006–2, at 2.

ATF's classification of the Akins Accelerator focused on application of the ''single function of the trigger'' prong of the statutory definition of ''machinegun.'' In an initial assessment of the Akins Accelerator, ATF concluded that the device did not qualify as a machinegun because ATF interpreted ''single function of the trigger'' to mean a single *movement* of the trigger itself. In 2006, however, ATF undertook a further review of the Akins Accelerator based on how it actually functioned when sold. ATF determined that the Akins Accelerator was properly classified as a machinegun because the best interpretation of the phrase ''single function of the trigger'' was a ''single pull of the trigger.'' [6] The Akins Accelerator thus qualified as a machinegun because ATF determined through testing that when the device was installed on a semiautomatic rifle (specifically a Ruger Model 10–22), it resulted in a weapon that ''[with] a single pull of the trigger initiates an automatic firing cycle that continues until the finger is released, the weapon malfunctions, or the ammunition supply is exhausted.'' *Akins* v. *United States,* No. 8:08–cv–988, slip op. at 5 (M.D. Fla. Sept. 23, 2008) (internal quotation marks omitted).

[2] 18 U.S.C. 921(a)(23).

[3] Regulations implementing the GCA and the NFA spell the term ''machine gun'' rather than ''machinegun.'' *E.g.,* 27 CFR 478.11, 479.11. For convenience, this notice uses ''machinegun'' except when quoting a source to the contrary.

[4] These figures are based on a review of prices posted on websites maintained by federal firearms licensees on March 1, 2018.

[5] Donnie A. Lucas, *Firing Up Some Simple Solutions,* Albany News (Dec. 22, 2011), *http://www.thealbanynews.net/archives/2443.*

[6] In classifying the Akins Accelerator, ATF used the term ''pull'' specifically because that was the manner in which the firearm's trigger was activated with the device. For purposes of analyzing firearms and devices designed for use on firearms, however, the term ''pull'' is interchangeable with terminology describing all trigger activations, including a push or a flip of a switch. *See, e.g., United States* v. *Fleischli,* 305 F.3d 643, 655–56 (7th Cir. 2002) (finding that a ''trigger is a mechanism used to initiate a firing sequence,'' and rejecting the argument that a ''switch'' could not be a trigger, because such a definition would ''lead to the absurd result of enabling persons to avoid the NFA simply by using weapons that employ a button or switch mechanism for firing'' (internal quotation marks omitted)).

In conjunction with its reclassification of the Akins Accelerator, ATF published ATF Ruling 2006–2, ''Classification of Devices Exclusively Designed to Increase the Rate of Fire of a Semiautomatic Firearm.'' The Ruling explained that ATF had received requests from ''several members of the firearms industry to classify devices that are exclusively designed to increase the rate of fire of a semiautomatic firearm.'' ATF Ruling 2006–2, at 1. After setting forth a detailed description of the components and functionality of the Akins Accelerator and devices with similar designs, ATF Ruling 2006–2 determined that the phrase ''single function of the trigger'' in the statutory definition of ''machinegun'' was best interpreted to mean a ''single pull of the trigger.'' *Id.* at 2 (citing *National Firearms Act: Hearings Before the Comm. on Ways and Means, House of Representatives, Second Session on H.R. 9066,* 73rd Cong., at 40 (1934)). ATF further indicated that it would apply this interpretation to its classification of devices designed to increase the rate of fire of semiautomatic firearms. Thus, ATF concluded in Ruling 2006–2 that devices exclusively designed to increase the rate of fire of semiautomatic firearms are machineguns if, ''when activated by a single pull of the trigger, [such devices] initiate[] an automatic firing cycle that continues until either the finger is released or the ammunition supply is exhausted.'' *Id.* at 3. Finally, because the ''single pull of the trigger'' interpretation constituted a change from ATF's prior interpretations of the phrase ''single function of the trigger,'' Ruling 2006–2 concluded that ''[t]o the extent previous ATF rulings are inconsistent with this determination, they are hereby overruled.'' *Id.*

Following its reclassification of the Akins Accelerator as a machinegun, ATF determined that removal and disposal of the internal spring would render the device a non-machinegun under the statutory definition. Hence, ATF advised individuals who had purchased the Akins Accelerator that they had the option of removing and disposing of the internal spring, thereby placing the device outside the classification of machinegun and allowing the purchaser/possessor to retain the device in lieu of destroying or surrendering the device.

The inventor of the Akins Accelerator filed a complaint against the United States in May 2008, challenging the classification of the device as a machinegun as arbitrary and capricious under the Administrative Procedure Act. *Akins* v. *United States,* No. 8:08–cv–988, slip op. at 7–8 (M.D. Fla. Sept. 23, 2008). The United States District Court for the Middle District of Florida rejected the plaintiff's challenge, holding that ATF was within its authority to reconsider and change its interpretation of the phrase ''single function of the trigger'' in the NFA's statutory definition of machinegun. *Id.* at 14. The court further held that the language of the statute and the legislative history supported ATF's interpretation of the statutory phrase ''single function of the trigger'' as synonymous with a ''single pull of the trigger.'' *Id.* at 11–12. The court concluded that in Ruling 2006–2, ATF had set forth a '''reasoned analysis''' for the application of that new interpretation to the Akins Accelerator and similar devices, including the need to ''protect the public from dangerous firearms.'' *Id.* at 12.

The United States Court of Appeals for the Eleventh Circuit affirmed the district court's decision, holding that ''[t]he interpretation by the Bureau that the phrase 'single function of the trigger' means a 'single pull of the trigger' is consonant with the statute and its legislative history.'' *Akins* v. *United States,* 312 F. App'x 197, 200 (11th Cir. 2009) (per curiam). The Eleventh Circuit further concluded that ''[b]ased on the operation of the Accelerator, the Bureau had the authority to 'reconsider and rectify' what it considered to be a classification error.'' *Id.*

In ten letter rulings between 2008 and 2017, ATF assessed other bump-stock-type devices. Like the Akins Accelerator, these other bump-stock-type devices allowed the shooter to fire more than one shot with a single pull of the trigger. As discussed below, however, ATF ultimately concluded that these devices did not qualify as machineguns because, in ATF's view, they did not ''automatically'' shoot more than one shot with a single pull of the trigger. ATF has also applied the ''single pull of the trigger'' interpretation to other trigger actuators, two-stage triggers, and other devices submitted to ATF for classification. Depending on the method of operation, some such devices were classified to be machineguns that were required to be registered in the National Firearms Registration and Transfer Record.[7]

[7] Examples of recent ATF classification letters relying on the ''single pull of the trigger'' interpretation to classify submitted devices as machineguns include the following:

On April 13, 2015, ATF issued a classification letter regarding a device characterized as a ''positive reset trigger,'' designed to be used on a semiautomatic AR-style rifle. The device consisted of a support/stock, secondary trigger, secondary trigger link, pivot toggle, shuttle link, and shuttle. ATF determined that, after a single pull of the trigger, the device utilized recoil energy generated from firing a projectile to fire a subsequent projectile. ATF noted that ''a 'single function of the trigger' is a single pull,'' and that the device utilized a ''single function of the trigger'' because the shooter need not release the trigger to fire a subsequent projectile, and instead ''can maintain constant pressure through a single function of the trigger.''

On October 7, 2016, ATF issued a classification letter regarding two devices described as ''LV–15 Trigger Reset Devices.'' The devices, which were designed to be used on an AR-type rifle, were essentially identical in design and function and were submitted by the same requestor (per the requestor, the second device included ''small improvements that have come as the result of further development since the original submission''). The devices were each powered by a rechargeable battery and included the following components: a self-contained trigger mechanism with an electrical connection, a modified two-position semiautomatic AR–15 type selector lever, a rechargeable battery pack, a grip assembly/trigger guard with electrical connections, and a piston that projects forward through the lower rear portion of the trigger guard and pushes the trigger forward as the firearm cycles. ATF held that ''to initiate the firing . . . a shooter must simply pull the trigger.'' It explained that although the mechanism pushed the trigger forward, ''the shooter never releases the trigger. Consistent with [the requestor's] explanation, ATF demonstrated that the device fired multiple projectiles with a ''single function of the trigger'' because a single pull was all that was required to initiate and maintain a firing sequence.

B. ATF's Interpretation of ''Automatically''

Prior ATF rulings concerning bump-stock-type devices have not provided substantial legal analysis regarding the meaning of the term ''automatically'' as it is used in the GCA and NFA. Moreover, ATF's prior rulings concerning such devices have applied different understandings of the term ''automatically.'' ATF Ruling 2006–2 concluded that devices like the Akins Accelerator initiated an ''automatic'' firing cycle because, once initiated by a single pull of the trigger, ''the automatic firing cycle continues until the finger is released or the ammunition supply is exhausted.'' ATF Ruling 2006–2, at 1. ATF letter rulings between 2008 and 2017, however, concluded that bump-stock-type devices that enable a semiautomatic firearm to shoot more than one shot with a single function of the trigger by harnessing a combination of the recoil and the maintenance of pressure by the shooter do not fire ''automatically.'' Some of these rulings concluded that such devices were not machineguns because they did not ''initiate[] an automatic firing cycle that continues until either the finger is released or the ammunition supply is exhausted,'' without further defining the term ''automatically.'' *E.g.,* Letter for Michael Smith from ATF's Firearm Technology Branch Chief (April 2, 2012). Other rulings instead concluded

that these bump-stock-type devices were not machineguns because they lacked any ''automatically functioning mechanical parts or springs and perform[ed] no mechanical function[s] when installed,'' again without further defining the term ''automatically'' in this context. *E.g.,* Letter for David Compton from ATF's Firearm Technology Branch Chief (June 7, 2010).

III. Las Vegas Mass Shooting and Requests To Regulate Bump-Stock-Type Devices

Following the mass shooting in Las Vegas on October 1, 2017, ATF has received correspondence from members of the United States Senate and the United States House of Representatives, as well as nongovernmental organizations, requesting that ATF examine its past classifications and determine whether bump-stock-type devices currently on the market constitute machineguns under the statutory definition.

In response, on December 26, 2017, as an initial step in the process of promulgating a federal regulation interpreting the definition of ''machinegun'' with respect to bump-stock-type devices, ATF published an Advance Notice of Proposed Rulemaking (ANPRM) in the **Federal Register**. Application of the Definition of Machinegun to ''Bump Fire'' Stocks and Other Similar Devices, 82 FR 60929. The ANPRM was limited to soliciting comments concerning the market for bump-stock-type devices and manufacturer and retailer data. *Id.* at 60930–31. Public comment on the ANPRM concluded on January 25, 2018. While ATF received over 115,000 comments, the vast majority of these comments were not responsive to the ANPRM.

On February 20, 2018, President Trump issued a memorandum to Attorney General Sessions concerning ''bump fire'' stocks and similar devices. 83 FR 7949. The memorandum noted that the Department of Justice had already ''started the process of promulgating a Federal regulation interpreting the definition of 'machinegun' under Federal law to clarify whether certain bump stock type devices should be illegal.'' *Id.* at 7949. The President then directed the Department of Justice, working within established legal protocols, ''to dedicate all available resources to complete the review of the comments received [in response to the ANPRM], and, as expeditiously as possible, to propose for notice and comment a rule banning all devices that turn legal weapons into machineguns.'' *Id.* Publication of this NPRM is the next step in the process of promulgating such a rule.

Consistent with its authority to '''reconsider and rectify''' potential classification errors, *Akins,* 312 F. App'x at 200, ATF has reviewed its original classification determinations for bump-stock-type devices from 2008 to 2017 in light of its interpretation of the relevant statutory language, namely the definition of ''machinegun.'' These bump-stock-type devices are generally designed to operate with the shooter shouldering the stock of the device (in essentially the same manner a shooter would use an unmodified semiautomatic shoulder stock), maintaining constant forward pressure with the non-trigger hand on the barrel-shroud or fore-grip of the rifle, and maintaining the trigger finger on the device's extension ledge with constant rearward pressure. The device itself then harnesses the recoil energy of the firearm, providing the primary impetus for automatic fire.

ATF has now determined, based on its interpretation of the relevant statutory language, that these bump-stock-type devices, which harness recoil energy in conjunction with the shooter's maintenance of pressure, turn legal semiautomatic firearms into machineguns. Specifically, ATF has determined that these devices initiate an ''automatic[]'' firing cycle sequence ''by a single function of the trigger'' because the device is the primary impetus for a firing sequence that fires more than one shot with a single pull of the trigger. 26 U.S.C. 5845(b). ATF's classifications of bump-stock-devices between 2008 and 2017 did not include extensive legal analysis of these terms in concluding that the bump-stock-type devices at issue were not ''machineguns.'' The statutory definition of machinegun includes bump-stock-type devices—irrespective of whether the devices harness recoil energy using a mechanism like an internal spring or in conjunction with the shooter's maintenance of pressure—because these devices enable a semiautomatic firearm to fire ''automatically more than one shot, without manual reloading, by a single function of the trigger.'' *Id.* This proposed rule is the appropriate mechanism for ATF to set forth its analysis for its changed assessment. *See Motor Vehicle Mfrs. Ass'n* v. *State Farm Mut. Auto Ins. Co.,* 463 U.S. 29, 57 (1983).

IV. Advance Notice of Proposed Rulemaking

Based on ATF's initial review of the comments it received on the ANPRM, the vast majority of comments concern the legal authority to regulate bump-stock-type devices. Some of those comments opined that the Department has the power to regulate bump-stock-type devices. Most, however, contended that the Department lacks such authority, either because only Congress has the authority to regulate bump-stock-type devices or because the Second Amendment of the U.S. Constitution precludes any federal regulation of such devices.

The Department disagrees. Congress has granted the Attorney General authority to issue rules to administer the GCA and NFA, and the Attorney General has delegated to ATF the authority to administer and enforce those statutes and implementing regulations. *See supra* Part I. Because, with some exceptions, the possession of a machinegun is prohibited by the GCA, the Department is well within its authority to issue a rule that further clarifies and interprets the statutory definition of machinegun. Nor is regulation of bump-stock-type devices as machineguns inconsistent with the Second Amendment. The Supreme Court in *District of Columbia* v. *Heller,* 554 U.S. 570 (2008), noted that the Second Amendment does not extend to '''dangerous and unusual weapons''' not in '''common use.''' *Id.* at 627. *Heller* further observed that it would be ''startling'' to conclude ''that the National Firearms Act's restrictions on machineguns . . . might be unconstitutional.'' *Id.* at 624. Since *Heller,* federal courts of appeals have repeatedly held that federal statutes prohibiting machineguns comport with the Second Amendment. *See, e.g., Hollis* v. *Lynch,* 827 F.3d 436, 451 (5th Cir. 2016) (upholding federal statute banning possession of machineguns because they are ''dangerous and unusual and therefore not in common use''); *accord United States* v. *Henry,* 688 F.3d 637, 640 (9th Cir. 2012); *United States* v. *Marzzarella,* 614 F.3d 85, 94–95 (3d Cir. 2010); *Hamblen* v. *United States,* 591 F.3d 471, 472, 474 (6th Cir. 2009); *United States* v. *Fincher,* 538 F.3d 868, 874 (8th Cir. 2008). No court has interpreted *Heller* as encompassing a constitutional right to possess machineguns or machinegun conversion devices.

Numerous persons commented that bump-stock-type devices do not fall under the statutory definition of ''machinegun because, when attached, they do not change the mechanical functioning of a semiautomatic firearm, and still require a separate trigger pull for each fired round.'' They noted that bump firing is a technique, and pointed to many other ways in which a shooter

can increase a firearm's rate of fire without using a bump-stock-type device.

The Department disagrees. The relevant statutory question is whether a particular device causes a firearm to ''shoot * * * automatically more than one shot, without manual reloading, by a single function of the trigger.'' 26 U.S.C. 5845(b). Bump firing and other techniques for increasing the rate of fire do not satisfy this definition because they do not produce an automatic firing sequence with a single pull of the trigger. Instead, bump firing without an assistive device requires the shooter to exert pressure with the trigger finger to re-engage the trigger for each round fired. The bump-stock-type devices described above, however, satisfy the definition. ATF's classification decisions between 2008 and 2017 did not reflect the best interpretation of the term ''automatically'' as used in the definition of ''machinegun,'' because those decisions focused on the lack of mechanical parts like internal springs in the bump-stock-type devices at issue. The bump-stock-type devices at issue in those rulings, however, utilized the recoil of the firearm itself to maintain an automatic firing sequence initiated by a single pull of the trigger. As with the Akins Accelerator, the bump-stock-type devices at issue cause the trigger to ''bump'' into the finger, so that the shooter need not pull the trigger repeatedly to expel ammunition. As stated above, ATF previously focused on the trigger itself to interpret ''single function of the trigger,'' but adopted a better legal and practical interpretation of ''function'' to encompass the shooter's activation of the trigger by, as in the case of the Akins Accelerator and other bump-stock-type devices, a single pull that causes the weapon to shoot until the ammunition is exhausted or the pressure on the trigger is removed. Because these bump-stock-type devices allow multiple rounds to be fired when the shooter maintains pressure on the extension ledge of the device, ATF has determined that bump-stock-type devices are machinegun conversion devices, and therefore qualify as machineguns under the GCA and the NFA. *See infra* Part V.

Commenters also argued that banning bump-stock-type devices will not significantly impact public safety. Again, the Department disagrees. The shooting in Las Vegas on October 1, 2017, highlighted the destructive capacity of firearms equipped with bump-stock-type devices and the carnage they can inflict. The shooting also made many individuals aware that these devices exist—potentially including persons with criminal or terrorist intentions—and made their potential to threaten public safety obvious. The proposed regulation aims to ameliorate that threat.

Some commenters objected to any regulation of bump-stock-type devices because, they argued, it will decrease innovation in the firearms accessories market and result in the loss of manufacturing and associated jobs. They suggested that the Federal Government should prevent the misuse of firearms through other means, such as by enforcing existing firearms laws, preventing mentally ill persons from acquiring weapons, and enacting more stringent criminal penalties for those who commit crimes with bump-stock-type devices. However, an important step in the enforcement of existing firearms laws is ensuring that ATF's regulations correctly interpret those laws.

This proposed rulemaking will have an economic impact, see *infra* Part VI, but the impact will not be widespread, and the costs associated with this rule are easily exceeded by the benefits it will provide for public safety. The Department also disagrees that the proposed rulemaking will decrease innovation in the firearms accessories market. The fact that more than 65,000 industry professionals from the United States and foreign countries attend the annual Shooting, Hunting and Outdoor Trade (SHOT) Show, where many new and improved firearms accessories are introduced, is a clear market signal that there is strong demand for innovation and development of new shooting accessories irrespective of whether the bump-stock-type devices described in this rulemaking are prohibited.

V. Proposed Rule

The regulations in 27 CFR part 479 contain the procedural and substantive requirements relative to the importation, manufacturing, making, exportation, identification and registration of, and dealing in machineguns, destructive devices, and certain other firearms and weapons under the NFA. Currently, the regulatory definition of ''machine gun'' in 27 CFR 479.11 matches the statutory definition of ''machinegun'' in the NFA quoted in Part I, above. The definition includes the terms ''single function of the trigger'' and ''automatically,'' but those terms are not expressly defined in the statutory text. Those terms are best interpreted, however, to encompass firearms equipped with bump-stock-type devices. As discussed above, bump-stock-type devices like the Akins Accelerator and other devices that operate to mimic automatic fire when added to semiautomatic rifles present the same risk to public safety that Congress has already deemed unacceptable by enacting and amending the GCA (18 U.S.C. 922(o)). Therefore, the Department proposes to exercise its delegated authority to clarify its interpretations of the statutory terms ''single function of the trigger,'' ''automatically,'' and ''machinegun.'' Specifically, the Department proposes to amend 27 CFR 479.11 by defining the term ''single function of the trigger'' to mean ''single pull of the trigger.'' The Department further proposes to amend these regulations by defining the term ''automatically'' to mean ''as the result of a self-acting or self-regulating mechanism that allows the firing of multiple rounds through a single pull of the trigger.'' Finally, the Department proposes to clarify that the definition of a ''machinegun'' includes a device that allows semiautomatic firearms to shoot more than one shot with a single pull of the trigger by harnessing the recoil energy of the semiautomatic firearm to which it is affixed so that the trigger resets and continues firing without additional physical manipulation of the trigger by the shooter (commonly known as bump-stock-type devices).

The interpretation of the phrase ''single function of the trigger'' to mean ''single pull of the trigger'' reflects ATF's position since 2006, and it is the best interpretation of the statute. The Supreme Court in *Staples* v. *United States,* 511 U.S. 600 (1994), indicated that a machinegun under the NFA ''fires repeatedly with a single pull of the trigger.'' *Id.* at 602 n.1. This interpretation is also consistent with how the phrase ''single function of the trigger'' was understood at the time of the NFA's enactment in 1934. For instance, in a congressional hearing leading up to the NFA's enactment, the National Rifle Association's then-president testified that a gun ''which is capable of firing more than one shot by a single pull of the trigger, a single function of the trigger, is properly regarded, in my opinion, as a machine gun.'' *National Firearms Act: Hearings Before the Committee on Ways and Means, H.R. 9066,* 73rd Cong., 2nd Sess., at 40 (1934). Furthermore, and as noted above, the Eleventh Circuit concluded that ATF's interpretation of ''single function of the trigger'' to mean ''single pull of the trigger'' ''is consonant with the statute and its legislative history.'' *Akins* v. *United States,* 312 F. App'x 197, 200 (11th Cir.

2009). No other court has held otherwise.[8]

Interpreting the term ''automatically'' to mean ''as the result of a self-acting or self-regulating mechanism that allows the firing of multiple rounds through a single pull of the trigger'' also reflects the ordinary meaning of that term at the time of the NFA's enactment in 1934. The word ''automatically'' is the adverbial form of ''automatic,'' meaning ''[h]aving a self-acting or self-regulating mechanism that performs a required act at a predetermined point in an operation[.]'' *Webster's New International Dictionary* 187 (2d ed. 1934); *see also* 1 *Oxford English Dictionary* 574 (1933) (defining ''Automatic'' as ''[s]elf-acting under conditions fixed for it, going of itself'').

Relying on these definitions, the United States Court of Appeals for the Seventh Circuit accordingly interpreted the term ''automatically'' as used in the NFA as ''delineat[ing] how the discharge of multiple rounds from a weapon occurs: as the result of a self-acting mechanism'' ''set in motion by a single function of the trigger and . . . accomplished without manual reloading.'' *United States* v. *Olofson,* 563 F.3d 652, 658 (7th Cir. 2009). So long as the firearm is capable of producing multiple rounds with a single pull of the trigger for some period of time, the firearm shoots ''automatically'' irrespective of why the firing sequence ultimately ends. *Id.* (''[T]he reason a weapon ceased firing is not a matter with which § 5845(b) is concerned.''). *Olofson* thus requires only that the weapon shoot multiple rounds with a single function of the trigger ''as the result of a self-acting mechanism,'' not that the self-acting mechanism produce the firing sequence without any additional action by the shooter. This definition accordingly requires that the self-acting or self-regulating mechanism must perform an act that is primarily responsible for causing the weapon to shoot more than one shot.

Finally, it is reasonable to conclude, based on these interpretations, that the term ''machinegun'' includes a device that allows a semiautomatic firearm to shoot more than one shot with a single pull of the trigger by harnessing the recoil energy of the semiautomatic firearm to which it is affixed so that the trigger resets and continues firing without additional physical manipulation of the trigger by the shooter. When a shooter who has affixed a bump-stock-type device to a semiautomatic firearm pulls the trigger, that movement initiates a firing sequence that produces more than one shot. And that firing sequence is ''automatic'' because the device harnesses the firearm's recoil energy in a continuous back-and-forth cycle that allows the shooter to attain continuous firing after a single pull of the trigger, so long as the trigger finger remains stationary on the device's ledge (as designed). Accordingly, these devices are included under the definition of machinegun and, therefore, come within the purview of the NFA.

The GCA and its implementing regulations in 27 CFR part 478 incorporate the NFA's definition of machinegun. Accordingly, this proposed rule makes the same amendments to the definitions of ''single function of the trigger,'' ''automatically,'' and ''machine gun'' in 27 CFR 478.11.

The Arms Export Control Act (AECA), as amended, does not include the term ''machinegun'' in its key provision, 22 U.S.C. 2778. However, regulations in 27 CFR part 447 that implement the AECA include a similar definition of ''machinegun,'' and explain that machineguns, submachineguns, machine pistols, and fully automatic rifles fall within Category I(b) of the U.S. Munitions Import List when those defense articles are permanently imported. *See* 27 CFR 447.11, 447.21. Currently, the definition of ''machinegun'' in § 447.11 provides that ''[a] 'machinegun', 'machine pistol', 'submachinegun', or 'automatic rifle' is a firearm originally designed to fire, or capable of being fired fully automatically by a single pull of the trigger.'' This proposed rule would harmonize the AECA's regulatory definition of ''machinegun'' with the definitions in 27 CFR parts 478 and 479, as those definitions would be amended by this rule.

The proposed rule would replace prior classifications of bump-stock-type devices, including devices that ATF previously determined were not machineguns. The rule thus would supplant any prior letter rulings with which it is inconsistent so that any bump-stock-type device described above qualifies as a machinegun. Accordingly, manufacturers, current owners, and persons wishing to purchase such devices would be subject to the restrictions imposed by the GCA and NFA.

The Department has determined that there would not be a registration period for any device that would be classified as ''machinegun'' as a result of this rulemaking. The NFA provides that only the manufacturer, importer, or maker of a firearm may register it.[9] Accordingly, there is no means by which the possessor may register a firearm retroactively, including a firearm that has been reclassified. Further, 18 U.S.C. 922(o) prohibits the possession of machineguns that were not lawfully possessed before the effective date of the statute. Accordingly, if the final rule is consistent with this NPRM, current possessors of bump-stock-type devices will be obligated to dispose of those devices. A final rule will provide specific information about acceptable methods of disposal, as well as the timeframe under which disposal must be accomplished to avoid violating 18 U.S.C. 922(o).

VI. Statutory and Executive Order Review

A. Executive Orders 12866, 13563, and 13771

Executive Orders 13563 (Improving Regulation and Regulatory Review) and 12866 (Regulatory Planning and 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 and safety effects, distributive impacts, and equity). Executive Order 13563 emphasizes the importance of quantifying both costs and benefits, reducing costs, harmonizing rules, and promoting flexibility. Executive Order 13771 (Reducing Regulation and Controlling Regulatory Costs) directs agencies to reduce regulation and control regulatory costs. This proposed rule is expected to be an E.O. 13771

[8] As used in this proposed rule, the term ''pull'' is synonymous with ''push'' and other terms that describe activation of a trigger. The courts have made clear that whether a trigger is operated through a ''pull,'' ''push,'' or some other action such as a flipping a switch, does not change the analysis of the functionality of a firearm. For example, in *United States* v. *Fleischli,* 305 F.3d at 655–56, the Seventh Circuit rejected the argument that a switch did not constitute a trigger for purposes of assessing whether a firearm was a machinegun under the NFA, because such an interpretation of the statute would lead to ''the absurd result of enabling persons to avoid the NFA simply by using weapons that employ a button or switch mechanism for firing.'' *See also United States* v. *Camp,* 343 F.3d 743, 745 (5th Cir. 2003) (''To construe ''trigger'' to mean only a small lever moved by a finger would be to impute to Congress the intent to restrict the term to apply only to one kind of trigger, albeit a very common kind. The language [in 18 U.S.C. 922(o)] implies no intent to so restrict the meaning[.]'' (quoting *United States* v. *Jokel,* 969 F.2d 132, 135 (5th Cir. 1992) (emphasis removed))). Examples of machineguns that operate through a trigger activated by a push include the Browning design, M2 .50 caliber, the Vickers, the Maxim, and the M134 hand-fired Minigun.

[9] 26 U.S.C. 5841(b); 27 CFR 479.101(b).

regulatory action. Details on the estimated costs of this proposed rule can be found in the rule's economic analysis below.

This rule has been designated a ''significant regulatory action'' that is economically significant under section 3(f)(1) of Executive Order 12866. Accordingly, the rule has been reviewed by the Office of Management and Budget. This proposed rule is intended to interpret the definition of ''machinegun'' within the GCA and NFA such that it includes bump-stock-type devices, *i.e.,* devices that allow a semiautomatic firearm to shoot more than one shot with a single pull of the trigger by harnessing the recoil energy of the semiautomatic firearm to which it is affixed so that the trigger resets and continues firing without additional physical manipulation of the trigger by the shooter.

Need for Federal Regulatory Action

Agencies take regulatory action for various reasons. One of the reasons is to carry out Congress's policy decisions, as expressed in statutes. Here, this rulemaking aims to apply Congress's policy decision to prohibit machineguns. Another reason underpinning regulatory action is the failure of the market to compensate for negative externalities caused by commercial activity. A negative externality can be the byproduct of a transaction between two parties that is not accounted for in the transaction. This proposed rule is addressing a negative externality. The negative externality of the commercial sale of bump-stock-type devices is that they could be used for criminal purposes. This poses a public safety issue that the Department is trying to address.

Executive Summary

Table 1 provides a summary of the affected population and anticipated costs and benefits to promulgating this rule.

TABLE 1—SUMMARY OF AFFECTED POPULATION, COSTS, AND BENEFITS

Category	Affected populations, costs, and benefits
Applicability	• Manufacturers of bump-stock-type devices. • Retail sellers of bump-stock-type devices. • Gun owners who own bump-stock-type devices or would have purchased them in the future.
Affected Population	• 2 manufacturers of bump-stock-type devices. • 2,281 retailers of bump-stock-type devices. • Owners and future consumers of bump-stock-type devices.
Total Quantified Costs to Industry, Public, and Government (7% Discount Rate).	$217.0 million present value over 10 years, $36.3 million annualized.
Unquantified Costs	• Costs of destruction. • Costs of advertising to inform owners of the need to dispose of their bump-stock-type devices. • Lost consumer surplus to users of bump-stock-type devices.
Unquantified Benefits	• Prevents criminal usage of bump-stock-type devices. • Could reduce casualties in an incident that would have involved a weapon fitted with a bump-stock-type device, as well as assist first responders when responding to incidents.

Affected Population

The populations affected by this rule are manufacturers of bump-stock-type devices, retailers who sell them either in brick-and-mortar stores or online, and individuals who have purchased or would have wanted to purchase bump-stock-type devices. The number of entities and individuals selling or purchasing bump-stock-type devices are as follows:

- 2 manufacturers
- 2,281 retailers
- An uncertain number of individuals who have purchased bump-stock-type devices or would have purchased them in the future

Because many bump-stock-type devices—including those ATF addressed in classification letters between 2008 and 2017—have not been subject to regulation under the GCA, ATF does not keep track of manufacturers or retailers of bump-stock-type devices, nor does ATF keep track or maintain a database of individuals who have purchased bump-stock-type devices. Therefore, the affected population of manufacturers and retailers is an estimate and based on publicly available information and, with respect to retailers who are also Federal firearms licensees (FFLs), is also based on ATF's records in the Federal Firearms Licensing System.

ATF estimates that since 2010, as many as six domestic bump-stock-type device manufacturers have been in the marketplace, but due to patent infringement litigation, only two remain in the market. For the estimate of the number of retailers, ATF filtered all FFLs for a list of potential sellers. While there are approximately 80,000 FFLs currently licensed, only certain types sell firearms to the public. ATF first removed FFLs that do not sell firearms to the public. Next, since not all FFLs sell firearm accessories, ATF needed to estimate the number that do sell accessories. ATF assumed that FFLs that are likely to sell bump-stock-type devices would have online websites. ATF requests public comment on the reasonableness of the assumption that retailers of bump-stock-type devices are likely to be businesses with an online presence. ATF ran a query on the FFL database and found that of those that sell firearms to the public, 2,270 have websites. Because sellers of firearm accessories do not necessarily sell firearms, ATF also performed an online search and found an additional 11 retailers who sell firearm accessories, but not firearms. Adding these two totals together, ATF estimates that there are 2,281 retailers of bump-stock-type devices.

Because there are no records of individuals who have purchased firearm accessories, ATF does not have an estimated number of individuals who would be affected by this proposed rule. Although ATF lacks data on the number of individuals who have purchased bump-stock-type devices, ATF has some information from one manufacturer and four retailers on the volume of sales of such devices. Based on these reported amounts, ATF estimates that the number of bump-stock-type devices that were purchased during the 8-year period beginning in 2010 ranges from

35,000 per year as a low estimate to 75,000 per year as the high and primary estimate. ATF used a public commenter's 400,000 total estimate as a third estimate. For further information on the methodology of these estimates, please review the analysis regarding ''Costs'' below.

Costs

There are three primary sources of costs from this rule. First, for owners of bump-stock-type devices, there will be a lost value from no longer being able to possess or use the devices. Second, there will be a lost value to manufacturers who would have manufactured and sold the devices in the future and to gun owners who would have purchased them. Finally, there is a disposal cost associated with the need to destroy the devices or render them inactive.

Cost to the Public for Loss of Property

As reported by public comments, individuals purchase bump-stock-type devices so that they can simulate automatic firing on a semiautomatic firearm. Commenters noted a variety of purposes for which bump-stock-type devices have been advertised and used, including for recreation and fun, assisting persons with mobility issues in firing quickly, self-defense, killing invasive pig species, and target practice (although, as some commenters observed, bump-stock-type devices impede firing accuracy). If the proposed rule became effective, bump-stock-type devices would be considered machineguns under the NFA and could not be lawfully possessed because the GCA prohibits persons from possessing a machinegun unless it was lawfully possessed before the effective date of the statute. Bump-stock-type devices currently possessed by individuals would have to be destroyed or turned in upon implementation of the regulation.

The lost value from no longer being able to use or purchase bump-stock-type devices will depend on the volume of sales in the market and the value that consumers place on the devices. ATF has limited information about the market for bump-stock-type devices. One commenter estimated that more than 400,000 bump-stock-type devices may have been sold. Based on publicly available information, ATF estimates that in the first two years that bump-stock-type devices were in the market, approximately 35,000 were sold per year.[10] However, after 2011, other manufacturers entered the market and there is no available information regarding the total number of bump-stock-type devices manufactured. ATF is using publicly available information on manufacturing and combining it with the information on retail sales to estimate a range of the number of bump-stock-type devices in the marketplace.

ATF first developed an estimate of the number of bump-stock-type devices in the marketplace, based on information on retail sales provided in response to the ANPRM. One retailer stated that it sold an average of 4,000 to 5,000 bump-stock-type devices per year.[11] Public comments indicated that one retailer sold 3,800 bump-stock-type devices annually, one sold 60 per year, and one sold approximately 5–10 per year.[12] For the purposes of this regulatory analysis (RA), ATF assumes that a large retailer would have sold 4,400, a midrange retailer would have sold 60, and a small retailer would have sold 8.[13] For the purposes of this analysis, ATF assumes the number of retailers by size are as follows:

- 4 large * 4,400 annual sales
- 755 midrange * 60 annual sales
- 1,511 small * 8 annual sales

The number of large retailers is a known number. As stated in the Affected Population section above, based on ATF's internal database and online research, the remaining number of retailers is 2,270. For the purposes of this RA, ATF assumed that one-third of the remaining retailer population are midrange retailers, and the remaining 1,511 are small retailers. Using these assumed numbers of retailers and annual sales by size of retailer, ATF estimated annual sales of about 75,000 [(4 * 4,400) + (755 * 60) + (1,511 * 8)].

ATF next developed an estimate of the number of bump-stock-type devices in the United States based on information about the numbers of bump-stock-type devices manufactured. Based on publicly available information, ATF estimates that approximately 35,000 bump-stock-type devices were sold in 2010.[14] Only in 2012 did other manufacturers enter the marketplace. For the purposes of this RA, ATF assumes that in the first two years of production, the one manufacturer produced the same 35,000 in years 2010 and 2011. ATF has two sets of production estimates. Because no information is otherwise known about the production of bump-stock-type devices, ATF assumes that the low estimate of annual bump-stock-type device production is a constant 35,000, based on the one data point. As stated earlier, a public commenter provided an estimate of 400,000 bump-stock-type devices currently in circulation. To account for how these were purchased over the last 8 years, ATF also assumed the same 35,000 production in the first 2 years, but spread out the remaining 330,000 over the remaining 6 years, or about 55,000 per year. However, incorporating the provided retail sales information, ATF developed a third, higher estimate reflecting that when the other manufacturers entered the market, the number of bump-stock-type devices sold on the market annually could have been 75,000.

The high estimate is ATF's primary estimate because ATF knows that there was an increase in production starting in 2012. In 2012, there were other manufacturers who entered the market, and the first manufacturer increased production at some point thereafter. Furthermore, the primary estimate includes information provided by retailers as a more comprehensive outlook on the overall production numbers. For the purposes of this analysis, ATF assumes that both the increase in production and the market entry of other manufacturers all occurred in 2012. Table 2 provides the breakdown of production for the low estimate, public comment estimate, and primary estimate.

[10] Donnie A. Lucas, *Firing Up Some Simple Solutions,* Albany News (Dec. 22, 2011), *http://www.thealbanynews.net/archives/2443.*

[11] Based on an internal survey of large retailers.

[12] *Regulations.gov*, *Docket ID: ATF–2018–0001–27509, https://www.regulations.gov/document?D=ATF-2018-0001-27509* (last visited on Mar. 6, 2018); *Regulations.gov*, *Docket ID: ATF–2018–0001–0433, https://www.regulations.gov/document?D=ATF-2018-0001-0433* (last visited on Mar. 6, 2018); *Regulations.gov*, *Docket ID: ATF–2018–0001–0128, https://www.regulations.gov/document?D=ATF-2018-0001-0128* (last visited on Mar. 6, 2018).

[13] For a large retailer the average sales were 4,400 = (3,800 + 5,000)/2. For a small retailer, the average sales were 8 = (5 + 10)/2.

[14] Donnie A. Lucas, *Firing Up Some Simple Solutions,* Albany News (Dec. 22, 2011), *http://www.thealbanynews.net/archives/2443.*

TABLE 2—NUMBER OF BUMP-STOCK-TYPE DEVICES PRODUCED, BASED ON MANUFACTURER AND RETAIL SALES

Year	Low estimate	Public comment estimate	Primary estimate
2010	35,000	35,000	35,000
2011	35,000	35,000	35,000
2012	35,000	55,000	75,000
2013	35,000	55,000	75,000
2014	35,000	55,000	75,000
2015	35,000	55,000	75,000
2016	35,000	55,000	75,000
2017	35,000	55,000	75,000
Total	280,000	400,000	520,000

In other words, the number of bump-stock-type devices held by the public could range from about 280,000 to about 520,000.

ATF does not know the production cost of bump-stock-type devices, but for the purposes of this RA, ATF uses the retail sales amounts as a proxy for the total value of these devices. For devices that have already been sold, there are two countervailing effects that affect the value of the devices. There may have been some depreciation of the devices since they were originally purchased, resulting in a value somewhat reduced from the retail price. On the other hand, some consumers would have been willing to pay more than the retail price for a bump-stock-type device, and for these individuals the devices would have a higher valuation than the retail price. Both of these effects are difficult to estimate, and here ATF assumes that the retail sales price is a reasonable proxy for the value of the devices.

The primary manufacturer of bump-stock-type devices sells them at a price of $179.95 to $425.95.[15] For the purposes of this RA, ATF estimates that the average sale price for these bump-stock-type devices was $301.00 during the first two years they were sold. In 2012, at least one other manufacturer entered the market and started selling their devices at the rate of $99.99, making the overall prices for these devices lower.[16] For the purposes of this RA, ATF assumes that the average sale price for bump-stock-type devices from 2012 to 2017 was $200.00. Based on these costs, multiplied by the number of bump-stock-type devices in the market, Table 3 provides the sales value that the public has spent on these devices over the course of the last eight years.

TABLE 3—AMOUNT SPENT ON BUMP-STOCK-TYPE DEVICES (UNDISCOUNTED)

Year	Low estimate	Public comment estimate	Primary estimate
2011	$10,533,250	$10,533,250	$10,533,250
2012	10,533,250	10,533,250	10,533,250
2013	7,016,450	11,025,850	15,035,250
2014	7,016,450	11,025,850	15,035,250
2015	7,016,450	11,025,850	15,035,250
2016	7,016,450	11,025,850	15,035,250
2017	7,016,450	11,025,850	15,035,250
Total	56,148,750	76,195,750	96,242,750

ATF estimates that the total, undiscounted amount spent on bump-stock-type devices was $96.2 million. While the retail prices of these bump-stock-type devices remained constant over the eight years of sales, these purchases occurred over time; therefore, ATF presents the discounted value at 3% and 7% in Table 4 to account for the present value of these purchases.

TABLE 4—THE AMOUNT SPENT PURCHASING BUMP-STOCK-TYPE DEVICES, DISCOUNTED AT 3% AND 7%

Year	Undiscounted	3%	7%
2011	$10,533,250	$12,210,924	$14,773,428
2012	10,533,250	11,855,266	13,806,942
2013	15,035,250	16,429,424	18,418,828
2014	15,035,250	15,950,897	17,213,858
2015	15,035,250	15,486,308	16,087,718
2016	15,035,250	15,035,250	15,035,250
2017	15,035,250	14,597,330	14,051,636

[15] Slide Fire AR–15 Bump Fire Stocks (archived page on Jan. 28, 2017), *https://web.archive.org/web/20170128085532/http://www.slidefire.com/products/ar-platform* (last visited Mar. 6, 2018).

[16] Bump Fire Systems (archived page on Feb. 21, 2015), *https://web.archive.org/web/20150221050223/http://bumpfiresystems.com/* (last visited Mar. 6, 2018).

TABLE 4—THE AMOUNT SPENT PURCHASING BUMP-STOCK-TYPE DEVICES, DISCOUNTED AT 3% AND 7%—Continued

Year	Undiscounted	3%	7%
Total	96,242,750	101,565,397	109,387,659
Annualized Cost		14,468,640	18,318,906

Because these purchases occurred in the past, ATF's discount years start at -5 and increase to 0 to account for the Executive Order 13771 standard that costs be presented in 2016 dollars. With these assumptions, ATF estimates that the annualized, discounted amount spent on bump-stock-type devices was $14.5 million and $18.3 million at 3% and 7%, respectively.

Based on the same discounting formula, ATF estimates that the total undiscounted cost for the low estimate would be $56.1 million, and the total discounted values would be $60.2 million and $66.3 million at 3% and 7%, respectively. The annualized values for the low estimates of total number of bump-stock-type devices sold are $8.6 million and $11.1 million at 3% and 7%, respectively. For the 400,000-unit estimate provided by the public commenter, the total undiscounted amount would be $76.2 million, and the total discounted values would be $80.9 million and $87.8 million at 3% and 7%, respectively. The annualized values for the 400,000-unit sales estimate are $11.5 million and $14.7 million at 3% and 7%, respectively.

Forgone Future Production and Sales

ATF has estimated the lost production and lost sales that would occur in the 10 years after the implementation of this proposed rule, should this proposed rule take effect. In order to do this, ATF needed to predict the number of devices that would be sold in the future in the absence of a rule. Such a prediction should take account of recent expected changes in the demand for and supply of bump-stock-type devices. For example, based on a survey, half of the known, large former retailers of bump-stock-type devices no longer sell bump-stock-type devices as a result of the Las Vegas shooting, nor do they intend to sell them in the future. Moreover, while ATF has estimated the number of bump-stock-type devices manufactured since 2010, ATF is without sufficient information to estimate the number of individuals who were interested in acquiring bump-stock-type devices prior to the Las Vegas shooting but would no longer want them due to the shooting.

Another recent change affecting individuals' future purchases of bump-stock-type devices is that certain States have already banned such devices. These States are California, Florida, Massachusetts, New Jersey, New York, and Washington. The effect of States' bans on individuals' future purchases of bump-stock-type devices should not be attributed to this proposed rule since these reductions in purchases would happen with or without the rule. However, ATF was unable to quantify the impact of States' bans and thus was unable to account for the future effects of these bans in the estimate of the effects of the proposed rule.

Based on previously mentioned comments from large retailers, ATF expects that, in the absence of this rule, some retailers would not sell bump-stock-type devices in the future. In order to estimate the expected future reduction in demand for bump-stock-type devices as a result of the Las Vegas shooting, ATF assumes that the reduction of sales by large retailers that has already occurred would be a reasonable estimate of the future reduction of sales overall that would occur in the absence of the rule. ATF estimates that there are four large retailers of bump-stock-type devices, of which two have stated that they would no longer sell bump-stock-type devices regardless of this proposed rule. For the purposes of this regulatory analysis, it is estimated that each of the two large retailers sell 4,400 bump-stock-type devices annually. Removing the effects of these two large retailers from the future market reduces ATF's primary estimate of 74,988 in past annual production to an estimate of 66,484 (75,284 − 8,800) in annual sales that would occur in the future in the absence of a rule. Table 5 provides the estimated breakdown of lost production and sales forgone should this rule become final.

TABLE 5—FORGONE PRODUCTION AND SALES OF FUTURE BUMP-STOCK-TYPE DEVICES

Year	Number of bump-stock-type devices	Undiscounted	3%	7%
2018	66,484	$20,008,360	$19,425,592.04	$18,699,401.68
2019	66,484	20,008,360	18,859,798.10	17,476,076.34
2020	66,484	20,008,360	18,310,483.59	16,332,781.62
2021	66,484	20,008,360	17,777,168.53	15,264,281.89
2022	66,484	20,008,360	17,259,386.92	14,265,684.01
2023	66,484	20,008,360	16,756,686.33	13,332,414.96
2024	66,484	20,008,360	16,268,627.51	12,460,200.90
2025	66,484	20,008,360	15,794,783.99	11,645,047.57
2026	66,484	20,008,360	15,334,741.74	10,883,222.03
2027	66,484	20,008,360	14,888,098.77	10,171,235.54
Total		200,083,598	170,675,367.53	140,530,346.56
Annualized Cost			24,313,796.52	23,534,302.70

Based on these estimates, ATF estimates that the undiscounted value of forgone future sales over 10 years would be $200.1 million, undiscounted, or $24.3 million and $23.5 million, annualized and discounted at 3% and 7%.

Disposal

This proposed rule would require the destruction of existing bump-stock-type devices. The cost of disposal would have several components. For individuals who own bump-stock-type devices, there would be a cost for the time and effort to destroy the devices or ensure that they are destroyed by another party. For retailers, wholesalers, and manufacturers, there would be a cost of the time and effort to destroy or ensure the destruction of any devices held in inventory. Based on the response from public comments, it is not clear if there would also be a cost from the lost value of that inventory.

Individuals who have purchased bump-stock-type devices prior to the implementation of this rule would have the option of destroying the devices themselves, turning the devices in to the nearest ATF office for destruction by ATF or, subject to compliance with U.S. Mail regulations and the policies of commercial shipment services, sending the devices to ATF through the U.S. Mail or other commercial delivery service. Options for destroying the devices may include melting, crushing, or shredding in a manner that renders the device incapable of ready restoration. Since the majority of bump-stock-type devices are made of plastic material, individuals wishing to destroy the devices themselves could simply use a hammer to break apart the devices and throw the pieces away. Other destruction options that ATF has historically accepted include torch cutting or sawing the device in a manner that removes at least ¼ inch of material for each cut and completely severs design features critical to the functionality of the device as a bump-stock-type device.

If a possessor chooses to turn in the device to the local ATF office, the cost to the public to destroy the device would be the cost to drive to the nearest ATF office, the cost of sending through the U.S. Mail, or the cost of sending via private shipper. For the purposes of this regulatory analysis, ATF assumes that most individuals disposing of their existing bump-stock-type devices would destroy these devices themselves rather than turn them into the nearest ATF office through personal delivery, mail, or private shipper.

Should this rule take effect, public comments suggest that unsellable inventory could be worth approximately $35,000 per large retailer. One public commenter, assumed to be a large retailer, stated that its gross sales were $140,000. Another public commenter assumed to be a midrange retailer had gross sales of $18,000. No known sales were reported for a small retailer. Based on the proportion of sales among the large, midrange, and small retailers, ATF estimates that the amount in existing inventory for a midrange retailer would be $4,500 and, for a small retailer, $74.[17]

The retailer, assumed to be large, also commented that the opportunity cost of time needed to destroy existing inventory would be approximately $700. ATF's subject matter experts estimate that a retailer could use a maintenance crew to destroy existing inventory. To determine the hourly time needed to destroy existing inventory, ATF used the $700 reported amount, divided by the loaded wage rate of a building cleaning worker. ATF subject matter experts also suggest that existing packers would be used for a midrange retailer and the minimum wage would be used for a small retailer. The loaded rate of 1.43 was used to account for fringe benefits.[18] Table 6 provides the wages used for this analysis.

TABLE 6—WAGE SERIES TO DESTROY EXISTING INVENTORY

Wage series	Series code	Unloaded wage rate	Loaded wage rate	Source
Individual		$13.60	$13.60	*https://www.transportation.gov/sites/dot.gov/files/docs/2016%20Revised%20Value%20of%20Travel%20Time%20Guidance.pdf.*
Minimum Wage Rate	Min Wage	7.25	10.40	*https://www.bls.gov/opub/reports/minimum-wage/2016/home.htm.*
Packers, Packagers, and Handlers.	53–7064	11.74	16.84	*https://www.bls.gov/oes/2016/may/oes537064.htm.*
Retail Salespersons	41–2031	13.07	18.75	*https://www.bls.gov/oes/2016/may/oes412031.htm.*
Building Cleaning Workers, All Other.	37–2019	14.88	21.34	*https://www.bls.gov/oes/2016/may/oes372019.htm.*

Based on the estimated wages and reported opportunity cost of time, ATF estimates that it would take a large retailer 32.8 hours, a midrange retailer 0.45 hours, and a small retailer 0.25 hours to destroy existing inventory. Table 7 provides the per-retailer estimated opportunity cost of time.

TABLE 7—OPPORTUNITY COST OF TIME TO DESTROY EXISTING INVENTORY

Population	Incremental cost	Hourly burden	Opportunity cost of time
Individual	$13.60	0.25	$3.40
Retailer (Large)	21.34	32.8	699.95
Retailer (Midrange)	16.84	0.45	7.58
Retailer (Small)	19.51	0.25	4.88

[17] Midrange: $4,500 = ($18,000/$140,000) * $35,000. Small: $74 = (8/3,800) * $35,000.

[18] BLS Series ID CMU2010000000000D, CMU2010000000000P (Private Industry Compensation = $32.35)/(Private Industry Wages and Salaries = $22.55) = 1.43. BLS average 2016. U.S. Bureau of Labor Statistics, *https://beta.bls.gov/dataQuery/find?fq=survey:[cm]&s=popularity:D.*

As stated earlier, ATF estimates that there are 519,927 bump-stock-type devices already purchased by the public. Based on the opportunity cost of time per bump-stock-type device, and the estimated opportunity cost of time per retailer, ATF provides the cost to destroy all existing bump-stock-type devices in Table 8.

TABLE 8—OPPORTUNITY COST OF TIME TO DESTROY EXISTING DEVICES BY INDIVIDUAL AND RETAILER SIZE

Individual	$1,768,000
Retailer (Large)	2,800
Retailer (Midrange)	5,752
Retailer (Small)	3,947
Total Disposal Cost	1,780,498

ATF estimates that it would cost a total of $1.8 million to destroy all existing bump-stock-type devices.

We treat all costs of disposal of existing devices owned by individuals or held in inventory by retailers or manufacturers as if they occur in 2018. Therefore, the costs of the rule in 2018 would include the total undiscounted value of existing stock of bump-stock-type devices in Table 4 ($96.2 million), the year 2018 loss of future production from Table 5 ($20.0 million), and the total cost of disposal from Table 8 ($1.8 million). Overall, ATF estimates that the total cost of this proposed rule would be $297.2 million over a 10-year period of future analysis. This cost includes the first-year cost to destroy all existing bump-stock-type devices, including unsellable inventory and opportunity cost of time. Table 9 provides the 10-year cost of this proposed rule.

TABLE 9—10-YEAR COST OF PROPOSED RULE

Year	Undiscounted	3%	7%
2018	$118,031,608	$111,256,111	$103,093,378
2019	20,008,360	18,310,484	16,332,782
2020	20,008,360	17,777,169	15,264,282
2021	20,008,360	17,259,387	14,265,684
2022	20,008,360	16,756,686	13,332,415
2023	20,008,360	16,268,628	12,460,201
2024	20,008,360	15,794,784	11,645,048
2025	20,008,360	15,334,742	10,883,222
2026	20,008,360	14,888,099	10,171,236
2027	20,008,360	14,454,465	9,505,828
Total	298,106,846	258,100,553	216,954,074
Annualized Cost		36,768,073	36,332,813

As stated in the paragraph above, the total undiscounted cost is $297.2 million, and the discounted costs would be $36.8 million and $36.3 million annualized at 3% and 7% respectively.

Government Costs

Government costs are estimated as *de minimis* because collection of the bump-stock-type devices by ATF would be an ancillary duty of existing ATF Special Agents.

Cost Savings

ATF did not calculate any cost savings for this proposed rule.

Benefits

As reported by public comments, this proposed rule would affect the criminal use of bump-stock-type devices in mass shootings, such as the Las Vegas shooting incident.

The purpose of this rule is to amend ATF regulations to clarify that bump-stock-type devices are ''machineguns'' as defined by the NFA and GCA. Banning bump-stock-type devices could reduce casualties in an incident involving a weapon fitted with a bump-stock-type device, as well as assist first responders when responding to incidents, because it prevents shooters from using a device that allows them to shoot a semiautomatic firearm automatically.

Alternatives

Alternative 1—No change alternative. This alternative would leave the regulations in place as they currently stand. Since there would be no changes to regulations, there would be no cost, savings, or benefits to this alternative.

Alternative 2—Patronizing a shooting range. Individuals wishing to experience the shooting of a ''full-auto'' firearm could go to a shooting range that provides access to lawfully registered ''pre-1986'' machineguns to customers, where the firearm remains on the premises and under the control of the shooting range. ATF does not have the information to determine which, where, or how many gun ranges provide such a service and is therefore not able to quantify this alternative.

Alternative 3—Opportunity alternatives. Based on public comments, individuals wishing to replicate the effects of bump-stock-type devices could also use rubber bands, belt loops, or otherwise train their trigger finger to fire more rapidly. To the extent that individuals are capable of doing so, this would be their alternative to using bump-stock-type devices.

No other feasible alternatives were identified, and thus none were considered.

B. Executive Order 13132

This regulation will not have substantial direct effects on the States, the relationship between the Federal Government and the States, or the distribution of power and responsibilities among the various levels of government. Therefore, in accordance with section 6 of Executive Order 13132 (Federalism), the Attorney General has determined that this regulation does not have sufficient federalism implications to warrant the preparation of a federalism summary impact statement.

C. Executive Order 12988

This regulation meets the applicable standards set forth in sections 3(a) and 3(b)(2) of Executive Order 12988 (Civil Justice Reform).

D. Regulatory Flexibility Act (RFA)

Summary of Findings

ATF performed an Initial Regulatory Flexibility Analysis of the impacts on small businesses and other entities from the NPRM. Based on the information from this analysis, ATF found:

- It is estimated that of the two remaining manufacturers, at least one manufacturer only produces bump-stock-type devices and therefore could completely go out of business;
- There are 2,281 retailers, of which most are estimated to be small;
- There are no relevant government entities.

Initial Regulatory Flexibility Analysis

The Regulatory Flexibility Act (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.'' Public Law 96–354, 2(b), 94 Stat. 1164 (1980).

Under the RFA, the agency is required to consider if this rule will have a significant economic impact on a substantial number of small entities. Agencies must perform a review to determine whether a rule will have such an impact. If the agency determines that it will, the agency must prepare a regulatory flexibility analysis as described in the RFA.

Under the RFA (5 U.S.C. 603(b)–(c)), the regulatory flexibility analysis must provide and/or address:

- A description of the reasons why action by the agency is being considered;
- A succinct statement of the objectives of, and legal basis for, the proposed rule;
- A description of and, where feasible, an estimate of the number of small entities to which the proposed rule will apply;
- A description of the projected reporting, recordkeeping and other compliance requirements of the proposed rule, including an estimate of the classes of small entities which will be subject to the requirement and the type of professional skills necessary for preparation of the report or record;
- An identification, to the extent practicable, of all relevant Federal rules which may duplicate, overlap or conflict with the proposed rule; and
- Descriptions of any significant alternatives to the proposed rule which accomplish the stated objectives of applicable statutes and which minimize any significant economic impact of the proposed rule on small entities.

The RFA covers a wide range 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. 5 U.S.C. 601(3)–(6). ATF determined that the rule affects a variety of large and small businesses (see the ''Description of the Potential Number of Small Entities'' section below). Based on the requirements above, ATF prepared the following regulatory flexibility analysis assessing the impact on small entities from the rule.

A Description of the Reasons Why Action by the Agency Is Being Considered

Agencies take regulatory action for various reasons. One of the reasons is to carry out Congress's policy decisions, as expressed in statutes. Here, this rulemaking aims to apply Congress's policy decision to prohibit machineguns. Another reason underpinning regulatory action is the failure of the market to compensate for negative externalities caused by commercial activity. A negative externality can be the byproduct of a transaction between two parties that is not accounted for in the transaction. This proposed rule is addressing a negative externality. The negative externality of the commercial sale of bump-stock-type devices is that it could be used for criminal purposes. This poses a public safety issue, which the Department is trying to address.

A Succinct Statement of the Objectives of, and Legal Basis for, the Proposed Rule

The Attorney General is responsible for enforcing the GCA, as amended, and the NFA, as amended.

A Description of and, Where Feasible, an Estimate of the Number of Small Entities To Which the Proposed Rule Will Apply

This rule would affect primarily manufacturers of bump-stock-type devices, FFLs that sell bump-stock-type devices, and other small retailers of firearm accessories that have invested in the bump-stock-type device industry. Based on publicly available information, there are two manufacturers affected. Of the known retailers, the large retailers do not intend to continue selling bump-stock-type devices. There may be some small retailers that would intend to continue selling these devices should this proposed rule not go into effect and would thus be affected by this proposed rule. Based on the information from this analysis, ATF found:

- There are 2,270 retailers who are likely to be small entities;
- There are no government jurisdictions affected by this proposed rule; and
- There are no nonprofits found in the data.

A Description of the Projected Reporting, Recordkeeping and Other Compliance Requirements of the Proposed Rule, Including an Estimate of the Classes of Small Entities Which Will Be Subject to the Requirement and the Type of Professional Skills Necessary for Preparation of the Report or Record

There are no reporting or recordkeeping requirements for this proposed rule. The only relevant compliance requirement consists of disposing of all existing inventory of bump-stock-type devices for small entities that carry them. There would not be any professional skills necessary to record or report in this proposed rulemaking.

An Identification, to the Extent Practicable, of All Relevant Federal Rules Which May Duplicate, Overlap or Conflict With the Proposed Rule

This proposed rule does not duplicate or conflict with other Federal rules.

Descriptions of Any Significant Alternatives to the Proposed Rule Which Accomplish the Stated Objectives of Applicable Statutes and Which Minimize Any Significant Economic Impact of the Proposed Rule on Small Entities

Alternatives were considered in this proposed rule. Alternatives include making no regulatory changes. ATF rejected this alternative because it does not address the public safety concerns raised by bump-stock-type devices, and would not be consistent with ATF's interpretation of the statutory term ''machinegun.'' There were no other regulatory alternatives to this proposal that ATF has been able to identify that would accomplish the intent of this proposed rule.

E. Small Business Regulatory Enforcement Fairness Act of 1966

This rule is a major rule as defined by section 251 of the Small Business

Regulatory Enforcement Fairness Act of 1996, 5 U.S.C. 804. This rule is likely to be considered major as it is economically significant and is projected to have an effect of over $100 million on the economy in at least the first year of the rule.

F. Unfunded Mandates Reform Act of 1995

This rule will not 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, and it will not significantly or uniquely affect small governments. Therefore, no actions were deemed necessary under the provisions of the Unfunded Mandates Reform Act of 1995, Public Law 104–4, 109 Stat. 48.

G. Paperwork Reduction Act of 1995

This final rule does not impose any new reporting or recordkeeping requirements under the Paperwork Reduction Act, 44 U.S.C. 3501–3521.

VII. Public Participation

A. Comments Sought

ATF requests comments on the proposed rule from all interested persons. ATF specifically requests comments on the scope of this proposed rule and the definition of ''machinegun.'' ATF also requests comments on the costs and benefits of the proposed rule and on the appropriate methodology and data for calculating those costs and benefits. Further, ATF requests public comment on the reasonableness of the assumption that retailers of bump-stock-type devices are likely to be businesses with an online presence. In addition, ATF specifically requests comments regarding how ATF should address bump-stock-type devices that private parties currently possess, and the appropriate means of implementing a final rule.

All comments must reference the docket number ATF 2017R–22, be legible, and include the commenter's complete first and last name and full mailing address. ATF will not consider, or respond to, comments that do not meet these requirements or comments containing profanity. In addition, if ATF cannot read your comment due to technical difficulties and cannot contact you for clarification, ATF may not be able to consider your comment.

ATF will carefully consider all comments, as appropriate, received on or before the closing date, and will give comments received after that date the same consideration if it is practical to do so, but assurance of consideration cannot be given except as to comments received on or before the closing date. ATF will not acknowledge receipt of comments.

B. Confidentiality

ATF will make all comments, whether submitted electronically or on paper, available for public viewing at ATF and on the internet as part of the eRulemaking initiative, and subject to the Freedom of Information Act. Commenters who do not want their name or other personal identifying information posted on the internet should submit comments by mail or facsimile, along with a separate cover sheet containing their personal identifying information. Both the cover sheet and comment must reference this docket number (ATF 2017R–22). Information contained in the cover sheet will not appear on the internet. ATF will not redact personal identifying information that appears within the comment, and it will appear on the internet.

The commenter should not include material that he or she considers inappropriate for disclosure to the public. Any person submitting a comment shall specifically designate that portion (if any) of the comment that contains material that is confidential under law (*e.g.,* trade secrets, processes). The commenter shall set forth any portion of a comment that is confidential under law on pages separate from the balance of the comment with each page prominently marked ''confidential'' at the top of the page.

Confidential information will be included in the rulemaking record but will not be disclosed to the public. Any comments containing material that is not confidential under law may be disclosed to the public. In any event, the name of the person submitting a comment is not exempt from disclosure.

C. Submitting Comments

Submit comments in any of three ways (but do not submit the same comments multiple times or by more than one method). Hand-delivered comments will not be accepted.

- *Federal eRulemaking Portal:* ATF strongly recommends that you submit your comments to ATF via the Federal eRulemaking portal. Visit *http://www.regulations.gov* and follow the instructions for submitting comments. Comments will be posted within a few days of being submitted. However, if large volumes of comments are being processed simultaneously, your comment may not be viewable for up to several weeks. Please keep the comment tracking number that *regulations.gov* provides after you have successfully uploaded your comment.
- *Mail:* Send written comments to the address listed in the **ADDRESSES** section of this document. Written comments must appear in minimum 12-point font size (.17 inches), include the commenter's complete first and last name and full mailing address, be signed, and may be of any length.
- *Facsimile:* Submit comments by facsimile transmission to (202) 648–9741. Faxed comments must:

(1) Be legible and appear in minimum 12-point font size (.17 inches);

(2) Be on 8½″ x 11″ paper;

(3) Be signed and contain the commenter's complete first and last name and full mailing address; and

(4) Be no more than five pages long.

D. Request for Hearing

Any interested person who desires an opportunity to comment orally at a public hearing should submit his or her request, in writing, to the Director of ATF within the 90-day comment period. The Director, however, reserves the right to determine, in light of all circumstances, whether a public hearing is necessary.

Disclosure

Copies of this notice and the comments received will be available at *http://www.regulations.gov* (search for Docket No. 2017R–22) and for public inspection by appointment during normal business hours at: ATF Reading Room, Room 1E–063, 99 New York Ave. NE, Washington, DC 20226; telephone: (202) 648–8740.

List of Subjects

27 CFR Part 447

Administrative practice and procedure, Arms and munitions, Chemicals, Customs duties and inspection, Imports, Penalties, Reporting and recordkeeping requirements, Scientific equipment, Seizures and forfeitures.

27 CFR Part 478

Administrative practice and procedure, Arms and munitions, Customs duties and inspection, Exports, Imports, Intergovernmental relations, Law enforcement officers, Military personnel, Penalties, Reporting and recordkeeping requirements, Research, Seizures and forfeitures, Transportation.

27 CFR Part 479

Administrative practice and procedure, Arms and munitions, Excise taxes, Exports, Imports, Military personnel, Penalties, Reporting and

recordkeeping requirements, Seizures and forfeitures, Transportation.

Authority and Issuance

Accordingly, for the reasons discussed in the preamble, 27 CFR parts 447, 478, and 479 are proposed to be amended as follows:

PART 447—IMPORTATION OF ARMS, AMMUNITION AND IMPLEMENTS OF WAR

■ 1. The authority citation for 27 CFR part 447 continues to read as follows:

Authority: 22 U.S.C. 2778, E.O. 13637, 78 FR 16129 (Mar. 8, 2013).

■ 2. In § 447.11, amend the definition of ''Machinegun'' to read as follows:

§ 447.11 Meaning of terms.

* * * * *

Machinegun. A ''machinegun'', ''machine pistol'', ''submachinegun'', or ''automatic rifle'' is a weapon which shoots, is designed to shoot, or can be readily restored to shoot, automatically more than one shot, without manual reloading, by a single function of the trigger. The term shall also include the frame or receiver of any such weapon, any part designed and intended solely and exclusively, or combination of parts designed and intended, for use in converting a weapon into a machinegun, and any combination of parts from which a machinegun can be assembled if such parts are in the possession or under the control of a person. For purposes of this definition, the term ''automatically'' as it modifies ''shoots, is designed to shoot, or can be readily restored to shoot,'' means functioning as the result of a self-acting or self-regulating mechanism that allows the firing of multiple rounds through a single function of the trigger; and ''single function of the trigger'' means a single pull of the trigger. The term ''machinegun'' includes bump-stock-type devices, *i.e.,* devices that allow a semiautomatic firearm to shoot more than one shot with a single pull of the trigger by harnessing the recoil energy of the semiautomatic firearm to which it is affixed so that the trigger resets and continues firing without additional physical manipulation of the trigger by the shooter.

* * * * *

PART 478—COMMERCE IN FIREARMS AND AMMUNITION

■ 3. The authority citation for 27 CFR part 478 continues to read as follows:

Authority: 5 U.S.C. 552(a); 18 U.S.C. 921–931.

■ 4. In § 478.11, amend the definition of ''Machine gun'' by adding two sentences at the end of the definition to read as follows:

§ 478.11 Meaning of terms.

* * * * *

Machine gun.

* * * For purposes of this definition, the term ''automatically'' as it modifies ''shoots, is designed to shoot, or can be readily restored to shoot,'' means functioning as the result of a self-acting or self-regulating mechanism that allows the firing of multiple rounds through a single function of the trigger; and ''single function of the trigger'' means a single pull of the trigger. The term ''machine gun'' includes bump-stock-type devices, *i.e.,* devices that allow a semiautomatic firearm to shoot more than one shot with a single pull of the trigger by harnessing the recoil energy of the semiautomatic firearm to which it is affixed so that the trigger resets and continues firing without additional physical manipulation of the trigger by the shooter.

* * * * *

PART 479—MACHINE GUNS, DESTRUCTIVE DEVICES, AND CERTAIN OTHER FIREARMS

■ 5. The authority citation for 27 CFR part 479 continues to read as follows:

Authority: 26 U.S.C. 7805.

■ 6. In § 479.11, amend the definition of ''Machine gun'' by adding two sentences at the end of the definition to read as follows:

§ 479.11 Meaning of terms.

* * * * *

Machine gun.

* * * For purposes of this definition, the term ''automatically'' as it modifies ''shoots, is designed to shoot, or can be readily restored to shoot,'' means functioning as the result of a self-acting or self-regulating mechanism that allows the firing of multiple rounds through a single function of the trigger; and ''single function of the trigger'' means a single pull of the trigger. The term ''machine gun'' includes bump-stock-type devices, *i.e.,* devices that allow a semiautomatic firearm to shoot more than one shot with a single pull of the trigger by harnessing the recoil energy of the semiautomatic firearm to which it is affixed so that the trigger resets and continues firing without additional physical manipulation of the trigger by the shooter.

* * * * *

Dated: March 23, 2018.

Jefferson B. Sessions III,

Attorney General.

[FR Doc. 2018–06292 Filed 3–28–18; 8:45 am]

BILLING CODE 4410–FY–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[EPA–R05–OAR–2017–0164; FRL–9976–14—Region 5]

Air Plan Approval; Ohio; Ohio NSR $PM_{2.5}$ Precursors

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule.

SUMMARY: The Environmental Protection Agency (EPA) is proposing to approve, under the Clean Air Act (CAA), revisions to Ohio's state implementation plan (SIP) as requested by the Ohio Environmental Protection Agency (OEPA) on March 10, 2017, and supplemented on July 18, 2017. The revisions to Ohio's SIP implement certain EPA regulations for particulate matter smaller than 2.5 micrometers ($PM_{2.5}$) for nonattainment areas by establishing definitions related to $PM_{2.5}$ and defining $PM_{2.5}$ precursors. The revisions also incorporate the findings of a comprehensive precursor demonstration performed by OEPA, which determined that volatile organic compounds (VOC) and ammonia (NH_3) are an insignificant source of $PM_{2.5}$ for the purpose of new source review in nonattainment areas in Ohio.

DATES: Comments must be received on or before April 30, 2018.

ADDRESSES: Submit your comments, identified by Docket ID No. EPA–R05–OAR–2017–0164 at *http://www.regulations.gov,* or via email to *damico.genevieve@epa.gov.* For comments submitted at *Regulations.gov*, follow the online instructions for submitting comments. Once submitted, comments cannot be edited or removed from *Regulations.gov*. For either manner of submission, 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. 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, please contact the person identified in the **FOR FURTHER INFORMATION CONTACT** section. For 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.*

FOR FURTHER INFORMATION CONTACT: Charmagne Ackerman, Environmental Engineer, Air Permits Section, Air Programs Branch (AR–18J), Environmental Protection Agency, Region 5, 77 West Jackson Boulevard, Chicago, Illinois 60604, (312) 886–0448, *ackerman.charmagne@epa.gov.*

SUPPLEMENTARY INFORMATION: Throughout this document whenever ''we,'' ''us,'' or ''our'' is used, we mean EPA. This supplementary information section is arranged as follows:

I. Background

On March 10, 2017, OEPA submitted to EPA revisions to Ohio Administrative Code (OAC) chapter 3745–31–01. The revisions were made to implement the ''Fine Particulate Matter National Ambient Air Quality Standards: State Implementation Plan Requirements.'' Subsequently, on July 18, 2017, OEPA submitted to EPA a letter clarifying the March 10, 2017 submittal. OEPA clarified that limited portions of OAC 3745–31–01 should be included as a SIP revision. The revisions to OAC 3745–31–01, specifically, subparagraph (LLL)(6), paragraph (NNN), paragraph (WWWW), paragraph (NNNNN), paragraph (VVVVV), and subparagraph (LLLLLL)(2)(ee) will make the rule consistent with 40 CFR 51.165 and 40 CFR 52.21.

II. Review of State Submittals

On August 24, 2016, EPA published the ''Fine Particulate Matter National Ambient Air Quality Standards: State Implementation Plan Requirements'' ($PM_{2.5}$ SIP Requirements Rule)(81 FR 58009) as a final rule in the **Federal Register**. These 2016 regulations provide details on meeting the statutory SIP requirements that apply to areas designated nonattainment for any $PM_{2.5}$ National Ambient Air Quality Standards (NAAQS). As part of the $PM_{2.5}$ SIP Requirements Rule, EPA has interpreted the requirements of the CAA to allow the state to provide a ''precursor demonstration'' to the EPA that supports the determination that one or more $PM_{2.5}$ precursor need not be subject to control and planning requirements in a given nonattainment area. EPA has determined that sulfur dioxide, nitrogen oxides, VOC, and NH_3 are factual and scientific precursors to PM, and thus the attainment plan requirements of subpart 4 initially apply equally to emissions of direct $PM_{2.5}$ and all of its identified precursors. CAA section 189(e) explicitly requires the control of major stationary sources of $PM_{2.5}$ precursors, unless there is a demonstration to the satisfaction of the Administrator that such major stationary sources do not contribute significantly to PM levels that exceed the standards in the area. The $PM_{2.5}$ SIP Requirements Rule became effective on October 16, 2016.

OEPA provided a modeling analysis for both VOC and NH_3 intended to show that increases in emissions of these precursors that may result from new or modified sources would not make a significant contribution to $PM_{2.5}$ concentrations in the area. This demonstration justifies the state's determination that major stationary sources of these precursors do not need to be regulated under the NNSR program for the area. For NNSR permitting purposes, CAA section 189(e), as interpreted by the $PM_{2.5}$ SIP Requirements Rule, provides an option for the state to provide a precursor demonstration intended to show that increases in emissions from potential new and existing major stationary sources of a particular precursor would not contribute significantly to levels that exceed the 2012 $PM_{2.5}$ NAAQS in a particular nonattainment area. 40 CFR 51.1006(a)(3).

In particular, EPA's regulations provide that a state choosing to submit an NNSR precursor demonstration should evaluate the sensitivity of $PM_{2.5}$ levels in the nonattainment area to an increase in emissions of the precursor. If the state demonstrates that the estimated air quality changes determined through such an analysis are not significant, based on the facts and circumstances of the area, the state may use this information to identify new major stationary sources and major modifications of a precursor that will not be considered to contribute significantly to $PM_{2.5}$ levels that exceed the standard in the nonattainment area under CAA section 189(e). *Id.* 51.1006(a)(3)(i). If EPA approves the state's NNSR precursor demonstration for a nonattainment area, major sources of the relevant precursor can be exempted from the NNSR major source permitting requirements for $PM_{2.5}$ with respect to that precursor. *Id.* 51.1006(a)(3)(ii).

For NNSR permitting purposes, OEPA conducted sensitivity analyses to examine potential increases in emissions through a model simulation that evaluates the effect on $PM_{2.5}$ concentrations in the area resulting from a given set of precursor emission increases from one or more new or modified stationary sources. On October 14, 2016, OEPA submitted its non-significance finding, including the precursor demonstration, as part of OEPA's attainment demonstration for the 2012 $PM_{2.5}$ annual standard. The attainment demonstration for the $PM_{2.5}$ annual standard will be addressed in a separate action.

OEPA and the Lake Michigan Air Directors Consortium (LADCO) used the 2011 and 2021 comprehensive modeling inventories and platforms for this analysis. OEPA and LADCO initially ran a baseline model to predict the $PM_{2.5}$ concentrations in Cleveland in 2021, and then modeled any potential increases of precursors for the same year to determine the impact of the growth of precursors to the areas concentrations. To help determine a theoretical growth scenario as a result of major source expansion (new or modified), OEPA first prepared inventories for VOC and NH_3 for 2008 to 2014 for the entire State from Ohio's annual emissions reporting program. OEPA used inventories for the entire State in order to determine what types of major sources/source categories are likely to expand (new or modified) within the Cleveland area and at what magnitude (tons per year) those expansions are likely to occur.

Consistent with EPA's regulation and draft guidance, OEPA and LADCO have performed sensitivity analyses of potential increases in emissions through a model simulation that evaluates the effect on $PM_{2.5}$ concentrations in the nonattainment area (including unmonitored areas) resulting from a given set of hypothetical NH_3 or VOC precursor emission increases from modified major stationary sources of the respective precursors in the nonattainment area.

For the NH_3 analysis, OEPA assumed emissions increases at three existing locations of NH_3 in the area, as these would be the most likely future areas of growth in the Cleveland area. EPA believes that the use of the historical inventories to predict growth is reflective of the future potential increases specific to the Cleveland area

given the current types of facilities and their respective locations, the urban density and ability to expand or build, as well as the types of state regulation or other federal requirements (such as National Emission Standards for Hazardous Air Pollutants) on facility types and controls required for other pollutants. EPA believes that this is an acceptable approach to estimating potential future growth.

In addition to the modeled emissions increases based on historical growth at sources, LADCO and OEPA performed an additional NH_3 modeling analysis (submitted July 18, 2017) based on a 100 tons per year (TPY) emissions increase (to represent major sources) in each modeled grid cell in the nonattainment area. EPA believes that this is a sufficiently conservative analysis that exceeds the level of actual potential NH_3 emissions growth likely to occur in the area. Thus, this analysis serves as a reasonable evaluation of the sensitivity of $PM_{2.5}$ concentrations to a large emissions increase across the spatial area. Both of these approaches are consistent with suggested modeling in EPA's draft guidance.

For the VOC analysis, OEPA added 1,486 TPY of VOC emissions at 3 existing source locations where VOC emissions increases potentially could occur in the nonattainment area. Compared to the 2011 inventory, this represents a 75% increase in VOC emissions from existing stationary sources (Electric Generating Units (EGU) and non-EGU). Compared to the 2021 projected inventory, this represents an 80% increase in stationary source emissions. For the NH_3 analysis, OEPA added 325 TPY of NH_3 emissions (scenario 1) to 3 existing source locations where NH_3 emissions increases potentially could occur in the nonattainment area. Compared to the 2011 inventory, this represents a 447% increase in NH_3 emissions from existing stationary sources. Compared to the 2021 projected inventory, this represents a 449% increase in NH_3 from stationary sources. The additional NH_3 analysis (scenario 2) had a total emissions increase of 1,700 TPY, which is over 500% higher growth than the historical NH_3 growth (scenario 1).

OEPA found that the addition of the NH_3 emissions (approximately 350 TPY) into the model based on historical growth (scenario 1) would result in a peak impact of 0.08 micrograms per cubic meter ($\mu g/m^3$), and the addition of the above VOC emissions would result in a peak impact of 0.02 $\mu g/m^3$. The modeled impacts are well below the recommended significance contribution threshold of 0.2 $\mu g/m^3$; for VOC it is an order of magnitude difference, and for NH_3 the maximum value is less than half the recommended significant contribution threshold level. The results of NH_3 modeling for scenario 2 indicate that, even with a conservatively large NH_3 increase, the maximum impact was 0.24 $\mu g/m^3$, which is only slightly above the recommended contribution threshold of 0.2 ug/m^3.

While the increase is slightly above the recommended contribution threshold, EPA believes that it is reasonable to conclude that NH_3 emissions from major stationary sources (in the context of a NNSR precursor demonstration) do not contribute significantly to $PM_{2.5}$ concentrations in the nonattainment area for the following reasons: Historical growth of NH_3 sources in the area are significantly less than what was modeled for scenario 2; the only likely future increases of NH_3 emissions from major sources in the area are from the increased use of NH_3 for EGU NO_X control (ammonia slip) and would likely occur at existing EGUs (as modeled in scenario 1); the area continues to trend downward in both monitored $PM_{2.5}$ concentrations and $PM_{2.5}$ (direct and precursor) emissions; and current preliminary monitoring data shows the area is attaining the standard. This small amount of additional ambient $PM_{2.5}$ concentration, based on the modeling analysis, would therefore not interfere with the area's ability to attain the standard given that the current preliminary design value for 2015–2017 is 11.3 $\mu g/m^3$, and the additional modeled increase of 0.24 $\mu g/m^3$ would not impact the areas ability to attain or maintain the NAAQS.

Based on the results of the modeling demonstration and the additional factors described in this section, EPA is proposing to determine that emissions increases of either VOC or NH_3 from new and modified major stationary sources would not contribute significantly to $PM_{2.5}$ levels that exceed the 2012 $PM_{2.5}$ NAAQS in the Cleveland nonattainment area. Accordingly, we are proposing to approve Ohio's submitted revisions to its $PM_{2.5}$ SIP, and new or modified major sources of VOC and NH_3 may be exempted from the state's NNSR program requirements for $PM_{2.5}$ in the Cleveland $PM_{2.5}$ nonattainment area.

III. What action is EPA taking?

EPA is proposing approval of the SIP revision submittal. Ohio's SIP revisions comply with regulations EPA designed to address the $PM_{2.5}$ NAAQS. EPA finds that these revisions implement the NNSR rules by defining precursors for $PM_{2.5}$, as required by EPA's regulations.

EPA is proposing approval of revisions to OAC 3745–31–01, specifically subparagraph (LLL)(6), paragraph (NNN), paragraph (WWWW), paragraph (NNNNN), paragraph (VVVVV), and subparagraph (LLLLLL)(2)(ee). EPA finds that the revisions are consistent with Federal requirements.

IV. Incorporation by Reference

In this rule, EPA is proposing to include in a final EPA rule regulatory text that includes incorporation by reference. In accordance with requirements of 1 CFR 51.5, EPA is proposing to incorporate by reference revisions to Ohio Administrative Code 3745–31–01 including subparagraph (LLL)(6), paragraph (NNN), paragraph (WWWW), paragraph (NNNNN), paragraph (VVVVV), and subparagraph (LLLLLL)(2)(ee), effective on March 20, 2017 . EPA has made, and will continue to make, these documents generally available through *www.regulations.gov,* and at the EPA Region 5 Office (please contact the person identified in the **FOR FURTHER INFORMATION CONTACT** section of this preamble for more information.

VI. Statutory and Executive Order Reviews

Under the CAA, the Administrator is required to approve a SIP submission that complies with the provisions of the CAA and applicable Federal regulations. 42 U.S.C. 7410(k); 40 CFR 52.02(a). Thus, in reviewing SIP submissions, EPA's role is to approve state choices, provided that they meet the criteria of the CAA. Accordingly, this action merely approves state law as meeting Federal requirements and does not impose additional requirements beyond those imposed by state law. For that reason, this action:

- Is not a significant regulatory action subject to review by the Office of Management and Budget under Executive Orders 12866 (58 FR 51735, October 4, 1993) and 13563 (76 FR 3821, January 21, 2011);
- Is not an Executive Order 13771 (82 FR 9339, February 2, 2017) regulatory action because SIP approvals are exempted under Executive Order 12866;
- Does not impose an information collection burden under the provisions of the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*);
- Is certified as not having a significant economic impact on a substantial number of small entities under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*);
- Does not contain any unfunded mandate or significantly or uniquely affect small governments, as described

in the Unfunded Mandates Reform Act of 1995 (Pub. L. 104–4);

- Does not have Federalism implications as specified in Executive Order 13132 (64 FR 43255, August 10, 1999);
- Is not an economically significant regulatory action based on health or safety risks subject to Executive Order 13045 (62 FR 19885, April 23, 1997);
- Is not a significant regulatory action subject to Executive Order 13211 (66 FR 28355, May 22, 2001);
- Is not subject to requirements of Section 12(d) of the National Technology Transfer and Advancement Act of 1995 (15 U.S.C. 272 note) because application of those requirements would be inconsistent with the Clean Air Act; and
- Does not provide EPA with the discretionary authority to address, as appropriate, disproportionate human health or environmental effects, using practicable and legally permissible methods, under Executive Order 12898 (59 FR 7629, February 16, 1994).

In addition, the SIP is not approved to apply on any Indian reservation land or in any other area where EPA or an Indian tribe has demonstrated that a tribe has jurisdiction. In those areas of Indian country, the rule does not have tribal implications and will not impose substantial direct costs on tribal governments or preempt tribal law as specified by Executive Order 13175 (65 FR 67249, November 9, 2000).

List of Subjects in 40 CFR Part 52

Environmental protection, Air pollution control, Carbon monoxide, Incorporation by reference, Intergovernmental relations, Nitrogen dioxide, Particulate matter, Reporting and recordkeeping requirements, Sulfur oxides, Volatile organic compounds.

Dated: March 20, 2018.

Edward H. Chu,

Acting Regional Administrator, Region 5.

[FR Doc. 2018–06368 Filed 3–28–18; 8:45 am]

BILLING CODE 6560–50–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 79

[EPA–HQ–OAR–2018–0131; FRL–9975–89–OAR]

Registration of Isobutanol as a Gasoline Additive: Opportunity for Public Comment

AGENCY: Environmental Protection Agency (EPA).

ACTION: Request for information.

SUMMARY: The Environmental Protection Agency (''EPA'' or ''the Agency'') is seeking public comment on any aspect of the use of isobutanol in gasoline. Butamax Advanced Biofuels, LLC (''Butamax''), a manufacturer of isobutanol, has submitted an application pursuant to the regulations titled ''Registration of Fuels and Fuel Additives'' for the registration of isobutanol as a gasoline additive at up to 16 volume percent. Butamax has submitted information that would likely satisfy the applicable registration requirements. The Clean Air Act requires the EPA to register a fuel or fuel additive once all the applicable registration requirements have been met by the manufacturer. Due to the potential for the widespread introduction of isobutanol into commerce, we are taking steps to make the public aware of the likelihood of this registration. We are seeking public comment regarding any issues we should take into consideration for this registration and any supplemental actions we should consider under the Clean Air Act to further protect public health and welfare.

DATES: Comments must be received on or before April 30, 2018.

ADDRESSES: Submit your comments, identified by Docket ID No. EPA–HQ–OAR–2018–0131, to the Federal eRulemaking Portal: *https://www.regulations.gov.* Follow the online instructions for submitting comments. Once submitted, comments cannot be edited or withdrawn. 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 in general 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 *https://www.epa.gov/dockets/commenting-epa-dockets.*

FOR FURTHER INFORMATION CONTACT: James W. Caldwell, Environmental Engineer, Compliance Division, Office of Transportation and Air Quality, Mail Code 6405A, U.S. Environmental Protection Agency, 1200 Pennsylvania Avenue NW, Washington, DC 20460; Telephone: (202) 343–9303; Fax: (202) 343–2802; Email address: *caldwell.jim@epa.gov.*

SUPPLEMENTARY INFORMATION: The EPA is seeking public comment on any aspect of the use of isobutanol in gasoline. Butamax Advanced Biofuels, LLC (''Butamax''), a manufacturer of isobutanol, has submitted an application pursuant to the regulations at 40 CFR part 79, Registration of Fuels and Fuel Additives, for the registration of isobutanol, an alcohol, as a gasoline additive at up to 16 volume percent. Our review of the information Butamax has submitted leads us to believe that Butamax would likely satisfy the applicable registration requirements under 40 CFR part 79 (discussed in more detail below). Section 211(b) of the Clean Air Act (Clean Air Act, CAA or the Act) requires the EPA to register a fuel or fuel additive once all the applicable registration requirements have been met by the manufacturer. While the EPA does not have any specific concerns, due to the potential for the widespread introduction of isobutanol into commerce, we are taking steps to make the public aware of the likelihood of this registration and are seeking public comment regarding any issues we should take into consideration for this registration and/or any potential supplemental actions we should consider under the Clean Air Act to further protect public health and welfare.

I. Statutory and Regulatory Background

Section 211(a) and (b)—Fuels and Fuel Additives Designation and Registration

Section 211(a) of the Act authorizes the Administrator to designate fuels and fuel additives (F/FAs) by regulations and, once designated, to register such F/FAs prior to introduction into commerce. To date, the Administrator has designated on-highway motor vehicle gasoline and gasoline additives and on-highway motor vehicle diesel and diesel additives for registration. The EPA codified the registration requirements under Sections 211(b) and 211(e) of the Act at 40 CFR part 79. Registration requirements at 40 CFR part 79 include emissions speciation testing and a literature search of the associated emissions (Tier 1 testing) and animal testing of exposure to emissions for purposes of determining health effects (Tier 2 testing). Manufacturers with less than $50 million in total annual sales are considered small businesses, as specified in the regulations at 40 CFR 79.58(d). In certain cases, a small

business is exempt from some or all of these testing requirements. For any potential registrant with $50 million or more in total annual sales, Tier 1 and Tier 2 requirements must be met before registration.

In addition, §§ 79.11(i) and 79.21(h) respectively require that fuel and fuel additive manufacturers demonstrate that their fuels and fuel additives are substantially similar to those used in emissions certification or have a waiver as part of 40 CFR part 79 registration.

The Tier 1 registration regulations at 40 CFR 79.52 require a characterization of the emission products that are generated by evaporation and combustion of a gasoline with, if applicable, an oxygenated additive such as isobutanol. Combustion testing must be conducted with and without after-treatment of exhaust emissions. A literature search for information on the potential toxicological environmental, and other public welfare effects is required for emission products, except that it is not required for those emission products that are the same as the emission products for baseline gasoline (represented in testing by a gasoline with no oxygenates such as ethanol or isobutanol). This is because a test group organized by the American Petroleum Institute (API) has tested baseline gasoline and also conducted the literature search for its emission products. The results of this testing and literature search were reported in the 1997 API baseline gasoline Tier 1 literature review.

The regulations at 40 CFR 79.53 specify the requisite health effects testing for compliance with Tier 2 as well as provisions for a manufacturer that opts to rely on existing health effects test data to satisfy these testing requirements. Additionally, the flexibility to modify Tier 2 requirements and to require Alternative Tier 2 testing can be found at 40 CFR 79.58(c). In 1998, EPA opted to modify the standard Tier 2 testing requirements for gasoline and various oxygenated gasoline blends and issued Alternative Tier 2 testing requirements to the API ''Section 211(b) Research Group.'' This was based on the EPA's determination that alternative test procedures would yield more useful data than standard Tier 2 testing. The primary difference between the testing for baseline gasoline and various oxygenated gasoline blends, under the Alternative Tier 2 and standard Tier 2 testing requirements, was that the Alternative Tier 2 testing focused on identifying and evaluating potential adverse health effects of evaporative emissions. It did not include examination of combustion emissions. At the time, the EPA explained the rationale for focusing on evaporative emissions and why the combustion emission studies would likely not produce meaningful information as being due to methodological complications caused by carbon monoxide (*i.e.,* the carbon monoxide component of the combustion exhaust emissions may be lethal or otherwise compromise the health of the test animals). The EPA required specific testing for baseline gasoline and various oxygenated gasoline blends and these health studies have now been largely completed and approved.

The regulations at 40 CFR 79.54 provide for additional testing under Tier 3 provisions if the Tier 1 and Alternative Tier 2 data or other data obtained by the Agency indicates that such testing is warranted. The EPA has yet to initiate a Tier 3 process for any fuel or fuel additive. If the EPA were to require Tier 3 testing, we would develop the testing protocol and requirements through a public process.

CAA Section 211(f)—Substantially Similar and Waivers

Section 211(f)(1) of the Act makes it unlawful for any manufacturer of any fuel or fuel additive to first introduce into commerce, or to increase the concentration in use of, any fuel or fuel additive for use by any person in motor vehicles manufactured after model year 1974 which is not substantially similar to any fuel or fuel additive utilized in the certification of any model year 1975, or subsequent model year, vehicle or engine under Section 206 of the Act. The EPA last issued an interpretive rule on the phrase ''substantially similar'' at 73 FR 22281 (April 25, 2008). Generally speaking, this interpretive rule describes the types of unleaded gasoline that are considered ''substantially similar'' to the unleaded gasoline utilized in the EPA's emissions certification program by placing limits on a gasoline's chemical composition and its physical properties, including the amount of alcohols and ethers (oxygenates) that may be added to gasoline. Gasoline and diesel fuels that are found to be ''substantially similar'' to the EPA's certification fuels may be registered and introduced into commerce. The current ''substantially similar'' interpretive rule for unleaded gasoline allows oxygen content up to 2.7 percent oxygen by weight for certain ethers and alcohols, which equates to approximately 12 volume percent isobutanol.[1] Gasoline-isobutanol blends containing up to 16 volume percent isobutanol would contain up to 3.7 percent oxygen by weight, which exceeds the allowable limit for oxygen content under the current ''substantially similar'' interpretive rule, and would require a waiver under section 211(f)(4) of the Act.

Section 211(f)(4) of the Act provides that upon application of any fuel or fuel additive manufacturer, the Administrator may waive the prohibitions of CAA section 211(f)(1) if the Administrator determines that the applicant has established that such fuel or fuel additive, or a specified concentration thereof, will not cause or contribute to a failure of any emission control device or system (over the useful life of the motor vehicle, motor vehicle engine, nonroad engine or nonroad vehicle in which such device or system is used) to achieve compliance by the vehicle or engine with the emission standards to which it has been certified pursuant to Sections 206 and 213(a) of the Act. In other words, the Administrator may grant a waiver for a prohibited fuel or fuel additive if the applicant can demonstrate that the new fuel or fuel additive will not cause or contribute to engines, vehicles or equipment failing to meet their emissions standards over their useful lives. The statute requires that the Administrator shall take final action to grant or deny the application, after public notice and comment, within 270 days of receipt of the application.

In addition, the regulations at §§ 79.11(i) and 79.21(h) require that fuel and fuel additive manufacturers must demonstrate that their fuels and fuel additives, respectively, are substantially similar or have a waiver as described in section 211(f) of the Act.

CAA Section 211(c)—Rulemaking To Regulate Fuels

Section 211(c)(1) of the Act allows the Administrator, by regulation, to ''control or prohibit the manufacture, introduction into commerce, offering for sale, or sale of any fuel or fuel additive for use in a motor vehicle, motor vehicle engine, or nonroad engine or nonroad vehicle (A) if, in the judgment of the Administrator, any fuel or fuel additive or any emission product of such fuel or fuel additive causes, or contributes, to air pollution or water pollution (including any degradation in the quality of groundwater) that may reasonably be anticipated to endanger the public health or welfare, or (B) if emission products of such fuel or fuel additive will impair to a significant degree the performance of any emission control device or system which is in general use, or which the Administrator

[1] See 56 FR 5352 (February 11, 1991).

finds has been developed to a point where in a reasonable time it would be in general use were such regulation to be promulgated.'' Prior to doing so, the EPA must consider scientific and medical evidence as well as the costs of any control and setting regulations under Section 202 of the Act. The EPA must also publish a finding that a control or prohibition will not result in the use of other substitute fuels or fuel additives that will also endanger public health or welfare.

II. Registration of Isobutanol

Isobutanol Background

Isobutanol is a flammable colorless liquid that is used as a gasoline additive and as an industrial solvent. Isobutanol is composed of the chemical elements hydrogen, oxygen, and carbon and it can be made from petroleum or renewable biomass, such as corn, grasses, agricultural waste and other renewable sources. It can be used in internal combustion engines as an additive to gasoline and is registered under the 40 CFR part 79 as a gasoline additive for manufacturers that are exempt from the Tier 1 and Alternative Tier 2 testing. A blend level of 16 percent for a non-exempt manufacturer would require a new registration that would include meeting Tier 1 and Alternative Tier 2 health effects testing requirements and a waiver under CAA section 211(f)(4). Biobutanol is the common name for isobutanol made from renewable sources.

There has been an increased interest in the use of biobutanol as a direct result of the requirements for increased use of renewable fuel volumes, adopted in the Energy Information and Security Act of 2007. These provisions require an increase in the use of renewable fuels, with 36 billion gallons of renewable fuel to be used in the U.S. by 2022. Parties required to meet these standards are interested in cost effective and practical ways to satisfy the standards and meet the performance needs of the vehicles and engines. Biobutanol is one potentially attractive option because of its higher energy density, lower blending vapor pressure, and lower heat of vaporization in comparison to other alcohols such as ethanol.

Current Isobutanol Registrations

As previously discussed, regulations at 40 CFR 79.58(d) specify that a company with total annual sales of less than $50 million is a small business and is exempt in certain instances from applicable testing requirements. The EPA has registered isobutanol as a fuel additive for companies that qualified under this provision.

Fuel and fuel additive manufacturers with total annual sales of $50 million or greater do not qualify as small businesses, are prohibited from registering the use of isobutanol produced by small businesses, and instead must comply with all applicable registration requirements, including health effects testing. Gasoline manufacturers typically have sales greater than $50 million per year and would need to register isobutanol as an additive to their gasoline if they wanted to use it. Therefore, a gasoline manufacturer cannot rely on the registration of a small additive manufacturer as a means of complying with the 40 CFR part 79 registration requirements. Additionally, because no gasoline manufacturer has completed the 40 CFR part 79 registration requirements, including required health effects testing for isobutanol, the agency has yet to grant a registration request of isobutanol as an additive to gasoline by a gasoline manufacturer. This has resulted in limiting isobutanol to blending at terminals by parties that are not gasoline manufacturers. See the definition of fuel manufacturer at 40 CFR 79.2(d). For this reason, among others, isobutanol has yet to be introduced into commerce in any significant volume.

Butamax—Isobutanol Registration

Butamax Advanced Biofuels, LLC (Butamax) has applied for registration of the use of up to 16 percent by volume isobutanol as a fuel additive in motor-vehicle gasoline.[2] As discussed above, fuels and fuel additives to motor-vehicle gasoline are required to be registered by the EPA under 40 CFR part 79 prior to introduction into commerce. As previously described, there are two main requirements for the fuel or fuel additive manufacturer. First, the fuel or fuel additive must be substantially similar to fuel additives used in emissions certification, or, if not, have a waiver under CAA section 211(f)(4) (42 U.S.C. 7545(f)(4), 40 CFR 79.21(h)). A fuel containing a blend of gasoline and 16 percent isobutanol is not substantially similar to any EPA certification fuels so Butamax must operate via a waiver under CAA section 211(f)(4) prior to registration. The EPA allows manufacturers to use previously granted waivers if they can satisfy the waiver's terms and conditions. Of relevance here is the OCTAMIX waiver, which the EPA granted on February 8, 1988,[3] and has since modified the waiver on October 28, 1988,[4] June 7, 2012,[5] and June 14, 2012.[6] The waiver allows a variety of alcohols in gasoline, including isobutanol, at up to 3.7 percent oxygen by weight. For a gasoline with a typical density, this equates to a maximum of 16 percent isobutanol by volume when no other oxygenates are present. Butamax has stated that it intends to produce the isobutanol fuel additive for use in accordance with the OCTAMIX waiver. Butamax must show that it will comply with all seven conditions in the OCTAMIX waiver to be able to rely on that waiver to satisfy the registration requirement at 40 CFR 79.21(h). The Agency has evaluated Butamax's March 25, 2011 submission regarding Butamax™ Advanced Biofuels LLC and its application of the OCTAMIX Waiver for up to 16 volume percent isobutanol as a fuel additive if blended with gasoline and agrees with its evaluation that Butamax can meet all seven conditions specified in the OCTAMIX waiver.

Second, a manufacturer must conduct Tier 1 and either Tier 2 or Alternative Tier 2 health-effects testing, unless the manufacturer is exempt under the small-business provisions specified at 40 CFR 79.58(d). Butamax does not qualify as a small business and is not exempt from these testing requirements. Additionally, the regulations at 40 CFR 79.53(b) allow a manufacturer to rely on existing health effects test data that would provide ''reasonably comparable'' information in lieu of conducting health effects testing ''regarding the carcinogenicity, mutagenicity, neurotoxicity, teratogenicity, reproductive/fertility measures, and general toxicity effects of the emissions for a fuel or additive'' for registration. The Agency's current review leads it to believe that Butamax will likely meet the requisite health effects testing requirements for isobutanol at 16 percent through its submittal of information on testing for the health effects end points identified under Alternative Tier 2 testing procedures for oxygenates.[7] Similarly, the Agency also believes that Butamax will likely meet the other requirements for registration on EPA Form 3520–13,

[2] Ethanol is allowed in gasoline at up to 15 percent by volume for certain vehicles. Isobutanol at 16 percent by volume would not have a vehicle restriction.

[3] See 53 FR 3636 (February 8, 1988).

[4] See 53 FR 43768 (October 28, 1988).

[5] See 77 FR 33733 (June 7, 2012).

[6] See 77 FR 35677 (June 14, 2012).

[7] Letter to Dr. Carol Henry, American Petroleum Institute, from Margo Oge, U.S. EPA, November 2, 1998.

Fuel Additive Manufacturer Notification.

III. Recent Studies Regarding Isobutanol Blended Gasolines

The OCTAMIX waiver evaluated a number of 1980s gasoline-fueled vehicles on the effects of gasoline-alcohol mixtures (applicable to isobutanol at up to 16 percent by volume) on those vehicles emissions controls. Since then, studies have been conducted to evaluate the potential effects of isobutanol on gasoline-fueled vehicles, engines, and fuel dispensing and storage equipment. Recent testing on the use of gasoline-isobutanol blended fuels illustrates that isobutanol-blended fuels generally do not significantly affect oxides of nitrogen (NO_X), carbon monoxide (CO), or non-methane organic gas (NMOG) emissions. In a recent study, gasoline was splash blended with alcohols to produce four blends with a target value of 5.5 percent oxygen by weight including a gasoline-isobutanol blend of 21 volume percent isobutanol.[8] The study found that the gasoline-isobutanol blended fuel did not significantly affect NO_X, CO, or NMOG emissions.

In a test of isobutanol exposure impacts on fueling infrastructure materials, the observed swell for elastomers for exposures to 16 percent and 24 percent gasoline blends were similar to but slightly less than the oxygen equivalent ethanol fuels of E10 and E17. Samples of metals commonly found in fuel storage and dispensing systems were immersed in 16 percent and 24 percent isobutanol blends at 60 °C for 28 days. In all cases, the annualized corrosion rates for isobutanol based on weight loss were negligible.[9]

Finally, in a 50-hour field emissions test of 175 horsepower and 215 horsepower boating engines, 16.1 volume percent isobutanol (blended to 93 octane) showed similar total $HC+NO_X$ emissions compared to a non-oxygenated certification gasoline.[10] In that same test, CO emissions were reduced using isobutanol vs. indolene which was expected as isobutanol is a partially oxidized fuel. The enleanment reported for 16.1 percent isobutanol was in line with what is typical of E10 relative to indolene. The study noted that no operability issues were observed while the marine engines were operated on the gasoline-isobutanol blended fuels.[11]

The Agency believes that based on the referenced studies on the potential effects of isobutanol on gasoline-fueled vehicles and engines and its engineering judgement, that modern motor vehicles and engines should continue to meet emissions standards and suffer no issues with driveability or operability on gasoline-isobutanol blended fuels up to 16 volume percent. However, even though the information cited above concerning regulated emissions, retail fuel dispensing and storage equipment materials, and marine engines suggests that isobutanol blended into gasoline should not pose any significant issues, the narrowness of the size and scope of these studies does not address all potential effects isobutanol may have on gasoline-fueled vehicles and engines. Therefore, the Agency seeks comment on whether there is available information on other areas that should be addressed for gasoline-isobutanol blended fuels up to 16 volume percent. The Agency could use information gleaned from this public comment process to determine whether further controls might be necessary (potentially via rulemaking under section 211(c) of the Act) to help ensure the smooth introduction of isobutanol into the gasoline market or to help determine whether the Agency should impose certain conditions on the registration of isobutanol as a gasoline additive through 40 CFR part 79.

IV. Conclusion

The EPA will register isobutanol for Butamax in accordance with the regulations at 40 CFR part 79 once applicable requirements are met. Butamax has submitted the required information, including: (1) The speciation of exhaust and evaporative emissions for gasoline with 16 percent isobutanol (Tier 1 testing), (2) a literature search for health information on the Tier 1 emissions found for that blend that were not found in the Tier 1 testing of gasoline without any oxygenate, and (3) the results of the Alternative Tier 2 health-effects testing for that blend (animal exposure to evaporative emissions). Butamax has also submitted information to demonstrate that it can comply with the requirements of the OCTAMIX waiver, which allows the blending of isobutanol into gasoline at up to 3.7 percent oxygen by weight, or 16 percent isobutanol by volume.

The EPA seeks comments and any information and data on the use of isobutanol in gasoline, including, but not limited to: (1) The need for additional health-effects testing under the Tier 3 provisions in the regulations, and (2) the need for additional regulatory controls for 16 percent isobutanol in gasoline, beyond those for gasoline at 40 CFR parts 79 and 80, under the authority of CAA section 211(c).

Dated: March 15, 2018.

Byron J. Bunker,

Director, Compliance Division, Office of Transportation and Air Quality, Office of Air and Radiation.

[FR Doc. 2018–06119 Filed 3–28–18; 8:45 am]

BILLING CODE 6560–50–P

[8] Ratcliff, M. A.; Luecke, J.; Williams, A.; Christensen, E.; Yanowitz, J.; Reek, A.; and McCormick, R. L.; Impact of higher alcohols blended in gasoline on light-duty vehicle exhaust emissions. Environ. Sci. Technol., 2013, 47 (23), pp 13865–13872.

[9] Kass, M.; Theiss, T.; Janke, C.; Pawel, S.; et al; Compatibility study for plastic, elastomeric, and metallic fueling infrastructure materials exposed to aggressive formulations of isobutanol-blended gasoline. Oak Ridge National Laboratory, 2014.

[10] Until changed in the Tier 3 rulemaking (see 79 FR 23414, April 28, 2014), certification gasoline did not contain ethanol, or any other oxygenates. However, the Tier 3 rulemaking now requires federal motor vehicle gasoline certification fuel to contain 10 volume percent ethanol.

[11] Wasil, J. R.; McKnight, J.; Kolb, R.; Munz, D.; Adey, J.; and Goodwin, B.; In-use performance testing of butanol-extended fuel in recreational marine engines and vessels. SAE [Tech Pap.] 2012.

FEDERAL COMMUNICATIONS COMMISSION

47 CFR Parts 15, 73, 74, and 76

[GN Docket No. 16–142; Report No. 3088]

Petitions for Reconsideration of Action in Rulemaking Proceeding

AGENCY: Federal Communications Commission.

ACTION: Petitions for Reconsideration.

SUMMARY: Petitions for Reconsideration (Petitions) have been filed in the Commission's Rulemaking proceeding by Rick Chessen, on behalf of NCTA—The Internet & Television Association (''NCTA'') and Michael Nilsson, on behalf of American Television Alliance (ATVA).

DATES: Oppositions to the Petition must be filed on or before April 13, 2018. Replies to an opposition must be filed on or before April 23, 2018.

ADDRESSES: Federal Communications Commission, 445 12th Street SW, Washington, DC 20554.

FOR FURTHER INFORMATION CONTACT: Evan Baranoff, Media Bureau, Policy Division, at: (202) 418–2120; email: *Evan.Baranoff@fcc.gov.*

SUPPLEMENTARY INFORMATION: This is a summary of the Commission's document, Report No. 3088, released March 22, 2018. The full text of the Petition is available for viewing and

copying at the FCC Reference Information Center, 445 12th Street SW, Room CY–A257, Washington, DC 20554. It also may be accessed online via the Commission's Electronic Comment Filing System at: *http://apps.fcc.gov/ecfs/.* The Commission will not send a Congressional Review Act (CRA) submission to Congress or the Government Accountability Office pursuant to the CRA, 5.U.S.C. because no rules are being adopted by the Commission.

Subject: Authorizing Permissive Use of the ''Next Generation'' Broadcast Television Standard, Report and Order, FCC 17–158, published at 83 FR 4998, February 2, 2018, in GN Docket No. 16–142. This document is being published pursuant to 47 CFR 1.429(e). *See also* 47 CFR 1.4(b)(1) and 1.429(f), (g).

Number of Petitions Filed: 2.

Federal Communications Commission.

Katura Jackson,

Federal Register Liaison Officer, Office of the Secretary.

[FR Doc. 2018–06372 Filed 3–28–18; 8:45 am]

BILLING CODE 6712–01–P

DEPARTMENT OF TRANSPORTATION

Pipeline and Hazardous Materials Safety Administration

49 CFR Parts 107, 171, 172, 173, 174, 177, 178, 179, and 180

[Docket No. PHMSA–2018–0001; Notice No. 2018–01]

Request for Information on Regulatory Challenges to Safely Transporting Hazardous Materials by Surface Modes in an Automated Vehicle Environment; Correction

AGENCY: Pipeline and Hazardous Materials Safety Administration (PHMSA), Department of Transportation (DOT).

ACTION: Request for information; correction.

SUMMARY: This request for information notice replaces the version published in the **Federal Register** on March 22, 2018 (83 FR 12529), to make technical corrections to the prior version. The Pipeline and Hazardous Materials Safety Administration (PHMSA) requests information on matters related to the development and potential use of automated technologies for surface modes (*i.e.,* highway and rail) in hazardous materials transportation. In anticipation of the development, testing, and integration of Automated Driving Systems in surface transportation, PHMSA is issuing this request for information on the factors the Agency should consider to ensure continued safe transportation of hazardous materials without impeding emerging surface transportation technologies.

DATES: Interested persons are invited to submit comments on or before May 7, 2018. Comments received after that date will be considered to the extent practicable.

ADDRESSES: You may submit comments identified by Docket Number PHMSA–2018–0001 via any of the following methods:

- *Federal eRulemaking Portal:* Go to *http://www.regulations.gov.* Follow the online instructions for submitting comments.
- *Fax:* 1–202–493–2251.
- *Mail:* Docket Operations, U.S. Department of Transportation, West Building, Ground Floor, Room W12–140, Routing Symbol M–30, 1200 New Jersey Avenue SE, Washington, DC 20590.
- *Hand Delivery:* To Docket Operations, Room W12–140 on the ground floor of the West Building, 1200 New Jersey Avenue SE, Washington, DC 20590, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

Instructions: All submissions must include the agency name and docket number for this notice. Internet users may access comments received by DOT at: *http://www.regulations.gov.* Please note that comments received will be posted without change to: *http://www.regulations.gov* including any personal information provided.

Privacy Act: In accordance with 5 U.S.C. 553(c), the DOT solicits comments from the public. The DOT posts these comments, without edit, including any personal information the commenter provides, to *http://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.*

FOR FURTHER INFORMATION CONTACT: Matthew Nickels, Senior Regulations Officer (PHH–10), U.S. Department of Transportation, Pipeline and Hazardous Materials Safety Administration, 1200 New Jersey Avenue SE, East Building, 2nd Floor, Washington, DC 20590–0001, Telephone 202–366–0464, *Matthew.Nickels@dot.gov.*

SUPPLEMENTARY INFORMATION:

I. Overview

The transportation sector is undergoing a potentially revolutionary period, as tasks traditionally performed by humans only are increasingly being done, whether in testing or in actual integration, by automated technologies. Most prominently, ''Automated Driving Systems'' (ADS) have shown the capacity to drive and operate motor vehicles, including commercial motor vehicles, as safely and efficiently as humans, if not more so. Similar technological developments are also occurring in rail. Additionally, PHMSA acknowledges that ongoing advances in aviation and maritime technology could also affect the transportation of hazardous materials and plans to address these issues in future notices, as necessary.

DOT, including PHMSA, strongly encourages the safe development, testing, and integration of automated technologies, including the potential for these technologies to be used in hazardous materials transportation. Although an exciting and important innovation in transportation history, the emergence of surface automated vehicles and the technologies that support them may create unique and unforeseen challenges for hazardous materials transportation. The safe transportation of hazardous materials remains PHMSA's top priority, and as the development, testing, and integration of surface automated vehicles into our transportation system continues, PHMSA recognizes the need to work with State and modal partners to ensure the Hazardous Materials Regulations (HMR; 49 CFR parts 171–180) framework sufficiently takes into account these new technological innovations.

The purpose of this request for information is to obtain public comment on how the development of automated technologies may impact the HMR, and on the information PHMSA should consider when determining how to best ensure the HMR adequately account for surface automated vehicles.[1] In anticipation of the role surface automated vehicles and the technologies that support them may play on transportation, the movement of freight, and commerce, PHMSA requests comments from the public and interested stakeholders—including entities engaged in the development, testing, and integration of these technologies—on the potential future incompatibilities between the hazardous materials transportation requirements in the HMR and a surface transportation

[1] In this notice, PHMSA is not seeking comment on how advances in aviation or maritime technology could affect the transportation of hazardous materials, though the Agency is considering future notices on those issues.

system that incorporates automated vehicles.

This request for information notice replaces the version published in the **Federal Register** on March 22, 2018 (83 FR 12529),[2] to make technical corrections to the prior version.

II. PHMSA's Safety Mission and Regulatory Objectives

PHMSA is an operating administration within DOT established in 2004 by the Norman Y. Mineta Research and Special Programs Improvement Act (Pub. L. 108–426). PHMSA's mission is to protect people and the environment by advancing the safe transportation of energy and other hazardous materials that are essential to our daily lives. To achieve this mission, PHMSA establishes national policy, sets and enforces standards, educates, and conducts research to prevent hazardous materials incidents. PHMSA collaborates closely with other Federal agencies, operating administrations, and transportation modes, in addition to coordinating with State and local governments and authorities to ensure the safe movement of hazardous materials by highway and rail in or around local communities.

Federal hazardous materials law authorizes the Secretary to ''prescribe regulations for the safe transportation, including security, of hazardous materials in intrastate, interstate, and foreign commerce.'' 49 U.S.C. 5103(b)(1). The Secretary has delegated this authority to PHMSA in 49 CFR 1.97(b). The HMR are designed to achieve three primary goals: (1) Help ensure that hazardous materials are packaged and handled safely and securely during transportation; (2) provide effective communication to transportation workers and emergency responders of the hazards of the materials being transported; and (3) minimize the consequences of an accident or incident should one occur. The hazardous materials regulatory system is a risk management system that is prevention-oriented and focused on identifying safety or security hazards and reducing the probability and consequences of a hazardous material release.

Under the HMR, hazardous materials are categorized into hazard classes and packing groups based on analysis of and experience with the risks they present during transportation. The HMR: (1) Specify appropriate packaging and handling requirements for hazardous materials based on this classification and require a shipper to communicate the material's hazards through the use of shipping papers, package marking and labeling, and vehicle placarding; (2) require shippers to provide emergency response information applicable to the specific hazard or hazards of the material being transported; and (3) mandate training requirements for persons who prepare hazardous materials for shipment or transport hazardous materials in commerce. The HMR also include operational requirements applicable to each mode of transportation, further necessitating that hazardous materials standards and regulations be coordinated in intrastate, interstate, and foreign commerce.

As such, PHMSA—in continued collaboration with the Federal Motor Carrier Safety Administration and the Federal Railroad Administration—seeks information regarding the design, development, and potential use of automated transportation systems to safely transport hazardous materials by surface mode in compliance with the HMR, and to identify requirements within the HMR which may impede the integration of this technology.

III. Special Permit Program Allows Regulatory Flexibility To Foster Innovation

PHMSA safely incorporates technological innovation through its special permit (SP) program. SPs set forth alternative requirements—or a variance—to the requirements in the HMR in a manner that achieves an equivalent level of safety to that required under the regulations, or if a required safety level does not exist, that is consistent with the public interest. PHMSA's Approvals and Permits Division is responsible for the issuance of DOT SPs. Specifically, SPs are issued by PHMSA under 49 CFR part 107, subpart B.

The HMR often provide performance-based standards and, as such, provide the regulated community with some flexibility in meeting safety requirements. Even so, not every transportation situation can be anticipated and covered under the regulations. The hazardous materials community is at the cutting edge of development of new materials, technologies, and innovative ways of moving hazardous materials. Innovation strengthens our economy, and new technologies and operational techniques may enhance safety. Thus, SPs provide a mechanism for testing and using new technologies, promoting increased transportation efficiency and productivity, and ensuring global competitiveness without compromising safety. SPs enable the hazardous materials industry to safely, quickly, and effectively integrate new products and technologies into production and the transportation stream.

IV. Additional DOT Guidance

PHMSA requests information related to the development and potential use of surface automated vehicles and the technologies that support them in hazardous materials transportation by highway or rail. For additional background on ADS for motor vehicles, PHMSA notes that DOT and the National Highway Traffic Safety Administration (NHTSA) released guidance in the *Automated Driving Systems 2.0: A Vision for Safety,*[3] on September 12, 2017. Further, NHTSA issued a notice [September 15, 2017; 82 FR 43321] making the public aware of the guidance and seeking comment. This voluntary guidance, among other things, describes the levels of ''Automated Driving Systems'' for on-road motor vehicles developed by SAE International (see SAE J3016, September 2016) and adopted by DOT.

The SAE definitions divide vehicles into levels based on ''who does what, when.'' Generally:

- At SAE Level 0, the driver does everything.
- At SAE Level 1, an automated system on the vehicle can *sometimes assist* the driver conduct *some parts* of the driving task.
- At SAE Level 2, an automated system on the vehicle can *actually conduct* some parts of the driving task, while the driver continues to monitor the driving environment and performs the rest of the driving task.
- At SAE Level 3, an automated system can both actually conduct some parts of the driving task and monitor the driving environment *in some instances,* but the driver must be ready to take back control when the automated system requests.
- At SAE Level 4, an automated system can conduct the driving task and monitor the driving environment, and the driver need not take back control, but the automated system can operate only in certain environments and under certain conditions.
- At SAE Level 5, the automated system can perform all driving tasks, under all conditions that a driver could perform them.

V. Questions

PHMSA requests comments on the implications of the development,

[2] See *https://www.gpo.gov/fdsys/pkg/FR-2018-03-22/pdf/2018-05785.pdf.*

[3] See *https://www.nhtsa.gov/sites/nhtsa.dot.gov/files/documents/13069a-ads2.0_090617_v9a_tag.pdf.*

testing, and integration of automated technologies for surface modes (*i.e.,* highway and rail) on both the HMR and the general transport of hazardous materials.

Specifically, PHMSA asks:

1. What are the safety, regulatory, and policy implications of the design, testing, and integration of surface automated vehicles on the requirements in the HMR? Please include any potential solutions PHMSA should consider.

2. What are potential regulatory incompatibilities between the HMR and a future surface transportation system that incorporates automated vehicles? Specific HMR areas could include but are not limited to:

(a) Emergency response information and hazard communication
(b) Packaging and handling requirements, including pre-transportation functions
(c) Incident response and reporting
(d) Safety and security plans (*e.g.,* en route security)
(e) Modal requirements (*e.g.,* highway and rail)

3. Are there specific HMR requirements that would need modifications to become performance-based standards that can accommodate an automated vehicle operating in a surface transportation system?

4. What automated surface transportation technologies are under development that are expected to be relevant to the safe transport of hazardous materials, and how might they be used in a surface transportation system?

5. Under what circumstances do freight operators envision the transportation of hazardous materials in commerce using surface automated vehicles within the next 10 years?

(a) To what extent do the HMR restrict the use of surface automated vehicles in the transportation of hazardous materials in non-bulk packaging in parcel delivery and less-than-truckload freight shipments by commercial motor vehicles?
(b) To what extent do the HMR restrict the use of surface automated vehicles in the transportation of hazardous materials in bulk packaging by rail and commercial motor vehicles?

6. What issues do automated technologies raise in hazardous materials surface transportation that are not present for human drivers or operators that PHMSA should address?

7. How might potential changes to the HMR for integration of surface automated vehicle technologies impact current requirements for human drivers or operators (*i.e.,* training)?

8. Do HMR requirements that relate to the operation of surface automated vehicles carrying hazardous materials present different challenges than those that relate to ancillary tasks, such as inspections and packaging requirements?

9. How will the behavioral responses of road and railway users change with the integration of surface automated vehicle technologies? What will the reaction be to automated vehicles or rail cars with markings denoting the presence of hazardous materials?

10. What solutions could PHMSA consider to address potential future regulatory incompatibilities between the HMR and surface automated vehicle technologies?

11. What should PHMSA consider when reviewing applications for special permits seeking regulatory flexibility to allow for the transport of hazardous materials using automated technologies for surface modes?

12. When considering long-term solutions to challenges the HMR may present to the development, testing, and integration of surface automated vehicles, what information and other factors should PHMSA consider?

13. What should PHMSA consider when developing future policy, guidance, and regulations for the safe transportation of hazardous materials in surface transportation systems?

Signed in Washington, DC, on March 23, 2018.

Drue Pearce,

Deputy Administrator, Pipeline and Hazardous Materials Safety Administration.

[FR Doc. 2018–06290 Filed 3–28–18; 8:45 am]

BILLING CODE 4910–60–P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

50 CFR Part 300

[Docket No. 171227999–8273–01]

RIN 0648–BH48

Tuna Conventions Act; Advance Notice of Rulemaking; Regulatory Amendments to Procedures for the Active and Inactive Vessel Register

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

ACTION: Advance notice of proposed rulemaking; request for comment.

SUMMARY: The National Marine Fisheries Service (NMFS) is considering amending regulations governing the utilization of purse seine vessel capacity limits associated with the Regional Vessel Register of the Inter-American Tropical Tuna Commission. This advance notice of proposed rulemaking (ANPR) is intended to provide notice to the public of our planning efforts and request comment that will assist in identifying revised administrative processes to improve the efficient utilization and management of capacity limits. This information will help inform our evaluation of what, if any, regulatory amendments are necessary and advisable.

DATES: Comments must be submitted in writing by April 30, 2018.

ADDRESSES: You may submit comments on this document, identified by NOAA-NMFS-2018-0030, 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-2018-0030,* click the ''Comment Now!'' icon, complete the required fields, and enter or attach your comments.
- *Mail:* Attn: Heidi Taylor, Highly Migratory Species Branch Chief, NMFS West Coast Region, 501 W Ocean Blvd., Suite 4200, Long Beach, CA 90802. Include the identifier ''NOAA–NMFS–2018–0030'' in the comments.

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, etc.), 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).

FOR FURTHER INFORMATION CONTACT: Daniel Studt, NMFS West Coast Region, 562–980–4073.

SUPPLEMENTARY INFORMATION:

Background on the IATTC

The United States is a member of the Inter-American Tropical Tuna Commission (IATTC), which was established under the 1949 Convention for the Establishment of an Inter-American Tropical Tuna Commission. In 2003, the IATTC adopted the Convention for the Strengthening of the IATTC Established by the 1949

Convention between the United States of America and the Republic of Costa Rica (Antigua Convention). The Antigua Convention entered into force in 2010. The United States acceded to the Antigua Convention on February 24, 2016. The full text of the Antigua Convention is available at: *https://www.iattc.org/PDFFiles2/Antigua_Convention_Jun_2003.pdf.*

The IATTC consists of 21 Members and five Cooperating Non-Members and facilitates the conservation and management of highly migratory species of fish in the IATTC Convention Area (Convention Area), as well as conducting scientific research on these species. The Convention Area is defined as the waters of the eastern Pacific Ocean (EPO) within the area bounded by the west coast of the Americas, the 50° N latitude, the 150° W longitude, and the 50° S latitude.

Obligations of the United States Under the IATTC Convention

As a Party to the Antigua Convention and a member of the IATTC, the United States is legally bound to implement certain decisions of the IATTC. The Tuna Conventions Act (16 U.S.C. 951 *et seq.*), as amended on November 5, 2015, by Title II of Public Law 114–81, directs that the Secretary of Commerce, in consultation with the Secretary of State and, with respect to enforcement measures, the Secretary of the Department of Homeland Security, may promulgate such regulations as may be necessary to carry out the United States' international obligations under the Antigua Convention, including recommendations and decisions adopted by the IATTC. The Secretary of Commerce's authority to promulgate such regulations has been delegated to NMFS.

In June 2000, the IATTC adopted Resolution C–00–06: Resolution on a Regional Vessel Register. This Resolution has been amended, including most recently through adoption of Resolution C–14–01, which requires that Members submit a list of all vessels authorized to fish in the EPO to be listed on a Regional Vessel Register (Register). Purse seine vessels are further categorized on the Register as either ''active'' or ''inactive and sunk'' (inactive). Recognizing concerns of excess fishing capacity, the IATTC in 2002 adopted Resolution C–02–03: Resolution on the Capacity of the Tuna Fleet Operating in the Eastern Pacific Ocean (Revised). The Resolution established a vessel capacity limit of 158,000 cubic meters for all purse seine vessels authorized by the IATTC to fish for tuna species in the EPO. The Resolution further specified that each Member and Cooperating Non-Member was allocated a purse seine vessel capacity limit by the IATTC based on historical fishing levels in the EPO, the level of tuna stocks, and other relevant factors. Pursuant to C–02–03, the United States was allocated a purse seine capacity limit of 31,866 cubic meters (m^3). Each U.S. purse seine vessel listed on the Register, either as active or inactive, counts towards this U.S. capacity limit, except those utilizing a single-trip option exemption as described at 50 CFR 300.22(b)(1).

Background on the Pacific Purse Seine Fleet

Since 1971, the number of large (greater than 400 short tons (st) or 362.8 metric tons (mt) carrying capacity) U.S. purse seine vessels fishing for tuna in the EPO has decreased from over 155 to an average of 10 active and inactive large U.S purse seine vessels over the past five years, utilizing an average of roughly 18,209 m^3 of capacity. Most of the U.S. vessels that historically fished in the EPO have either re-flagged or are now active in the Western and Central Pacific Ocean (WCPO), fishing under the Western and Central Pacific Fisheries Commission and a treaty between the United States and certain Pacific Island States (the Treaty on Fisheries between the Governments of Certain Pacific Island States and the Government of the United States of America, also known as the South Pacific Tuna Treaty (SPTT)). The number of vessels in the U.S. WCPO purse seine fishery has also gradually decreased; shrinking from the late 1990s until 2006, and it has fluctuated since. In recent years, the U.S. WCPO purse seine fleet has included an average of 37 vessels, with a maximum of 40 vessels allowed to fish under the SPTT. These 37 vessels amount to roughly 55,000 m^3 of carrying capacity for reference.

In the last few years, changing operating conditions in the WCPO and an increase in the costs assessed to U.S. purse seiners for fishing under the SPTT has led to an increased number of large purse seine vessels seeking to be added to the IATTC Register. In 2016, 17 of the 37 purse seiners authorized to fish in the WCPO also fished in the EPO, which means they either utilized capacity on the Active Register or fished under the single-trip option exemption. Additionally, since 2014, small (less than or equal to 400 st or 362.8 mt carrying capacity) coastal purse seiners have had increased opportunities for catching tuna locally, leading to a growing number of small purse seine vessels utilizing active capacity on the Register. Over the last 5 years, an average of 17 small U.S. purse seine vessels have utilized 1,945 m^3 of capacity.

This combination of interest by large and small purse seine vessel has led to the U.S. capacity on the Register to become fully allocated in recent years, such that no additional vessels could be added to the Register. The total capacity of requested vessels have exceeded the available capacity and NMFS anticipates this trend may continue. Thus, NMFS seeks to re-examine the administrative processes associated with the Register to ensure that capacity is being utilized to the full extent possible in the most effective way for both large and small purse seine vessels.

U.S. Regulations on the Regional Vessel Register

NMFS has implemented regulations governing U.S. purse seine vessels on the Register at 50 CFR 300.22(b). These regulations include the process for how vessel owners or managing owners request a purse seine vessel be added to the Register, including when and how to submit such a request; when and how to obtain the appropriate vessel and operator permits; pay the vessel assessment fee; and how vessels permitted and authorized under an alternative international tuna purse seine fisheries management regime in the Pacific Ocean may utilize a one-trip option into the EPO while being exempted from the requirement to be included on the Register. The regulations also address processes for removing a vessel from the Register and for replacing those vessels, and establishes criteria to deem requests for active status as ''frivolous'' for vessels that occupy U.S. capacity on the Register but do not actually fish in a given year. Furthermore, the regulations lay out the prioritization of requests following a specified hierarchy.

Requests for active status are prioritized according to the hierarchy listed at 50 CFR 300.22(b)(4)(i)(C). In general, the requests are prioritized in the following order: Vessels that were listed as active on the Register in the previous year, vessels that were listed as inactive on the Register in the previous year, vessels not listed on the Register in the previous year prioritized on a first-come, first-serve basis, and vessels which were previously listed on the Register as active in a given year but have been determined to have made a frivolous request.

Requests for active status are considered ''frivolous'' if, for a vessel categorized as active in a given calendar year, less than 20 percent of the vessel's

total landings, by weight, in that same year is comprised of tuna harvested by purse seine in the Convention Area, or the vessel did not fish for tuna at all in the Convention Area in that same year. Some exceptions to this apply.

The frivolous request provisions apply only to large purse seine vessels. These provisions are intended to prevent large purse seine vessel owners who do not have intent to fish in the Convention Area from requesting listing on the Register and occupying assigned capacity that may otherwise be utilized by active fishing vessels. Small purse seine vessels are not subject to the frivolous request provisions because owners of small vessels tend to have difficulty anticipating whether unassociated schools of tuna will migrate within the range of the vessels off the U.S. West Coast during the summer months in the upcoming year. Frivolous requests criteria may need to be reexamined to ensure full utilization of the U.S. capacity limit.

Additionally, there is no time limit for how long a vessel may remain on the Register as inactive, provided the vessel owner or managing owner requests this status every year and pays the associated vessel assessment. Since 2015, a single large purse seine vessel has been on the Register as inactive, occupying 1,523 m^3 of capacity that would otherwise be available for actively fishing vessels. NMFS seeks input on whether to restrict the current practice that allows vessels to be continually listed as inactive, to improve the utilization of the U.S. purse seine capacity limit by vessels that will actually fish.

Lastly, NMFS intends to issue a technical correction to existing U.S. regulations to correct the regulatory carrying capacity to match that on record with the IATTC. A vessel which historically fished in the EPO prior to 2002, and whose carrying capacity was used in the initial capacity calculations for allotment to the United States, had its blueprints re-examined by the IATTC and was found to have had an additional 91 m^3 of carrying capacity than what was used in the initial calculation. The IATTC recognized that this re-examination increased the United States' historical capacity, and revised their accounting of U.S. capacity to reflect this. NMFS would, therefore, correct the capacity of 31,775 m^3 cited in our domestic regulations to reflect the IATTC's updated accounting that the U.S. capacity allotment is 31,866 m^3.

For additional information on current regulations pertaining to the Register and procedures for purse seine vessels to be authorized to fish for tuna and tuna-like species in the EPO, please see the compliance guide located at *http://www.westcoast.fisheries.noaa.gov/publications/fisheries/migratory_species/iattc-rvr-compliance-guide.pdf* and the NMFS website *http://www.westcoast.fisheries.noaa.gov/fisheries/migratory_species/regional_vessel_register.html.*

Request for Comment

NMFS is soliciting comments from the public to help determine what, if any, regulatory amendments could make management of U.S. tuna purse seine vessels on the IATTC Regional Vessel Register more effective. Comments may include suggestions to improve the procedure for making requests to add vessels to the Register, for the identification of ''frivolous requests for active status'' and management of such requests, or how the hierarchy of prioritization of requests should be structured to allow for capacity to be utilized to the full extent possible in the most effective way. NMFS will fully consider all relevant information and comments received, and if necessary, issue proposed regulatory amendments for further consideration.

Authority: Tuna Conventions Act of 1973, as amended (16 U.S.C. 1531 *et seq.*).

Dated: March 26, 2018.

Alan D. Risenhoover,

Acting Deputy Assistant Administrator for Regulatory Programs, National Marine Fisheries Service.

[FR Doc. 2018–06373 Filed 3–28–18; 8:45 am]

BILLING CODE 3510–22–P

Notices

Federal Register
Vol. 83, No. 61
Thursday, March 29, 2018

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–2018–0011]

Notice of Availability of Proposed Changes to the Chronic Wasting Disease Herd Certification Program Standards

AGENCY: Animal and Plant Health Inspection Service, USDA.

ACTION: Notice of availability.

SUMMARY: We are advising the public that we are making available for review and comment a revised version of the Chronic Wasting Disease (CWD) Herd Certification Program Standards. The CWD Program Standards provide guidance on how to meet CWD Herd Certification Program and interstate movement requirements. We are taking this action to address concerns of State and industry participants about the existing standards.

DATES: We will consider all comments that we receive on or before April 30, 2018.

ADDRESSES: You may submit comments by either of the following methods:

- *Federal eRulemaking Portal:* Go to *http://www.regulations.gov/#!docketDetail;D=APHIS-2018-0011.*
- *Postal Mail/Commercial Delivery:* Send your comment to Docket No. APHIS–2018–0011, 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-2018-0011* 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: Dr. Tracy Nichols, Staff Officer, Cervid Health Team, Surveillance, Preparedness, and Response Services, VS, APHIS, USDA, 2150 Centre Avenue, Bldg. B, Fort Collins, CO 80526; (970) 494–7380.

SUPPLEMENTARY INFORMATION:

Chronic wasting disease (CWD) is a transmissible spongiform encephalopathy of cervids (members of Cervidae, the deer family). Species currently known to be susceptible to CWD include elk, mule deer, moose, white-tailed deer, sika deer, muntjac, reindeer, and black-tailed deer.

In 2014, the Animal and Plant Health Inspection Service (APHIS) implemented the National CWD Herd Certification Program (HCP), a voluntary Federal-State-industry cooperative program administered by APHIS and implemented by participating States. Currently, 28 States participate in the program. States and herd owners choosing to participate must comply with the provisions of 9 CFR parts 55 and 81 (referred to below as the regulations), which include requirements for animal identification, interstate movement, fencing, recordkeeping, herd inspections and inventories, animal mortality testing, and response to any findings of CWD-exposed, -suspect, or -positive herds. APHIS monitors the approved State HCPs to ensure consistency with Federal standards by means of annual State reporting. With each year of successful surveillance, participating herds will advance in status. After 5 years with no evidence of CWD, APHIS will certify the herd as being low risk for CWD. Only captive cervids from enrolled herds certified as low risk for CWD may move interstate.

The CWD Program Standards provide detailed guidance on how to meet the regulatory requirements referred to above. An annual review of the Program Standards is conducted by APHIS in collaboration with State agencies and industry representatives.

In response to concerns expressed by industry and State partners about the existing CWD Program Standards, published in 2014, we convened a working group in 2016 to review the document. Based on the group's discussions, as well as recommendations from an internal review, we determined that the Program Standards needed to undergo a number of revisions.

We are advising the public that we have prepared a revised version of the CWD Program Standards. The proposed revisions include the following:

- Revising the goal statement to focus on reducing the risk of interstate transmission of CWD.
- Clarifying that the Program Standards include detailed descriptions of suggested methods approved by the APHIS Administrator to meet the regulatory requirements.
- Making definitions of terms in the Program Standards consistent with the official definitions in the regulations.
- Describing APHIS' intent to amend the regulations to define susceptible species based on scientific evidence of natural infection or experimental infections through natural routes and adding the genera *Rangifer* and *Muntiacus* to the list of susceptible species.
- Providing support for implementing antemortem immunohistochemistry testing of rectal anal mucosa associated lymphoid tissue (RAMALT) and medial retropharyngeal lymph node (MRPLN) biopsies conducted as a whole-herd test concurrently with genotyping at Prion Protein Gene (PRNP) codon 96 in white-tailed deer in traceback, traceforward, and CWD-exposed herds and for disease management in CWD-positive herds.
- Providing support for initiating pilot projects using RAMALT and MRPLN biopsies conducted concurrently with genotyping at PRNP codon 132 in elk in traceback, traceforward, and CWD-exposed herds and for disease management in CWD-positive herds to inform decisions about testing protocols.
- Clarifying the definitions and processes for performing epidemiological investigations.
- Replacing Appendix VI with a worksheet that States must submit for all positive herds enrolled in the HCP as part of their annual HCP report. Additionally, for any herd for which Federal indemnity is to be paid, a preliminary and final worksheet must have been completed as part of the herd plan by a State representative.
- Describing the factors that APHIS will consider when making decisions

about providing indemnity for CWD-positive, -exposed, and -suspect animals and describing the relative priority of each factor.

• Clarifying the consequences of poor quality and missing post-mortem surveillance samples on herd status, as well as describing options States may consider as substitutions for these samples.

• Making the Program Standards language consistent with that of the regulations by requiring CWD testing of all mortalities from certified herds, including at slaughter and on hunt facilities when animals remain under the same ownership.

• Streamlining the description of fencing characteristics considered necessary to prevent ingress and egress of cervids for HCP-enrolled herds.

• Eliminating Appendix II: Fencing Requirements and References, and making these scientific references available upon request.

• Moving Part B, Section 5: Sanitary Precautions and Biosecurity Practices for Herd Plans and Depopulations to an appendix, and simplifying recommendations for premises decontamination.

• Updating and streamlining Appendix IV: Guidelines for Environmental Contamination.

• Consolidating the discussion of carcass disposal options in the main body of the Program Standards and deleting Appendix V: Carcass Disposal.

The revised Program Standards may be viewed on the *Regulations.gov* website or in our reading room. (Instructions for accessing *Regulations.gov* and information on the location and hours of the reading room are provided under the heading **ADDRESSES** at the beginning of this notice.) The documents are also available by contacting the person listed under **FOR FURTHER INFORMATION CONTACT**.

After reviewing any comments we receive on the proposed updates, we will publish a second notice in the **Federal Register** announcing our decision regarding the proposed changes.

Authority: 7 U.S.C. 8301–8317; 7 CFR 2.22, 2.80, and 371.4.

Done in Washington, DC, this 23rd day of March 2018.

Kevin Shea,

Administrator, Animal and Plant Health Inspection Service.

[FR Doc. 2018–06341 Filed 3–28–18; 8:45 am]

BILLING CODE 3410–34–P

COMMISSION ON CIVIL RIGHTS

Notice of Public Meetings of the Indiana Advisory Committee to the U.S. Commission on Civil Rights

AGENCY: U.S. Commission on Civil Rights.

ACTION: Announcement of meetings.

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 Indiana Advisory Committee (Committee) will hold public meetings on: Monday April 16th at 4 p.m. Eastern time; Wednesday May 9 at 3 p.m. Eastern time; and Monday May 21 at 4 p.m. Eastern time. The purpose of these meetings is to prepare to release a public report on voting rights in the state.

DATES: The meetings will be held on:

• Monday April 16, 2018 at 4 pm Eastern time;

• Wednesday May 9, 2018 at 3 pm Eastern time; and

• Monday May 21, 2018 at 4 pm Eastern time.

Public Call Information: Dial: 888–224–1065, Conference ID: 1818955.

FOR FURTHER INFORMATION CONTACT: Melissa Wojnaroski, DFO, at *mwojnaroski@usccr.gov* or 312–353–8311.

SUPPLEMENTARY INFORMATION: Members of the public can listen to the discussion. These meetings are available to the public through the above listed toll free number. Any interested member of the public may call this number and listen to the meetings. An open comment period will be provided during each 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 1–800–877–8339 and providing the Service with the conference call number and conference ID number.

Members 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 Regional Programs Unit 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 Carolyn Allen at *callen@usccr.gov.* Persons who desire additional information may contact the Regional Programs Unit Office at (312) 353–8311.

Records generated from these meetings may be inspected and reproduced at the Regional Programs Unit 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, Indiana Advisory Committee link (*http://www.facadatabase.gov/committee/meetings.aspx?cid=247*). Persons interested in the work of this Committee are directed to the Commission's website, *http://www.usccr.gov,* or may contact the Regional Programs Unit Office at the above email or street address.

Agenda:

Welcome and Roll Call
Discussion: Voting Rights in Indiana
Public Comment
Future Plans and Actions
Adjournment

Dated: March 26, 2018.

David Mussatt,

Supervisory Chief, Regional Programs Unit.

[FR Doc. 2018–06352 Filed 3–28–18; 8:45 am]

BILLING CODE P

COMMISSION ON CIVIL RIGHTS

Notice of Public Meeting of the Oregon Advisory Committee to the U.S. Commission on Civil Rights

AGENCY: U.S. Commission on Civil Rights.

ACTION: Announcement 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 Oregon Advisory Committee (Committee) will hold a meeting via web conference on Tuesday, April 3, 2018, from 1:00 p.m.–2:30 p.m. PST for the purpose of hearing public testimony on human trafficking issues in the state.

DATES: The meeting will be held on Tuesday, April 3, 2018, at 1:00 p.m. PST.

FOR FURTHER INFORMATION CONTACT: Ana Victoria Fortes (DFO) at *afortes@usccr.gov* or (213) 894–3437.

SUPPLEMENTARY INFORMATION: *Public Call Information:* (audio only) Dial: 888–708–5689, Conference ID: 1169274.

Web Access Information: (visual only) The online portion of the meeting may be accessed through the following link: *https://cc.readytalk.com/r/288pn2yb217b&eom.*

Members of the public can listen to the discussion. This meeting is available to the public through the above listed toll-free number (audio only) and web access link (visual only). Please use both the call-in number and the web access link in order to follow the meeting. An open comment period will be provided 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 1–800–877–8339 and providing the Service with the conference call number and conference ID number.

Members of the public are entitled to make comments during the open period at the end of the meeting. Members of the public may also submit written comments; the comments must be received in the Regional Programs Unit within 30 days following the meeting. Written comments may be mailed to the Western Regional Office, U.S. Commission on Civil Rights, 300 North Los Angeles Street, Suite 2010, Los Angeles, CA 90012. They may be faxed to the Commission at (213) 894–0508, or emailed Ana Victoria Fortes at *afortes@usccr.gov.* Persons who desire additional information may contact the Regional Programs Unit at (213) 894–3437.

Records and documents discussed during the meeting will be available for public viewing prior to and after the meeting at *https://facadatabase.gov/committee/meetings.aspx?cid=270.* Please click on the ''Meeting Details'' and ''Documents'' links. Records generated from this meeting may also be inspected and reproduced at the Regional Programs Unit, as they become available, both before and after the meeting. Persons interested in the work of this Committee are directed to the Commission's website, *https://www.usccr.gov,* or may contact the Regional Programs Unit at the above email or street address.

Agenda

I. Welcome
II. Approve Minutes From Previous Meeting
III. Presentations
  Colleen Owens, Senior Research Associate, Urban Institute
  Kathleen Maloney, Willamette University College of Law, Professor and Author of *Modern Slavery in Our Midst: A Human Rights Report on Ending Human Trafficking in Oregon*
  Hayley Weedn, Co-author and Researcher for *Human Trafficking & Native Peoples in Oregon: A Human Rights*
  Christopher Carey, Researcher, Portland State University
IV. Public Comment
V. Next Steps
VI. Adjournment

David Mussatt,

Supervisory Chief, Regional Programs Unit.

[FR Doc. 2018–06272 Filed 3–28–18; 8:45 am]

BILLING CODE P

COMMISSION ON CIVIL RIGHTS

Notice of Public Meetings of the Ohio Advisory Committee

AGENCY: U.S. Commission on Civil Rights.

ACTION: Announcement 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 Ohio Advisory Committee (Committee) will hold public meetings on Friday, April 13, 2018, at 10:00 a.m. EDT; *and* on Monday May 14th at 11:00 a.m. EDT, for the purpose of discussing voting rights in Ohio.

DATES: The meetings will be held on:

- Friday, April 13, 2018 at 10:00 a.m. EDT
- Monday May 14, 2018 at 11:00 a.m. EDT

ADDRESSES: Public call information: Dial: 877–719–9795, Conference ID: 1067599.

FOR FURTHER INFORMATION CONTACT: Melissa Wojnaroski, DFO, at *mwojnaroski@usccr.gov* or 312–353–8311.

SUPPLEMENTARY INFORMATION: Members of the public can listen to these discussions. The meetings are available to the public through the toll-free call-in number listed above. Any interested member of the public may call this number and listen to the meetings. An open comment period will be provided during each 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 1–800–877–8339 and providing the Service with the conference call number and conference ID number.

Members 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 Carolyn Allen at *callen@usccr.gov.* Persons who desire additional information may contact the Midwestern Regional Office at (312) 353–8311.

Records generated from these meetings may be inspected and reproduced at the Midwestern Regional Office, as they become available, both before and after the meetings. Records of the meetings will be available via *www.facadatabase.gov* under the Commission on Civil Rights, Ohio Advisory Committee link (*https://facadatabase.gov/committee/meetings.aspx?cid=268*). Select ''meeting details'' and ''documents'' to download. Persons interested in the work of this Committee are directed to the Commission's website, *http://www.usccr.gov,* or may contact the Midwestern Regional Office at the above email or street address.

Agenda

Welcome and Introductions
Project Discussion: ''Civil Rights and Voting in Ohio''
Public Comment
Future Plans and Actions

Adjournment

Dated: March 26, 2018.

David Mussatt,

Supervisory Chief, Regional Programs Unit.

[FR Doc. 2018–06353 Filed 3–28–18; 8:45 am]

BILLING CODE P

COMMISSION ON CIVIL RIGHTS

Notice of Public Meeting of the Oregon Advisory Committee to the U.S. Commission on Civil Rights

AGENCY: U.S. Commission on Civil Rights.

ACTION: Announcement 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 Oregon Advisory Committee (Committee) will hold a meeting via web conference on Tuesday, April 17, 2018, from 1:00 p.m.–2:30 p.m. PST for the purpose of hearing public testimony on human trafficking issues in the state.

DATES: The meeting will be held on Tuesday, April 17, 2018, at 1:00 p.m. PST.

ADDRESSES:

Public call information: (Audio only) Dial: 888–708–5689, Conference ID: 1169274.

Web access information: (Visual only) The online portion of the meeting may be accessed through the following link: *https://cc.readytalk.com/r/cm77egt1kgp1&eom.*

FOR FURTHER INFORMATION CONTACT: Ana Victoria Fortes (DFO) at *afortes@usccr.gov* or (213) 894–3437.

SUPPLEMENTARY INFORMATION: Members of the public can listen to the discussion. This meeting is available to the public through the above listed toll-free number (audio only) and web access link (visual only). Please use both the call-in number and the web access link in order to follow the meeting. An open comment period will be provided 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 1–800–877–8339 and providing the Service with the conference call number and conference ID number.

Members of the public are entitled to make comments during the open period at the end of the meeting. Members of the public may also submit written comments; the comments must be received in the Regional Programs Unit within 30 days following the meeting. Written comments may be mailed to the Western Regional Office, U.S. Commission on Civil Rights, 300 North Los Angeles Street, Suite 2010, Los Angeles, CA 90012. They may be faxed to the Commission at (213) 894–0508, or emailed Ana Victoria Fortes at *afortes@usccr.gov.* Persons who desire additional information may contact the Regional Programs Unit at (213) 894–3437.

Records and documents discussed during the meeting will be available for public viewing prior to and after the meeting at *https://facadatabase.gov/committee/meetings.aspx?cid=270.* Please click on the ''Meeting Details'' and ''Documents'' links. Records generated from this meeting may also be inspected and reproduced at the Regional Programs Unit, as they become available, both before and after the meeting. Persons interested in the work of this Committee are directed to the Commission's website, *https://www.usccr.gov,* or may contact the Regional Programs Unit at the above email or street address.

Agenda

I. Welcome
II. Presentation
III. Public Comment
IV. Next Steps
V. Adjournment

Dated: February 13, 2018.

David Mussatt,

Supervisory Chief, Regional Programs Unit.

[FR Doc. 2018–06273 Filed 3–28–18; 8:45 am]

BILLING CODE P

DEPARTMENT OF COMMERCE

Foreign-Trade Zones Board

[Order No. 2050]

Reorganization of Foreign-Trade Zone 30 Under Alternative Site Framework; Salt Lake City, Utah

Pursuant to its authority under the Foreign-Trade Zones Act of June 18, 1934, as amended (19 U.S.C. 81a–81u), the Foreign-Trade Zones Board (the Board) adopts the following Order:

Whereas, the Foreign-Trade Zones (FTZ) Act provides for '' . . . the establishment . . . of foreign-trade zones in ports of entry of the United States, to expedite and encourage foreign commerce, and for other purposes,'' and authorizes the Foreign-Trade Zones Board to grant to qualified corporations the privilege of establishing foreign-trade zones in or adjacent to U.S. Customs and Border Protection ports of entry;

Whereas, the Board adopted the alternative site framework (ASF) (15 CFR Sec. 400.2(c)) as an option for the establishment or reorganization of zones;

Whereas, the Salt Lake City Corporation, grantee of Foreign-Trade Zone 30, submitted an application to the Board (FTZ Docket B–72–2017, docketed November 16, 2017) for authority to reorganize under the ASF with a service area of Davis, Morgan, Salt Lake, Utah and Weber Counties, Utah and the cities of Brigham City, Corinne, Honeyville, Perry, Erda, Grantsville, Lake Point, Mills Junction, Rush Valley, Stansbury Park, Stockton, Terra, Tooele, Vernon, Heber City, Midway, Coalville, Deer Mountain, Echo, Francis, Henefer, Kamas, Kimball Junction, Oakley, Park City, Peoa, Samak, Silver Summit, Snyderville, Wanship, Woodland and Mantua, Utah, in and adjacent to the Salt Lake City U.S. Customs and Border Protection port of entry, and FTZ 30's existing Site 2 would be categorized as a magnet site;

Whereas, notice inviting public comment was given in the **Federal Register** (82 FR 55557, November 22, 2017) and the application has been processed pursuant to the FTZ Act and the Board's regulations; and,

Whereas, the Board adopts the findings and recommendations of the examiner's report, and finds that the requirements of the FTZ Act and the Board's regulations are satisfied;

Now, therefore, the Board hereby orders:

The application to reorganize FTZ 30 under the ASF is approved, subject to the FTZ Act and the Board's regulations, including Section 400.13, to the Board's standard 2,000-acre activation limit for the zone, and to an ASF sunset provision for magnet sites that would terminate authority for Site 2 if not activated within five years from the month of approval.

Dated: March 23, 2018.

Gary Taverman,

Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance Alternate Chairman, Foreign-Trade Zones Board.

[FR Doc. 2018–06354 Filed 3–28–18; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

Foreign-Trade Zones Board

[B–18–2018]

Foreign-Trade Zone (FTZ) 26—Atlanta, Georgia; Notification of Proposed Production Activity; PBR, Inc. d/b/a/ SKAPS Industries (Non-Woven Geotextiles); Athens, Georgia

PBR, Inc. d/b/a/SKAPS Industries (SKAPS) submitted a notification of proposed production activity to the FTZ Board for its facility in Athens, Georgia. The notification conforming to the requirements of the regulations of the FTZ Board (15 CFR 400.22) was received on March 9, 2018.

SKAPS' facility is located within Site 29 of FTZ 26. The facility currently has authority to produce non-woven geotextile fabric using polypropylene staple fiber (PPSF) for a five-year period (until August 23, 2018) subject to a restriction requiring admission of all foreign-status PPSF to the zone under privileged foreign status (19 CFR 146.41). SKAPS' current notification would extend that restricted authority indefinitely.

Pursuant to 15 CFR 400.14(b), FTZ activity would be limited to the specific foreign-status material and specific finished products described in the submitted notification (as described below) and subsequently authorized by the FTZ Board.

Production under FTZ procedures could exempt SKAPS from customs duty payments on the foreign-status material used in its export production of non-woven geotextiles (duty-free). SKAPS would be able to avoid duty on foreign-status material which become scrap/waste. Customs duties also could possibly be deferred or reduced on foreign-status production equipment.

The material sourced from abroad is PPSF (duty rate 4.3%), which will be admitted to the zone in privileged foreign status (19 CFR 146.41), thereby precluding inverted tariff benefits.

Public comment is invited from interested parties. Submissions shall be addressed to the Board's Executive Secretary at the address below. The closing period for their receipt is May 8, 2018.

A copy of the notification will be available for public inspection at the Office of the Executive Secretary, Foreign-Trade Zones Board, Room 21013, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230–0002, and in the ''Reading Room'' section of the Board's website, which is accessible via *www.trade.gov/ftz.*

For further information, contact Juanita Chen at *juanita.chen@trade.gov* or 202–482–1378.

Dated: March 23, 2018.

Andrew McGilvray,

Executive Secretary.

[FR Doc. 2018–06350 Filed 3–28–18; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

Foreign-Trade Zones Board

[B–74–2017]

Foreign-Trade Zone (FTZ) 204—Tri-Cities, Tennessee; Authorization of Production Activity; Eastman Chemical Company (Acetic Anhydride and Acetic Acid); Kingsport, Tennessee

On November 21, 2017, the Tri-Cities Airport Authority, grantee of FTZ 204, submitted a notification of proposed production activity to the FTZ Board on behalf of Eastman Chemical Company, within Site 12, in Kingsport, Tennessee.

The notification was processed in accordance with the regulations of the FTZ Board (15 CFR part 400), including notice in the **Federal Register** inviting public comment (82 FR 56212, November 28, 2017). On March 22, 2018, the applicant was notified of the FTZ Board's decision that no further review of the activity is warranted at this time. The production activity described in the notification was authorized, subject to the FTZ Act and the FTZ Board's regulations, including Section 400.14.

Dated: March 23, 2018.

Andrew McGilvray,

Executive Secretary.

[FR Doc. 2018–06348 Filed 3–28–18; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

Foreign-Trade Zones Board

[Order No. 2049]

Expansion of Foreign-Trade Zone 241; (Expansion of Service Area) Under Alternative Site Framework; Fort Lauderdale, Florida

Pursuant to its authority under the Foreign-Trade Zones Act of June 18, 1934, as amended (19 U.S.C. 81a–81u), the Foreign-Trade Zones Board (the Board) adopts the following Order:

Whereas, the Foreign-Trade Zones (FTZ) Act provides for '' . . . the establishment . . . of foreign-trade zones in ports of entry of the United States, to expedite and encourage foreign commerce, and for other purposes,'' and authorizes the Foreign-Trade Zones Board to grant to qualified corporations the privilege of establishing foreign-trade zones in or adjacent to U.S. Customs and Border Protection ports of entry;

Whereas, the Board adopted the alternative site framework (ASF) (15 CFR Sec. 400.2(c)) as an option for the establishment or reorganization of zones;

Whereas, the City of Fort Lauderdale, grantee of Foreign-Trade Zone 241, submitted an application to the Board (FTZ Docket B–49–2017, docketed August 2, 2017) for authority to expand the service area of the zone to include a portion of Broward County known as the Dania Cut, and to expand Subzone 241A, as described in the application, adjacent to the Port Everglades Customs and Border Protection port of entry;

Whereas, notice inviting public comment was given in the **Federal Register** (82 FR 37192, August 9, 2017) and the application has been processed pursuant to the FTZ Act and the Board's regulations; and,

Whereas, the Board adopts the findings and recommendations of the examiner's report, and finds that the requirements of the FTZ Act and the Board's regulations are satisfied;

Now, therefore, the Board hereby orders:

The application to reorganize FTZ 241 to expand the service area and to expand Subzone 241A under the ASF is approved, subject to the FTZ Act and the Board's regulations, including Section 400.13, and to the Board's standard 2,000-acre activation limit for the zone.

Dated: March 23, 2018.

Gary Taverman,

Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance Alternate Chairman, Foreign-Trade Zones Board.

[FR Doc. 2018–06349 Filed 3–28–18; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

Foreign-Trade Zones Board

[B–67–2017]

Foreign-Trade Zone (FTZ) 26—Atlanta, Georgia; Authorization of Production Activity; Kubota North America Corporation (Agricultural and Specialty Vehicles); Jefferson and Gainesville, Georgia

On November 15, 2017, Kubota North America Corporation submitted a notification of proposed production activity to the FTZ Board for its facility within Subzone 26P, in Jefferson and Gainesville, Georgia.

The notification was processed in accordance with the regulations of the FTZ Board (15 CFR part 400), including notice in the **Federal Register** inviting public comment (82 FR 55800—55801, November 24, 2017). On March 23, 2018, the applicant was notified of the FTZ Board's decision that no further review of the activity is warranted at this time. The production activity described in the notification was authorized, subject to the FTZ Act and the FTZ Board's regulations, including Section 400.14.

Dated: March 23, 2018.

Andrew McGilvray,

Executive Secretary.

[FR Doc. 2018–06356 Filed 3–28–18; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

Foreign-Trade Zones Board

[B–73–2017]

Foreign-Trade Zone (FTZ) 39—Dallas/Fort Worth, Texas; Authorization of Production Activity; Dallas Airmotive, Inc (Aircraft Engine Refurbishment and Disassembly); DFW Airport, Texas

On November 20, 2017, Dallas Airmotive, Inc submitted a notification of proposed production activity to the FTZ Board for its facility within FTZ 39—Site 1, at DFW Airport, Texas.

The notification was processed in accordance with the regulations of the FTZ Board (15 CFR part 400), including notice in the **Federal Register** inviting public comment (82 FR 56210–56211, November 28, 2017). On March 20, 2018, the applicant was notified of the FTZ Board's decision that no further review of the activity is warranted at this time. The production activity described in the notification was authorized, subject to the FTZ Act and the FTZ Board's regulations, including Section 400.14.

Dated: March 23, 2018.

Andrew McGilvray,

Executive Secretary.

[FR Doc. 2018–06347 Filed 3–28–18; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

Foreign-Trade Zones Board

[Order No. 2048]

Reorganization of Foreign-Trade Zone 124 (Expansion of Service Area) Under Alternative Site Framework; Gramercy, Louisiana

Pursuant to its authority under the Foreign-Trade Zones Act of June 18, 1934, as amended (19 U.S.C. 81a–81u), the Foreign-Trade Zones Board (the Board) adopts the following Order:

Whereas, the Foreign-Trade Zones (FTZ) Act provides for '' . . . the establishment . . . of foreign-trade zones in ports of entry of the United States, to expedite and encourage foreign commerce, and for other purposes,'' and authorizes the Foreign-Trade Zones Board to grant to qualified corporations the privilege of establishing foreign-trade zones in or adjacent to U.S. Customs and Border Protection ports of entry;

Whereas, the Board adopted the alternative site framework (ASF) (15 CFR Sec. 400.2(c)) as an option for the establishment or reorganization of zones;

Whereas, the Port of South Louisiana, grantee of Foreign-Trade Zone 124, submitted an application to the Board (FTZ Docket B–5–2017, docketed January 10, 2017, amended February 22, 2017) for authority to expand the service area of the zone to include Plaquemines and Assumption Parishes, Louisiana, as described in the amended application, adjacent to the Gramercy and New Orleans Customs and Border Protection ports of entry;

Whereas, notice inviting public comment was given in the **Federal Register** (82 FR 4841–4842, January 17, 2017) and the application has been processed pursuant to the FTZ Act and the Board's regulations; and,

Whereas, the Board adopts the findings and recommendations of the examiner's report, and finds that the requirements of the FTZ Act and the Board's regulations are satisfied;

Now, therefore, the Board hereby orders:

The application to reorganize FTZ 124 to expand the service area under the ASF is approved, subject to the FTZ Act and the Board's regulations, including Section 400.13, and to the Board's standard 2,000-acre activation limit for the zone.

Dated: March 23, 2018.

Gary Taverman,

Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance Alternate Chairman, Foreign-Trade Zones Board.

[FR Doc. 2018–06355 Filed 3–28–18; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

Bureau of Industry and Security

Regulations and Procedures Technical Advisory Committee; Notice of Partially Closed Meeting

The Regulations and Procedures Technical Advisory Committee (RPTAC) will meet April 17, 2018, 9:00 a.m., Room 3884, in the Herbert C. Hoover Building, 14th Street between Constitution and Pennsylvania Avenues NW, Washington, DC. The Committee advises the Office of the Assistant Secretary for Export Administration on implementation of the Export Administration Regulations (EAR) and provides for continuing review to update the EAR as needed.

Agenda

Public Session

1. Opening remarks by the Chairman
2. Opening remarks by the Bureau of Industry and Security
3. Presentation of papers or comments by the Public
4. Export Enforcement update
5. Regulations update
6. Working group reports
7. Automated Export System update

Closed Session

8. Discussion of matters determined to be exempt from the provisions relating to public meetings found in 5 U.S.C. app. 2 §§ 10(a)(1) and 10(a)(3).

The open session will be accessible via teleconference to 25 participants on

a first come, first serve basis. To join the conference, submit inquiries to Ms. Yvette Springer at *Yvette.Springer@bis.doc.gov* no later than April 10, 2018.

A limited number of seats will be available for the public session. Reservations are not accepted. To the extent that time permits, members of the public may present oral statements to the Committee. The public may submit written statements at any time before or after the meeting. However, to facilitate the distribution of public presentation materials to the Committee members, the Committee suggests that presenters forward the public presentation materials prior to the meeting to Ms. Springer via email.

The Assistant Secretary for Administration, with the concurrence of the delegate of the General Counsel, formally determined on March 23, 2018, pursuant to Section 10(d) of the Federal Advisory Committee Act, as amended (5 U.S.C. app. 2 § 10(d)), that the portion of the meeting dealing with pre-decisional changes to the Commerce Control List and the U.S. export control policies shall be exempt from the provisions relating to public meetings found in 5 U.S.C. app. 2 § § 10(a)(1) and 10(a)(3). The remaining portions of the meeting will be open to the public.

For more information, call Yvette Springer at (202) 482–2813.

Yvette Springer,

Committee Liaison Officer.

[FR Doc. 2018–06375 Filed 3–28–18; 8:45 am]

BILLING CODE 3510–JT–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–201–836]

Light-Walled Rectangular Pipe and Tube From Mexico: Final Results of Changed Circumstances Review

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) continues to find that Perfiles LM, S.A. de C.V. (Perfiles) is the successor-in-interest to Perfiles y Herrajes LM, S.A. de C.V. (Perfiles y Herrajes) for purposes of determining antidumping duty cash deposits and liabilities.

DATES: Applicable March 29, 2018.

FOR FURTHER INFORMATION CONTACT: Madeline Heeren, 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) 482–9179.

SUPPLEMENTARY INFORMATION:

Background

On November 13, 2017, Commerce initiated this CCR and published the notice of expedited preliminary results, determining that Perfiles is the successor-in-interest to Perfiles y Herrajes.[1] In the *Initiation and Expedited Preliminary Results,* interested parties were provided an opportunity to comment and request a public hearing regarding our preliminary finding that Perfiles is the successor-in-interest to Perfiles y Herrajes. We received no comments from interested parties nor was a public hearing requested.

Scope of the Order

The merchandise subject to this order is certain welded carbon-quality light-walled steel pipe and tube, of rectangular (including square) cross section, having a wall thickness of less than 4 mm.

The term carbon-quality steel includes both carbon steel and alloy steel which contains only small amounts of alloying elements. Specifically, the term carbon-quality includes products in which none of the elements listed below exceeds the quantity by weight respectively indicated: 1.80 percent of manganese, or 2.25 percent of silicon, or 1.00 percent of copper, or 0.50 percent of aluminum, or 1.25 percent of chromium, or 0.30 percent of cobalt, or 0.40 percent of lead, or 1.25 percent of nickel, or 0.30 percent of tungsten, or 0.10 percent of molybdenum, or 0.10 percent of niobium, or 0.15 percent vanadium, or 0.15 percent of zirconium.

The description of carbon-quality is intended to identify carbon-quality products within the scope. The welded carbon-quality rectangular pipe and tube subject to this order is currently classified under the Harmonized Tariff Schedule of the United States (HTSUS) subheadings 7306.61.50.00 and 7306.61.70.60. While HTSUS subheadings are provided for convenience and customs purposes, our written description of the scope of this order is dispositive.

Final Results of the Changed Circumstances Review

For the reasons stated in the *Initiation and Expedited Preliminary Results,* and because we received no comments from interested parties, Commerce continues to find that Perfiles is the successor-in-interest to Perfiles y Herrajes. As a result of this determination, we find that Perfiles should receive the antidumping cash deposit rate applicable to Perfiles y Herrajes. Consequently, Commerce will instruct U.S. Customs and Border Protection to suspend liquidation of all shipments of subject merchandise produced or exported by Perfiles and entered, or withdrawn from warehouse, for consumption on or after the publication date of this notice in the **Federal Register** at 0.00 percent, which is the current antidumping duty cash-deposit rate for Perfiles y Herrajes.[2] This cash deposit requirement shall remain in effect until further notice.

We are issuing this determination and publishing these final results and notice in accordance with sections 751(b)(1) and 777(i)(1) and (2) of the Act, as amended, and 19 CFR 351.216 and 351.221(c)(3).

Dated: March 23, 2018.

Gary Taverman,

Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance.

[FR Doc. 2018–06345 Filed 3–28–18; 8:45 am]

BILLING CODE 3510–DS–P

[1] *See Light-Walled Rectangular Pipe and Tube from Mexico: Initiation and Expedited Preliminary Results of Changed Circumstances Review,* 82 FR 54322 (November 17, 2017) (*Initiation and Expedited Preliminary Results*).

[2] Perfiles y Herrajes was assigned a 0.00 percent margin in the 2013–2014 administrative review of the antidumping duty order on LWRPT from Mexico. *See Light-Walled Rectangular Pipe and Tube from Mexico: Final Results of Antidumping Duty Administrative Review; 2013–2014;* 80 FR 69941 (November 12, 2015).

DEPARTMENT OF COMMERCE

International Trade Administration

[A–560–826]

Monosodium Glutamate From Indonesia: Final Results of Antidumping Duty Administrative Review; 2015–2016

AGENCY: Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) determines that PT Cheil Jedang Indonesia (CJI), an exporter of monosodium glutamate (MSG) from Indonesia, did not sell MSG at less than fair value during the period of review (POR) November 1, 2015, through October 31, 2016.

DATES: Applicable March 29, 2018.

FOR FURTHER INFORMATION CONTACT: Caitlin Monks or Joseph Traw, AD/CVD

Operations, Office VII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230; telephone: (202) 482–2670 or (202) 482–6079, respectively.

SUPPLEMENTARY INFORMATION:

Background

This review covers one exporter of the subject merchandise, CJI. On December 4, 2017, Commerce published the *Preliminary Results* of this administrative review.[1] On January 12, 2017, we invited parties to submit comments on the *Preliminary Results*.[2] On February 12, 2018, CJI filed a case brief.[3] No party requested a hearing nor did any file a rebuttal brief. Commerce conducted this administrative review in accordance with section 751(a) of the Tariff Act of 1930, as amended (the Act).

Scope of the Order

The merchandise covered by this order is monosodium glutamate (MSG), whether or not blended or in solution with other products. Specifically, MSG that has been blended or is in solution with other product(s) is included in this order when the resulting mix contains 15 percent or more of MSG by dry weight. Products with which MSG may be blended include, but are not limited to, salts, sugars, starches, maltodextrins, and various seasonings. Further, MSG is included in this order regardless of physical form (including, but not limited to, in monohydrate or anhydrous form, or as substrates, solutions, dry powders of any particle size, or unfinished forms such as MSG slurry), end-use application, or packaging.

MSG in monohydrate form has a molecular formula of C5H8NO4Na -H2O, a Chemical Abstract Service (CAS) registry number of 6106–04–3, and a Unique Ingredient Identifier (UNII) number of W81N5U6R6U. MSG in anhydrous form has a molecular formula of C5H8NO4 Na, a CAS registry number of l42–47–2, and a UNII number of C3C196L9FG.

Merchandise covered by this order is currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) at subheading 2922.42.10.00. Merchandise covered by this order may also enter under HTSUS subheadings 2922.42.50.00, 2103.90.72.00, 2103.90.74.00, 2103.90.78.00, 2103.90.80.00, and 2103.90.90.91. These tariff classifications, CAS registry numbers, and UNII numbers are provided for convenience and customs purposes; however, the written description of the scope is dispositive.

Analysis of Comment Received

All issues raised in the sole case brief filed in this review are addressed in the Issues and Decision Memorandum.[4] A list of issues addressed in the Issues and Decision Memorandum is appended to this notice. The Issues and Decision Memorandum is a public document and is available electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Services System (ACCESS). ACESS is available to registered users at *http://access.trade.gov,* and it is available to all parties in the Central Records Unit of the main Commerce Building, room B–8024. In addition, a complete version of the Issues and Decision Memorandum is also accessible on the internet at *http://enforcement.trade.gov/frn/index.html.* The signed Issues and Decision Memorandum and the electronic versions of the Issues and Decision Memorandum are identical in content.

Changes Since the Preliminary Results

Based on our analysis of the comment received, we made changes to our normal value and margin calculations for CJI. A complete discussion of these changes can be found in the Issues and Decision Memorandum. These changes did not affect Commerce's determination that sales of subject merchandise by CJI were not made at prices less than normal value during the POR.

Final Results of Review

Commerce determines that the following weighted-average dumping margin exists for entries of subject merchandise that were produced and/or exported by the following company during the POR:

Manufacturer/exporter	Weighted-average margin (percent)
PT Cheil Jedang Indonesia	0.00

Assessment Rates

Commerce shall determine, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries of subject merchandise in accordance with the final results of this review, in accordance with section 751(a)(2)(C) of the Act and 19 CFR 351.212(b). CJI's weighted-average dumping margin in these final results is zero percent. Therefore, we will instruct CBP to liquidate all appropriate entries without regard to antidumping duties. Commerce intends to issue the appropriate assessment instructions for CJI to CBP 15 days after the date of publication of these final results.

Cash Deposit Requirements

The following deposit requirements will be effective for all shipments of subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this administrative review, as provided for by section 751(a)(2)(C) of the Act: (1) The cash deposit rate for CJI will be the weighted-average dumping margin listed above; (2) for previously reviewed or investigated companies not listed above, the cash deposit rate will continue to be the company-specific rate published for the most recent period; (3) if the exporter is not a firm covered in this review, a prior review, or the less-than-fair-value investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recent period for the manufacturer of the merchandise; and, (4) if neither the exporter nor the manufacturer is a firm covered in this or any previous review, the cash deposit rate will be the all others rate for this proceeding, 6.19 percent, as established in the less-than-fair-value investigation.[5] These cash deposit requirements, when imposed, shall remain in effect until further notice.

Disclosure

We will disclose the calculations performed within five days of the date of publication of this notice to parties in this proceeding, in accordance with 19 CFR 351.224(b).

Notification to Importers

This notice also serves as a final reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of

[1] *See Monosodium Glutamate from Indonesia: Preliminary Results of Antidumping Duty Administrative Review; 2015–2016,* 82 FR 57221 (December 4, 2017) (*Preliminary Results*).

[2] *See* Memorandum to the File ''Antidumping Duty Administrative Review of Monosodium Glutamate from Indonesia: Case Brief Schedule,'' January 12, 2017.

[3] *See* CJ's Case Brief ''Monosodium Glutamate (''MSG'') from Indonesia; 2nd Administrative Review; CJ Case Brief,'' dated February 12, 2018.

[4] *See* Issued and Decision Memorandum dated concurrently with and hereby adopted by this notice.

[5] *See Monosodium Glutamate from the Republic of Indonesia: Final Determination of Sales at Less Than Fair Value* 79 FR 58329 (September 29, 2014).

antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

Administrative Protective Order

This notice also serves as a reminder to parties subject to administrative protective order (APO) of their responsibility concerning the return or destruction of proprietary information disclosed under the APO in accordance with 19 CFR 351.305(a)(3), which continues to govern business proprietary information in this segment of the proceeding. 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 the terms of an APO is a violation subject to sanction.

Notification to Interested Parties

These final results are in accordance with sections 751(a)(1) and 777(i)(1) of the Act and 19 CFR 351.213(h) and 351.221(b)(5).

Dated: March 23, 2018.

Gary Taverman,

Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance.

Appendix

Issues in the Decision Memorandum

[FR Doc. 2018–06346 Filed 3–28–18; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[C–570–039]

Amorphous Silica Fabric From the People's Republic of China: Correction to the Opportunity To Request Administrative Review Notice

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

FOR FURTHER INFORMATION CONTACT: Brenda E. Waters, AD/CVD Operations, Customs Liaison Unit, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230; telephone: (202) 482–4735.

SUPPLEMENTARY INFORMATION:

Background

On March 5, 2018, Commerce published its opportunity to request an administrative review of antidumping and countervailing duty orders and incorrectly listed the case number for the countervailing duty order on Amorphous Silica Fabric from the People's Republic of China.[1] The correct case number for the countervailing duty order on Amorphous Silica Fabric from The People's Republic of China is C–570–039. This notice serves as a correction notice.

Dated: March 23, 2018.

James Maeder,

Associate Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations performing the duties of Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations.

[FR Doc. 2018–06344 Filed 3–28–18; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

RIN 0648–XG104

Endangered Species; File No. 21233

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

ACTION: Notice; receipt of application.

SUMMARY: Notice is hereby given that the NMFS Southeast Fisheries Center (SEFSC), 75 Virginia Beach Drive, Miami, FL 33149 (Responsible Party: Theophilus Brainerd, Ph.D.), has applied in due form for a permit to take loggerhead (*Caretta caretta*), Kemp's ridley (*Lepidochelys kempii*), green (*Chelonia mydas*), leatherback (*Dermochelys coriacea*), hawksbill (*Eretmochelys imbricata*), olive ridley *(Lepidochelys olivacea*), and unidentified sea turtles for purposes of scientific research.

DATES: Written, telefaxed, or email comments must be received on or before April 30, 2018.

ADDRESSES: The application and related documents are available for review by selecting ''Records Open for Public Comment'' from the ''Features'' box on the Applications and Permits for Protected Species (APPS) home page, *https://apps.nmfs.noaa.gov,* and then selecting File No. 21233 from the list of available applications.

These documents are also available 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.

Written comments on this application should be submitted to the Chief, Permits and Conservation Division, at the address listed above. Comments may also be submitted by facsimile to (301) 713–0376, or by email to *NMFS.Pr1Comments@noaa.gov.* Please include the File No. in the subject line of the email comment.

Those individuals requesting a public hearing should submit a written request to the Chief, Permits and Conservation Division at the address listed above. The request should set forth the specific reasons why a hearing on this application would be appropriate.

FOR FURTHER INFORMATION CONTACT: Amy Hapeman or Erin Markin, (301) 427–8401.

SUPPLEMENTARY INFORMATION: The subject permit is requested under the authority of 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).

The SEFSC requests a ten-year permit to study sea turtles in the Atlantic Ocean, Gulf of Mexico, and Caribbean Sea including international waters. The objectives of the research are to assess sea turtle populations for anthropogenic threats, abundance estimates, and population structure and mixing rates. Animals for study would be directly captured by hand, hoop net, pound net, seine, cast net, tangle net, or trawl or obtained for study from another legal source such as bycatch in a commercial fishery. Researchers would be authorized to examine, mark, image, collect morphometrics, collect a suite of biological samples, and attach transmitters to live sea turtles before release. A subset of these animals may also undergo hearing trials or laparoscopy and internal tissue sampling when transported and temporarily held in a facility before release. The SEFSC requests a small number of unintentional mortalities,

[1] *See Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity to Request Administrative Review,* 83 FR 9284 (March 5, 2018).

and collection of these carcasses, for each species that may result from capture activities. In addition, live animals may be harassed during vessel and aerial surveys for species counts and observation.

Dated: March 26, 2018.

Julia Harrison,

Chief, Permits and Conservation Division, Office of Protected Resources, National Marine Fisheries Service.

[FR Doc. 2018–06376 Filed 3–28–18; 8:45 am]

BILLING CODE 3510–22–P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

RIN 0648–XG062

Mid-Atlantic Fishery Management Council (MAFMC); Public Meetings

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

ACTION: Notice of a public meeting.

SUMMARY: The Mid-Atlantic Fishery Management Council's (Council) Surfclam and Ocean Quahog Advisory Panel will hold a public meeting.

DATES: The meeting will be held on Friday, April 13, 2018, from 10 a.m. until 3 p.m.

ADDRESSES: The meeting will be held via internet Webinar. Detailed connection details are available at *http://www.mafmc.org.* To join the Webinar, follow this link and enter the online meeting room: *http://mafmc.adobeconnect.com/scoq2018ap/*

Council address: Mid-Atlantic Fishery Management Council, 800 North State Street, Suite 201, Dover, DE 19901; telephone: (302) 674–2331.

FOR FURTHER INFORMATION CONTACT: Christopher M. Moore Ph.D., Executive Director, Mid-Atlantic Fishery Management Council, 800 N. State Street, Suite 201, Dover, DE 19901; telephone: (302) 526–5255.

SUPPLEMENTARY INFORMATION: The purpose of the meeting is to develop a fishery performance report by the Council's Surfclam and Ocean Quahog Advisory Panel. The intent of this report is to facilitate structured input from the Surfclam and Ocean Quahog Advisory Panel members to the Council and its Scientific and Statistical Committee. Advisors will also receive an update on the clam dredge access framework under development by the New England Fishery Management Council.

Special Accommodations

The meeting is physically accessible to people with disabilities. Requests for sign language interpretation or other auxiliary aids should be directed to M. Jan Saunders at the Mid-Atlantic Council Office (302) 526–5251 at least 5 days prior to the meeting date.

Dated: March 26, 2018.

Tracey L. Thompson,

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

[FR Doc. 2018–06311 Filed 3–28–18; 8:45 am]

BILLING CODE 3510–22–P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

RIN 0648–XG018

Fisheries of the Northeastern United States; Summer Flounder, Scup, and Black Sea Bass Fisheries; Scoping Process

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

ACTION: Supplemental notice of intent (NOI) to prepare an environmental impact statement (EIS).

SUMMARY: The Mid-Atlantic Fishery Management Council has been preparing an amendment to the Summer Flounder, Scup, and Black Sea Bass Fishery Management Plan, known as the ''Comprehensive Summer Flounder Amendment,'' to modify aspects of the fishery management plan related to summer flounder commercial and recreational management. To avoid delaying the amendment while waiting for updated recreational information, the Council is now splitting several issues within this original action, including fishery management plan goals and objectives, commercial allocation, commercial moratorium permits, and commercial framework provisions into a separate action that will continue to be developed as an EIS. The Council is taking comments on this modified action, which is now being referred to as the ''Summer Flounder Commercial Issues Amendment.'' Following completion of this ''Commercial Issues'' amendment, the Council may then develop at least one future action relating to recreational fishery issues and commercial/recreational allocation to incorporate updated recreational fishery data when it becomes available later this year. The purpose of this notification is to alert and seek comment from the public about the Council's consideration of splitting this amendment, by delaying some issues to be pursued via later actions.

DATES: Written comments must be received on or before April 30, 2018.

ADDRESSES: You may submit comments by any of the following methods:

- *Email: nmfs.flukeamendment@noaa.gov;* Include ''Summer Flounder Amendment Scoping Comments'' in the subject line;
- *Mail:* Christopher M. Moore, Ph.D., Executive Director, Mid-Atlantic Fishery Management Council, 800 N. State Street, Suite 201, Dover, DE 19901.
- *Fax:* (302) 674–5399.

FOR FURTHER INFORMATION CONTACT: Christopher M. Moore, Ph.D., Executive Director, Mid-Atlantic Fishery Management Council, telephone: (302) 526–5255.

SUPPLEMENTARY INFORMATION: On September 16, 2014, an NOI was published in the **Federal Register** (79 FR 55432) announcing the Council's intent to prepare an EIS for a broad management action addressing several categories of summer flounder issues in the Summer Flounder, Scup, and Black Sea Bass Fishery Management Plan (FMP). The Council initiated this Comprehensive Summer Flounder Amendment jointly with the Atlantic States Marine Fisheries Commission to review all aspects of the FMP related to summer flounder. The amendment was intended to consider updating the goals and objectives of the FMP as related to summer flounder, revising the allocation between the commercial and recreational sector, and modifying many management strategies and requirements for both commercial and recreational fisheries for summer flounder. Since publication of the original NOI, the Council has delayed development of recreational fishery issues and recreational/commercial allocation and narrowed the remaining range of issues to a more focused list of priority topics.

The primary driver of this proposed split is the ongoing revisions to recreational data by the Marine Recreational Information Program (MRIP), which are expected to substantially change the current understanding of recreational catch and landings. Due to these changes, the Council and Commission chose to delay development of any issues that would rely heavily on recreational data, including quota allocation between the commercial and recreational sectors, as well as recreational management measures and strategies. If this action

was not split, the Council and Commission would either need to wait for revised MRIP data to become available to begin analysis of recreational-related alternatives, or begin analysis with the current data and later revise substantial portions of the document once new MRIP data became available. Because substantial progress has been made on development of alternatives for commercial issues, the Council and Commission have proposed splitting the action in order to more quickly complete the revisions to the commercial issues and FMP objectives without letting these issues become delayed by recreational data revisions.

The purpose of this revised amendment is to consider revisions to the current qualification criteria for Federal moratorium permit holders, the current allocation of commercial quota, and the current list of frameworkable items in the FMP (*i.e.,* including a provision for commercial landings flexibility). In addition, the purpose of the action is to revise the FMP goals and objectives for summer flounder only. An EIS will be prepared for this action. The Council believes that the measures have separate utility, a clearly unique purpose and need, and are not directly linked to the remaining measures from the original amendment proposed to be pursued in a future action.

The Council and Commission intend to initiate a separate action or actions once revised MRIP data become available. This future action is expected to consider revisions to the allocation between the commercial and recreational sectors for summer flounder, as well as several recreational fishery issues. General categories of recreational issues previously identified for evaluation include: Recreational process, conservation equivalency framework, and recreational allocations; recreational sector separation (for-hire and/or private mode); alternative recreational strategies (allow for alternatives to minimum size, bag limit, and season restrictions; *e.g.,* slot limits); recreational gear requirements or restrictions; and recreational data collection requirements and protocols.

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

Dated: March 23, 2018.

Jennifer M. Wallace,

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

[FR Doc. 2018–06314 Filed 3–28–18; 8:45 am]

BILLING CODE 3510–22–P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

RIN 0648–XG112

Gulf of Mexico Fishery Management Council; Public Meeting

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

ACTION: Notice of a public meeting.

SUMMARY: The Gulf of Mexico Fishery Management Council (Council) will hold a five-day meeting to consider actions affecting the Gulf of Mexico fisheries in the exclusive economic zone (EEZ).

DATES: The meeting will be held on Monday, April 16 through Friday, April 20, 2018.

ADDRESSES: The meeting will take place at the Marriott Courtyard hotel, located at 1600 E. Beach Boulevard, Gulfport, MS 39501; telephone: (228) 864–4310.

Council address: Gulf of Mexico Fishery Management Council, 2203 N. Lois Avenue, Suite 1100, Tampa, FL 33607; telephone: (813) 348–1630.

FOR FURTHER INFORMATION CONTACT: Douglas Gregory, Executive Director, Gulf of Mexico Fishery Management Council; telephone: (813) 348–1630.

SUPPLEMENTARY INFORMATION:

Agenda

Monday, April 16, 2018; 8 a.m.–5:30 p.m.; Closed Session

The meeting will begin in a Closed Session of the Full Council all day to hold applicant interviews, select the 2017 Law Enforcement Officer of the Year, and to select members to the Shrimp and Reef Fish Advisory Panels.

Tuesday, April 17, 2018; 8:30 a.m.–5:45 p.m.

The Coral Committee will meet briefly to review a public hearing draft for Coral Amendment 9. The Shrimp Committee will review updated stock assessments, biological review of the Texas closure, and receive a summary from the Shrimp Advisory Panel Meeting. The Mackerel Committee will review and discuss the South Atlantic Council's Amendment 31: Atlantic Cobia Management. The Administrative/Budget Committee will review the grant expenditures, and anticipated budget activities and funding. The Sustainable Fisheries Committee will review a revised policy statement on the use of descending tools and venting devices and a 5-year review on inclusion/exclusion of species and species groupings in fishery management plans; and hold a discussion on historical captain permits. After lunch, the Reef Fish Management Committee will review the Reef Fish Landings; receive an update on state management of recreational Red Snapper Exempted Fishing Permits (EFPs); review a public hearing draft for Joint Reef Fish Amendment 48 and Red Drum Amendment 4—Status Determination Criteria and Optimum Yield; and discuss the State Management Program for Recreational Red Snapper.

Wednesday, April 18, 2018; 8 a.m.–5:30 p.m.

The Reef Fish Management Committee will reconvene and receive a presentation on recreational data challenges and potential South Atlantic Council responses; discuss the Commercial Individual Fishing Quotas (IFQ) Programs; and, review an options paper on framework action Greater Amberjack Recreational Bag Limits, Seasonal Quotas and Commercial Trip Limits. After lunch, the Committee will review the decision tools and amendments for Amendment 42—Reef Fish Management for Headboat Survey and Amendment 41—Allocation-based Management for Federally Permitted Charters Vessels; and, receive a summary from the Scientific and Statistical Committee (SSC) meeting.

Thursday, April 19, 2018; 8:30 a.m.–4:45 p.m.

The Full Council will reconvene with a Call to Order, Announcements, and Introductions; Adoption of Agenda and Approval of Minutes. The Council will receive a presentation from Mississippi Law Enforcement; a summary from the Law Enforcement Technical Committee meeting; a regulatory review; and, a presentation on Highly Migratory Species on Shortfin Mako. The Council will review Exempted Fishing Permit (EFPs) Applications and public comments on EFP applications, if any. After lunch, the Council will receive open public testimony from 12:30 p.m. until 3:30 p.m. on Fishery Issues or Concerns. Anyone wishing to speak during public comment should sign in at the registration station located at the entrance to the meeting room.

After public testimony, the Full Council will receive committee reports from the Coral, Shrimp, Mackerel and Administrative/Budget Management Committees.

Friday, April 20, 2018; 8 a.m.–12:30 p.m.

The Full Council will receive committee reports from Reef Fish and Sustainable Fisheries Management Committees; Announce the 2017 Law Enforcement Officer of the Year; vote on any Exempted Fishing Permit (EFP) applications; and receive updates from the following supporting agencies: South Atlantic Fishery Management Council; Gulf States Marine Fisheries Commission; U.S. Coast Guard; U.S. Fish and Wildlife Service; and, the Department of State.

Lastly, the Council will discuss any Other Business items.

—Meeting Adjourns

The timing and order in which agenda items are addressed may change as required to effectively address the issue. The latest version will be posted on the Council's file server, which can be accessed by going to the Council's website at *http://www.gulfcouncil.org* and clicking on FTP Server under Quick Links. For meeting materials, go to the Gulf Council website or Gulf Council file server and select the ''Briefing Books/Briefing Book 2018–04'' folder. The username and password are both ''gulfguest''. The meetings will be webcast over the internet. A link to the webcast will be available on our website.

Although other non-emergency issues not contained in this agenda may come before this Council for discussion, those issues may not be the subjects of formal action during this meeting. Council 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 that 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 Kathy Pereira (see **ADDRESSES**) at least 5 days prior to the meeting date.

Dated: March 26, 2018.

Tracey L. Thompson,

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

[FR Doc. 2018–06326 Filed 3–28–18; 8:45 am]

BILLING CODE 3510–22–P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

RIN 0648–XG093

North Pacific Fishery Management Council; Public Meeting

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

ACTION: Notice of public meeting.

SUMMARY: The Center of Independent Experts will meet April 16 through April 18, 2018 to review the stock assessments for Bering Sea and Aleutian Island yellowfin sole, northern rock sole, and Alaska plaice.

DATES: The meeting will be held on Monday, April 16, 2018 through Wednesday, April 18, 2018, from 9 a.m. to 5 p.m.

ADDRESSES:

Meeting address: The meeting will be held at the Alaska Fisheries Science Center (AFSC), in Building 4, Room 2039, 7600 Sand Point Way NE, Seattle, WA 98115.

Council address: North Pacific Fishery Management Council, 605 W. 4th Ave., Suite 306, Anchorage, AK 99501–2252; telephone: (907) 271–2809.

FOR FURTHER INFORMATION CONTACT: Diana Stram, NPFMC staff; telephone: (907) 271–2809.

SUPPLEMENTARY INFORMATION:

Terms of Reference

1. Evaluate the strengths and weaknesses of the assumptions made in applying the stock assessment model including how survey indices are scaled to the populations. Specifics might include:

a. How natural mortality estimates are estimated/applied.

b. Assumptions about survey ''catchability''.

c. Application of fishery and survey age-specific schedules (maturity, body mass, selectivity).

d. The application (or lack thereof) of a stock-recruitment relationship (and associated parameter estimates).

2. Evaluate the stock assessment approach used focusing specifically on how fisheries and survey data are compiled and used to assess the stock status relative to stated management objectives under the Bering Sea and Aleutian Islands Fishery Management Plan (FMP) and the Magnuson-Stevens Act requirements. Elements should consider:

a. The FMP ''Tier'' designation.

b. Fishing rate estimation relative to overfishing definitions.

c. Stock status determinations relative to BMSY.

3. Recommend how assessment data and/or models could be improved.

Special Accommodations

These meetings are physically accessible to people with disabilities. Requests for sign language interpretation or other auxiliary aids should be directed to Shannon Gleason at (907) 271–2809 at least 7 working days prior to the meeting date.

Dated: March 26, 2018.

Tracey L. Thompson,

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

[FR Doc. 2018–06315 Filed 3–28–18; 8:45 am]

BILLING CODE 3510–22–P

DEPARTMENT OF COMMERCE

Patent and Trademark Office

Submission for OMB Review; Comment Request; Fastener Quality Act Insignia Recordal Process

The United States Patent and Trademark Office (USPTO) will submit to the Office of Management and Budget (OMB) for clearance the following proposal for collection of information under the provisions of the Paperwork Reduction Act (44 U.S.C. Chapter 35).

Agency: United States Patent and Trademark Office, Commerce.

Title: Fastener Quality Act Insignia Recordal Process.

OMB Control Number: 0651–0028.

Form Number(s): N/A.

Type of Request: Regular.

Number of Respondents: 96 responses per year.

Average Hours per Response: 20 minutes (0.33 hours) per response.

Burden Hours: 32 hours annually.

Cost Burden: $2,121.96.

Needs and Uses: Under Section 5 of the Fastener Quality Act of 1999 (FQA), 15 U.S.C. 5401 *et seq.,* certain industrial fasteners must bear an insignia identifying the manufacturer. It is also mandatory for manufacturers of fasteners covered by the FQA to submit an application to the United Stated Patent and Trademark Office (USPTO) for recordal of the insignia on the Fastener Insignia Register.

The procedures for the recordal of fastener insignia under the FQA are set forth in 15 CFR 280.300 *et seq.* The purpose of requiring both the insignia and the recordation is to ensure that certain fasteners can be traced to their manufacturers and to protect against the

sale of mismarked, misrepresented, or counterfeit fasteners.

This information collection was created to facilitate the public's compliance with the insignia recordal provisions of the FQA. The USPTO uses the information in this collection to record or renew insignias under the FQA and to maintain the Fastener Insignia Register, which is open to public inspection. The public may download the Fastener Insignia Register from the USPTO website at *https://www.uspto.gov/trademark/laws-regulations/fastener-quality-act-fqa/fastener-quality-act-fqa.*

Affected Public: Businesses or other for-profits; not-for-profit institutions.

Frequency: On occasion.

Respondent's Obligation: Required to Obtain or Retain Benefits.

OMB Desk Officer: Nicholas A. Fraser, email: *Nicholas_A._Fraser@omb.eop.gov.*

Once submitted, the request will be publicly available in electronic format through *reginfo.gov.* Follow the instructions to view Department of Commerce collections currently under review by OMB.

Further information can be obtained by:

• *Email: InformationCollection@uspto.gov.* Include ''0651–0028 copy request'' in the subject line of the message.

• *Mail:* Marcie Lovett, Records and Information Governance Division Director, Office of the Chief Technology Officer, United States Patent and Trademark Office, P.O. Box 1450, Alexandria, VA 22313–1450.

Written comments and recommendations for the proposed information collection should be sent on or before April 30, 2018 to Nicholas A. Fraser, OMB Desk Officer, via email to *Nicholas_A._Fraser@omb.eop.gov,* or by fax to 202–395–5167, marked to the attention of Nicholas A. Fraser.

Marcie Lovett,

Records and Information Governance Division Director, OCTO, United States Patent and Trademark Office.

[FR Doc. 2018–06295 Filed 3–28–18; 8:45 am]

BILLING CODE 3510–16–P

DEPARTMENT OF DEFENSE

Office of the Department of the Air Force

U.S. Air Force Scientific Advisory Board; Notice of Federal Advisory Committee Meeting

AGENCY: Department of the Air Force, U.S. Air Force Scientific Advisory Board, Department of Defense.

ACTION: Notice of Federal Advisory Committee meeting.

SUMMARY: The Department of Defense (DoD) is publishing this notice to announce the Federal Advisory Committee meeting of the U.S. Air Force Scientific Advisory Board.

DATES: Closed to the Public Thursday 12 April 2018, 1:30 p.m.–5:00 p.m. Mountain Time (MT).

ADDRESSES: The Air Force Operational Test and Evaluation Center, located at 1251 Wyoming Blvd. SE, Kirtland Air Force Base, New Mexico 87123.

FOR FURTHER INFORMATION CONTACT: Evan Buschmann, (240) 612–5503 (Voice), 703–693–5643 (Facsimile), *evan.g.buschmann.civ@us.af.mil* (Email). Mailing address is 1500 West Perimeter Road, Ste. #3300, Joint Base Andrews, MD 20762. Website: *http://www.sab.af.mil/.* The most up-to-date changes to the meeting agenda can be found on the website.

SUPPLEMENTARY INFORMATION: This meeting is being held under the provisions of the Federal Advisory Committee Act (FACA) 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 102–3.140 and 102–3.150. The scheduled sessions of the Air Force SAB Spring Board meeting will be closed to the public because they will discuss classified information and matters covered by Section 552b of Title 5, United States Code, subsection (c), subparagraph (1).

Purpose of the Meeting: The purpose of this Air Force Scientific Advisory Board quarterly meeting is to conduct mid-term reviews of the Scientific Advisory Board's FY18 studies, offering board members the opportunity to hear directly from the Study Chairs on the progress they have made thus far and provide dedicated time to continue collaboration on research.

Agenda:

U.S. Air Force Scientific Advisory Board Spring Board Meeting

1330–1400 Welcome Remarks, Dr. James S. Chow, Chair, U.S. Air Force Scientific Advisory Board
1400–1530 Technologies for Enabling Resilient Command and Control (TRC), Dr. Nils Sandell, Study Chair
1530–1655 Maintaining Technology Superiority for the USAF (MTS), Lt Gen George Muellner, (Ret.), Study Chair
1655–1700 Closing Remarks, Dr. James S. Chow, Chair, U.S. Air Force Scientific Advisory Board
1700 Adjourn

Meeting Accessibility: Closed to the public.

Written Statements: Any member of the public that wishes to provide input on the Air Force Scientific Advisory Board Spring Meeting must contact the meeting organizer at the phone number or email address listed in this announcement at least five working days prior to the meeting date. Please ensure that you submit your written statement in accordance with 41 CFR 102–3.140(c) and section 10(a)(3) of the Federal Advisory Committee Act. Statements being submitted in response to the agenda mentioned in this notice must be received by the Scientific Advisory Board meeting organizer at least five calendar days prior to the meeting commencement date. The Scientific Advisory Board meeting organizer will review all timely submissions and respond to them prior to the start of the meeting identified in this notice. Written statements received after this date may not be considered by the Scientific Advisory Board until the next scheduled meeting. *For Further Information Contact:* The Scientific Advisory Board meeting organizer, Lt Col Mike Rigoni at *michael.j.rigoni.mil@mail.mil* or 703–695–4297, United States Air Force Scientific Advisory Board, 1500 West Perimeter Road, Ste. #3300, Joint Base Andrews, MD 20762.

Henry Williams,

Acting Air Force Federal Register Liaison Officer.

[FR Doc. 2018–06331 Filed 3–28–18; 8:45 am]

BILLING CODE 5001–10–P

DEPARTMENT OF DEFENSE

Office of the Secretary

[Docket ID: DOD–2018–OS–0016]

Proposed Collection; Comment Request

AGENCY: Defense Logistics Agency, DoD.

ACTION: Information collection notice.

SUMMARY: In compliance with the *Paperwork Reduction Act of 1995,* the Defense Logistics Agency announces a proposed public information collection

and seeks public comment on the provisions thereof. Comments are invited on: 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; the accuracy of the agency's estimate of the burden of the proposed information collection; ways to enhance the quality, utility, and clarity of the information to be collected; and ways to minimize the burden of the information collection on respondents, including through the use of automated collection techniques or other forms of information technology.

DATES: Consideration will be given to all comments received by May 29, 2018.

ADDRESSES: You may submit comments, identified by docket number and title, by any of the following methods:

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

• *Mail:* Department of Defense, Office of the Chief Management Officer, Directorate for Oversight and Compliance, 4800 Mark Center Drive, Mailbox #24, 08D09B, Alexandria, VA 22350–1700.

Instructions: All submissions received must include the agency name, docket number, and title for this **Federal Register** document. The general policy for comments and other submissions from members of the public is to make these submissions available for public viewing on the internet at *http://www.regulations.gov* as they are received without change, including any personal identifiers or contact information.

Any associated form(s) for this collection may be located within this same electronic docket and downloaded for review/testing. Follow the instructions at *http://www.regulations.gov* for submitting comments. Please submit comments on any given form identified by docket number, form number, and title.

FOR FURTHER INFORMATION CONTACT: To request more information on this proposed information collection or to obtain a copy of the proposal and associated collection instruments, please write to the Defense Logistics Agency, DLA Human Capital Program Development, ATTN: Tya Dammer, 8725 John J. Kingman Road, Fort Belvoir, VA 22060–6220, or email *tya.dammer@dla.mil.*

SUPPLEMENTARY INFORMATION:

Title; Associated Form; and OMB Number: DLA Climate Culture Survey; OMB Control Number 0704–XXXX.

Needs And Uses: The information collection requirement is necessary to obtain and record the perceptions of DLA employees regarding the organizational culture and climate. The DLA Culture/Climate Survey standardizes how organizational culture/climate is measured across the DLA enterprise, focuses leadership attention on culture/climate, and drives actions to improve the overall culture/climate and DLA organizational performance.

Affected Public: Individuals or Households.

Annual Burden Hours: 645.

Number of Respondents: 860.

Responses per Respondent: 1.

Annual Responses: 860.

Average Burden per Response: 45 minutes.

Frequency: Biennially.

Respondents are Foreign Nationals employed by DLA (and thereby considered members of the public). The DLA Culture/Climate Survey provides a confidential mechanism for employees to share feedback on their work environment, resulting in opportunities for DLA employees and leaders to engage in thoughtful, data-driven discussions that lead to informed action and improve the DLA collective performance.

Dated: March 23, 2018.

Aaron T. Siegel,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

[FR Doc. 2018–06271 Filed 3–28–18; 8:45 am]

BILLING CODE 5001–06–P

DEPARTMENT OF DEFENSE

Office of the Secretary

[Docket ID: DOD–2018–OS–0017]

Proposed Collection; Comment Request

AGENCY: Office of the Under Secretary of Defense for Personnel and Readiness, DoD.

ACTION: Information collection notice.

SUMMARY: In compliance with the *Paperwork Reduction Act of 1995,* the Office of the Under Secretary of Defense for Personnel and Readiness announces a proposed public information collection and seeks public comment on the provisions thereof.

Comments are invited on: 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; the accuracy of the agency's estimate of the burden of the proposed information collection; ways to enhance the quality, utility, and clarity of the information to be collected; and ways to minimize the burden of the information collection on respondents, including through the use of automated collection techniques or other forms of information technology.

DATES: Consideration will be given to all comments received by May 29, 2018.

ADDRESSES: You may submit comments, identified by docket number and title, by any of the following methods:

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

• *Mail:* Department of Defense, Office of the Chief Management Officer, Directorate for Oversight and Compliance, 4800 Mark Center Drive, Mailbox #24, Suite 08D09B, Alexandria, VA 22350–1700.

Instructions: All submissions received must include the agency name, docket number and title for this **Federal Register** document. The general policy for comments and other submissions from members of the public is to make these submissions available for public viewing on the internet at *http://www.regulations.gov* as they are received without change, including any personal identifiers or contact information.

Any associated form(s) for this collection may be located within this same electronic docket and downloaded for review/testing. Follow the instructions at *http://www.regulations.gov* for submitting comments. Please submit comments on any given form identified by docket number, form number, and title.

FOR FURTHER INFORMATION CONTACT: To request more information on this proposed information collection or to obtain a copy of the proposal and associated collection instruments, please write to the Military Community and Family Policy, Office of Military Family Readiness, ATTN: Karen Morgan, Alexandria, VA 22350; or email: *karen.s.morgan4.civ@mail.mil;* or call: (571) 372–0859; or FAX: (571) 372–0884.

SUPPLEMENTARY INFORMATION:

Title; Associated Form; and OMB Number: Basic Criminal History and Statement of Admission (Department of Defense Child Care Services Programs); DD Form 2981; OMB Control Number 0704–0516.

Needs and Uses: The information collection requirement is necessary to obtain a self-reported record of criminal history from each individual who comes into regular, reoccurring contact with children under the age of 18 years.

Individuals are required to self-report any arrests, charges or convictions that would keep the individual from obtaining or maintaining a favorable suitability or fitness determination. Programs impacted are referenced within the 42 U.S. Code § 13041 and include impacted individuals such as employees, DoD contractors, providers, adults residing in a family child care home, volunteers, and others with regular reoccurring contact with children.

Affected Public: Individuals or Households.

Annual Burden Hours: 1,250.

Number of Respondents: 5,000.

Responses per Respondent: 1.

Annual Responses: 5,000.

Average Burden per Response: 15 minutes.

Frequency: On occasion.

Respondents are DoD contractors, family child care providers, family child care adult family members residing in the home, and specified volunteers who provide child care services for children under age 18. This form will be initiated by DoD staff and will be maintained in the initiating DoD offices and/or appropriate Human Resources or Security Offices.

Dated: March 23, 2018.

Aaron T. Siegel,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

[FR Doc. 2018–06284 Filed 3–28–18; 8:45 am]

BILLING CODE 5001–06–P

DEPARTMENT OF DEFENSE

Department of the Army, Corps of Engineers

Intent To Prepare an Environmental Impact Statement (EIS) for the Pebble Project

AGENCY: U.S. Army Corps of Engineers, Department of Defense.

ACTION: Notice of intent.

SUMMARY: The Alaska District, U.S. Army Corps of Engineers (the Corps) intends to prepare a Draft Environmental Impact Statement (DEIS) to assess the potential social, economic, and environmental impacts associated with the proposed Pebble open pit mine in wetlands, streams and Ocean near Cook Inlet. The EIS will assess potential effects of a range of alternatives.

DATES: Public scoping meetings are tentatively scheduled in Anchorage, Homer, Dillingham, King Salmon (Naknek), Iliamna (Newhalen), Nondalton, and Kokhanok (Iguigig) will occur in mid-April 2018. Information about these meetings and meeting dates will be published locally, posted at *http://www.pebbleprojecteis.com,* and available by contacting the Corps.

ADDRESSES: U.S. Army Corps of Engineers, P.O. Box 6898, Joint Base Elmendorf Richardson, AK 99506–0898.

FOR FURTHER INFORMATION CONTACT: Questions about the proposed action and the Draft EIS should be referred to: Mr. Shane McCoy, Regulatory Division, *telephone:* (907) 753–2715 at *http://www.pebbleprojecteis.com* or by mail to the above address. To be added to the project mailing list and for additional information, please visit the following website: *http://www.pebbleprojecteis.com.*

SUPPLEMENTARY INFORMATION: An application for a Department of the Army permit was submitted by the Pebble Limited Partnership pursuant Section 404 of the Clean Water Act (33 U.S.C. 1344) and Section 10 of the Rivers and Harbors Act of 1899 (33 U.S.C. 403) on December 22, 2017, and was advertised in a Public Notice, POA–2017–271, on January 5, 2018. The public notice is available on Alaska District's public website at: *http://www.poa.usace.army.mil//Portals/34/docs/regulatory/publicnotices/2018/POA-2017-271%20Pebble_PN.pdf?ver=2018-01-05-153755-640.*

1. Description of the Proposed Project. Pebble Limited Partnership (PLP) is proposing to develop the Pebble copper-gold-molybdenum porphyry deposit as an open-pit mine, with associated infrastructure, in southwest Alaska, north of Lake Iliamna. The proposed project would require approximately four years to construct, with a projected mine life of approximately 20 years. Major project components include excavation of an open pit, that ultimately would be approximately 6,500 feet long by 5,500 feet wide, with depths between 1,330 and 1,750 feet; a tailings impoundment with 1.1 billion tons storage volume; a low grade ore stockpile with the capacity to store up to 330 million tons; an open pit overburden stockpile; a mill facility processing approximately 160,000 tons of ore per day; a natural gas-fired power plant with a total connected load of 230 mega-watt (MW), supplied by a 188-mile, 10 to 12-inch diameter, natural gas pipeline across Cook Inlet and Iliamna Lake to the Mine Site; and transportation infrastructure including a 30-mile road from the Mine Site to a ferry terminal on the north shore of Iliamna Lake, an 18-mile crossing with an ice-breaking ferry to a terminal on the south shore of Iliamna Lake, and a 35-mile road to the proposed Amakdedori Port on Cook Inlet. The proposed mine and related facilities would have a total footprint of approximately 5.9 square miles.

The pipeline route would originate on the Kenai Peninsula, connecting to the existing gas pipeline infrastructure near Happy Valley. A metering station would be constructed at the off-take point and the pipeline would then follow south along the Sterling Highway for 9 miles to a gas-fired compressor station north of Anchor Point. The compressor station would feed a 94-mile subsea pipeline from the east shore of Cook Inlet to Amakdedori Port on the west shore. A second gas-fired compressor station would be located at the port site. The pipeline route would then follow a 30-mile mine access road to the south shore of Iliamna Lake, where the pipeline would enter Iliamna Lake for approximately 18 miles. The pipeline would come ashore at on the north shore of the lake, where it would follow the mine access road to the Mine Site.

2. *Alternatives.* A range of alternatives of the proposed action will be identified, and those found to be reasonable and practicable will be fully evaluated in the DEIS, including: the no action alternative, the applicant's proposed alternative, alternative mine locations and mine plans, alternative mining methods and processes, alternatives that may result in avoidance and minimization of impacts, and mitigation measures not in the proposed action. However, this list is not exclusive and additional alternatives may be considered for inclusion.

3. *Scoping Process and Public Involvement.* The scoping period will extend from April 1, 2018, through April 30, 2018. Scoping is conducted to assist in determining the scope of analysis, significant issues and alternatives to be analyzed in depth in the DEIS. Comments should be as specific as possible. Additional public involvement will be sought through the implementation of the public involvement plan and the agency coordination team.

4. *Significant Issues.* Numerous issues will be analyzed in depth in the DEIS related to the effects of the proposed Pebble mine and associated infrastructure construction, operation, and closure. These issues will include, but will not be limited to, the following: wetlands, water quality, air quality, hazardous materials, fish and wildlife, vegetation, cultural resources, food production, land use, needs and welfare of the people (socioeconomics including commercial fishing and tourism), recreation, general environmental

concerns, historic properties, navigation, and safety.

5. *Additional Review and Consultation.* Additional review and consultation which will be incorporated into the preparation of the DEIS will include, but are not necessarily limited to coordination under Section 401 of the Clean Water Act, Essential Fish Habitat coordination; consultation under Section 7 of the Endangered Species Act; and consultation under the National Historic Preservation Act

Shelia Newman,

Deputy Chief, Regional Regulatory Division, U.S. Army Corps of Engineers, Alaska District.

[FR Doc. 2018–06369 Filed 3–28–18; 8:45 am]

BILLING CODE 3720–58–P

DEPARTMENT OF EDUCATION

[Docket No.: ED–2018–ICCD–0030]

Agency Information Collection Activities; Comment Request; Expanding Opportunity Through Quality Charter Schools Program: Technical Assistance To Support Monitoring, Evaluation, Data Collection, and Dissemination of Best Practices

AGENCY: Office of Innovation and Improvement (OII), Department of Education (ED).

ACTION: Notice.

SUMMARY: In accordance with the Paperwork Reduction Act of 1995, ED is proposing an extension of an existing information collection.

DATES: Interested persons are invited to submit comments on or before May 29, 2018.

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–2018–ICCD–0030. 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 216–44, Washington, DC 20202–4537.

FOR FURTHER INFORMATION CONTACT: For specific questions related to collection activities, please contact Patricia Kilby-Robb, 202–260–2225.

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: Expanding Opportunity through Quality Charter Schools Program: Technical Assistance to Support Monitoring, Evaluation, Data Collection, and Dissemination of Best Practices.

OMB Control Number: 1855–0016.

Type of Review: An extension of an existing information collection.

Respondents/Affected Public: State, Local, and Tribal Governments.

Total Estimated Number of Annual Responses: 102.

Total Estimated Number of Annual Burden Hours: 136.

Abstract: This request is for an extension of OMB approval to collect data for the Expanding Opportunity through Quality Charter Schools Program: Technical Assistance to Support Monitoring, Evaluation, Data Collection, and Dissemination of Best Practices formerly titled Charter Schools Program (CSP) Grant Awards Database. This current data collection is being coordinated with the EDFacts Initiative to reduce respondent burden and fully utilize data submitted by States and available to the U.S. Department of Education (ED). Specifically, under the current data collection, ED collects CSP grant award information from grantees (State agencies, charter management organizations, and some schools) to create a new database of current CSP-funded charter schools. Together, these data allow ED to monitor CSP grant performance and analyze data related to accountability for academic purposes, financial integrity, and program effectiveness.

Dated: March 23, 2018.

Tomakie Washington,

Acting Director, Information Collection Clearance Division, Office of the Chief Privacy Officer, Office of Management.

[FR Doc. 2018–06244 Filed 3–28–18; 8:45 am]

BILLING CODE 4000–01–P

FEDERAL COMMUNICATIONS COMMISSION

[OMB 3060–0819]

Information Collection Being Reviewed by the Federal Communications Commission

AGENCY: Federal Communications Commission.

ACTION: Notice and request for comments.

SUMMARY: As part of its continuing effort to reduce paperwork burdens, and as required by the Paperwork Reduction Act (PRA) of 1995, the Federal Communications Commission (FCC or the Commission) invites the general public and other Federal agencies to take this opportunity to comment on the following information collection. Comments are requested concerning: whether the proposed collection of information is necessary for the proper performance of the functions of the Commission, including whether the information shall have practical utility; the accuracy of the Commission's burden estimate; ways to enhance the quality, utility, and clarity of the information collected; ways to minimize the burden of the collection of information on the respondents, including the use of automated collection techniques or other forms of information technology; and ways to further reduce the information collection burden on small business concerns with fewer than 25 employees. The FCC may not conduct or sponsor a collection of information unless it displays a currently valid control number. No person shall be subject to any penalty for failing to comply with a collection of information subject to the

PRA that does not display a valid Office of Management and Budget (OMB) control number.

DATES: Written PRA comments should be submitted on or before May 29, 2018. If you anticipate that you will be submitting comments, but find it difficult to do so within the period of time allowed by this notice, you should advise the contact listed below as soon as possible.

ADDRESSES: Direct all PRA comments to Nicole Ongele, FCC, via email *PRA@fcc.gov* and to *Nicole.Ongele@fcc.gov.*

FOR FURTHER INFORMATION CONTACT: For additional information about the information collection, contact Nicole Ongele at (202) 418–2991.

SUPPLEMENTARY INFORMATION: As part of its continuing effort to reduce paperwork burdens, and as required by the Paperwork Reduction Act (PRA) of 1995 (44 U.S.C. 3501–3520), the Federal Communications Commission (FCC or Commission) invites the general public and other Federal agencies to take this opportunity to comment on the following information collections. Comments are requested concerning: Whether the proposed collection of information is necessary for the proper performance of the functions of the Commission, including whether the information shall have practical utility; the accuracy of the Commission's burden estimate; ways to enhance the quality, utility, and clarity of the information collected; ways to minimize the burden of the collection of information on the respondents, including the use of automated collection techniques or other forms of information technology; and ways to further reduce the information collection burden on small business concerns with fewer than 25 employees.

OMB Control Number: 3060–0819.

Title: Lifeline and Link Up Reform and Modernization, Telecommunications Carriers Eligible for Universal Service Support, Connect America Fund.

Form Numbers: FCC Form 555, FCC Form 481, FCC Form 497, FCC Form 5629, FCC Form 5630, FCC Form 5631.

Type of Review: Revision of a currently approved collection.

Respondents: Individuals or households and business or other for-profit.

Number of Respondents and Responses: 17,547,843 respondents; 20,317,788 responses.

Estimated Time per Response: .0167 hours–253 hours.

Frequency of Response: Annual, biennial, monthly, daily and on occasion reporting requirements, recordkeeping requirement and third party disclosure requirement.

Obligation To Respond: Required to obtain or retain benefits. Statutory authority is contained in Sections 1, 4(i), 5, 201, 205, 214, 219, 220, 254, 303(r), and 403 of the Communications Act of 1934, as amended, and section 706 of the Communications Act of 1996, as amended; 47 U.S.C. §§ 151, 154(i), 155, 201, 205, 214, 219, 220, 254, 303(r), 403, and 1302.

Total Annual Burden: 10,972,641 hours.

Total Annual Cost: $937,500.

Privacy Act Impact Assessment: Yes. The Commission completed a Privacy Impact Assessment (PIA) for some of the information collection requirements contained in this collection. The PIA was published in the **Federal Register** at 82 FR 38686 on August 15, 2017. The PIA may be reviewed at: *http://www.fcc.gov/omd/privacyact/Privacy_Impact_Assessment.html.*

Nature and Extent of Confidentiality: Some of the requirements contained in this information collection affect individuals or households, and thus, there are impacts under the Privacy Act. The FCC's system of records notice (SORN) associated with this collection is FCC/WCB–1, ''Lifeline Program.''

The Commission will use the information contained in FCC/WCB–1 to cover the personally identifiable information (PII) that is required as part of the Lifeline Program (''Lifeline'').

As required by the Privacy Act of 1974, as amended, 5 U.S.C. 552a, the Commission published FCC/WCB–1 ''Lifeline Program'' in the **Federal Register** on August 15, 2017 (82 FR 38686).

Also, respondents may request materials or information submitted to the Commission or to the Universal Service Administrative Company (USAC or Administrator) be withheld from public inspection under 47 CFR 0.459 of the FCC's rules. We note that USAC must preserve the confidentiality of all data obtained from respondents; must not use the data except for purposes of administering the universal service programs; and must not disclose data in company-specific form unless directed to do so by the Commission.

Needs and Uses: The Commission will submit this information collection after this 60-day comment period to obtain approval from the Office of Management and Budget (OMB) of revisions to this information collection.

On November 16, 2017, the Commission adopted the *Bridging the Digital Divide for Low-Income Consumers,* WC Docket Nos, 17–287, 11–42, 09–197, Fourth Report and Order, Order on Reconsideration, Memorandum Opinion and Order, Notice of Proposed Rulemaking, and Notice of Inquiry, FCC 17–155 (2017) (*Lifeline Fourth Report and Order*), which limited enhanced Tribal Lifeline support to facilities-based carriers on Tribal lands to more efficiently utilize Universal Service funds. This revision implements the requirement that ETCs provide written notice to their customers who are currently receiving enhanced support who will no longer be eligible for enhanced Tribal support. In addition, the Commission seeks to update the number of respondents for most of the existing information collection requirements, thus increasing the total burden hours for some requirements and decreasing the total burden hours for other requirements.

Federal Communications Commission.

Katura Jackson,

Federal Register Liaison Officer, Office of the Secretary.

[FR Doc. 2018–06370 Filed 3–28–18; 8:45 am]

BILLING CODE 6712–01–P

FEDERAL COMMUNICATIONS COMMISSION

[OMB 3060–0463]

Information Collections Being Reviewed by the Federal Communications Commission

AGENCY: Federal Communications Commission.

ACTION: Notice and request for comments.

SUMMARY: As part of its continuing effort to reduce paperwork burdens, and as required by the Paperwork Reduction Act of 1995 (PRA), the Federal Communications Commission (FCC or Commission) invites the general public and other Federal agencies to take this opportunity to comment on the following information collections. Comments are requested concerning: Whether the proposed collection of information is necessary for the proper performance of the functions of the Commission, including whether the information shall have practical utility; the accuracy of the Commission's burden estimate; ways to enhance the quality, utility, and clarity of the information collected; ways to minimize the burden of the collection of information on the respondents, including the use of automated collection techniques or other forms of information technology; and ways to further reduce the information

collection burden on small business concerns with fewer than 25 employees.

The FCC may not conduct or sponsor a collection of information unless it displays a currently valid Office of Management and Budget (OMB) control number. No person shall be subject to any penalty for failing to comply with a collection of information subject to the PRA that does not display a valid OMB control number.

DATES: Written comments should be submitted on or before May 29, 2018. If you anticipate that you will be submitting comments, but find it difficult to do so within the period of time allowed by this notice, you should advise the contacts below as soon as possible.

ADDRESSES: Direct all PRA comments to Cathy Williams, FCC, via email: *PRA@fcc.gov* and to *Cathy.Williams@fcc.gov.*

FOR FURTHER INFORMATION CONTACT: For additional information about the information collection, contact Cathy Williams at (202) 418–2918.

SUPPLEMENTARY INFORMATION:

OMB Control Number: 3060–0463.

Title: Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities, CG Docket No. 03–123, FCC 03–112, FCC 07–110, FCC 07–186.

Form Number: N/A. Type of Review: Revision of a currently approved collection.

Respondents: Business or other for-profit; Individuals or household; State, Local and Tribal Government.

Number of Respondents and Responses: 5,072 respondents; 7,299 responses.

Estimated Time per Response: 0.5 hours (30 minutes) to 50 hours.

Frequency of Response: Annually, monthly, on occasion, and one-time reporting requirements; Recordkeeping and Third-Party Disclosure requirements.

Obligation To Respond: Required to obtain or retain benefit. The statutory authority for the information collection requirements is found at section 225 of the Communications Act, 47 U.S.C. 225. The law was enacted on July 26, 1990, as Title IV of the ADA, Public Law 101–336, 104 Stat. 327, 366–69.

Total Annual Burden: 10,822 hours.

Total Annual Cost: $10,800.

Nature and Extent of Confidentiality: Confidentiality is an issue to the extent that individuals and households provide personally identifiable information, which is covered under the FCC's updated system of records notice (SORN), FCC/CGB–1, ''Informal Complaints, Inquiries, and Requests for Dispute Assistance.'' As required by the Privacy Act, 5 U.S.C. 552a, the Commission also published a SORN, FCC/CGB–1 ''Informal Complaints, Inquiries, and Requests for Dispute Assistance,'' in the **Federal Register** on August 15, 2014 (79 FR 48152) which became effective on September 24, 2014.

Privacy Impact Assessment: The FCC completed a Privacy Impact Assessment (PIA) on June 28, 2007. It may be reviewed at *http://www.fcc.gov/omd/privacyact/Privacy-Impact-Assessment.html.* The Commission is in the process of updating the PIA to incorporate various revisions to it as a result of revisions to the SORN.

Needs and Uses: The Commission is submitting this modified information collection to the Office of Management and Budget (OMB) to transfer burden hours and costs associated with regulations under section 225 of the Communications Act (Act), which is currently approved under OMB control number 3060–1249, to this information collection. The Commission intends to discontinue information collection 3060–1249 once this information collection is approved.

On December 21, 2001, the Commission released the *2001 TRS Cost Recovery Order,* document FCC 01–371, published at 67 FR 4203, January 29, 2002, in which the Commission:

(a) Directed the Interstate Telecommunications Relay Services (TRS) Fund (TRS Fund) administrator to continue to use the average cost per minute compensation methodology for the traditional TRS compensation rate;

(b) required TRS providers to submit certain projected TRS-related cost and demand data to the TRS Fund administrator to be used to calculate the rate; and

(c) directed the TRS Fund administrator to expand its form for providers to itemize their actual and projected costs and demand data, to include specific sections to capture speech-to-speech (STS) and video relay service (VRS) costs and minutes of use.

In 2003, the Commission released the *2003 Second Improved TRS Order,* published at 68 FR 50973, August 25, 2003, which among other things required that TRS providers offer certain local exchange carrier (LEC)-based improved services and features where technologically feasible, including a speed dialing requirement which may entail voluntary recordkeeping for TRS providers to maintain a list of telephone numbers. *See also* 47 CFR 64.604(a)(3)(vi)(B).

In 2007, the Commission released the *Section 225/255 VoIP Report and Order,* published at 72 FR 43546, August 6, 2007, extending the disability access requirements that apply to telecommunications service providers and equipment manufacturers under 47 U.S.C. 225, 255 to interconnected voice over internet protocol (VoIP) service providers and equipment manufacturers. As a result, under rules implementing section 225 of the Act, interconnected VoIP service providers are required to publicize information about telecommunications relay services (TRS) and 711 abbreviated dialing access to TRS. *See also* 47 CFR 64.604(c)(3).

In 2007, the Commission also released the *2007 Cost Recovery Report and Order and Declaratory Ruling,* published at 73 FR 3197, January 17, 2008, in which the Commission:

(a) Adopted a new cost recovery methodology for interstate traditional TRS and interstate STS based on the Multi-state Average Rate Structure (MARS) plan, under which interstate TRS compensation rates are determined by weighted average of the states' intrastate compensation rates, and which includes for STS additional compensation approved by the Commission for STS outreach;

(b) requires STS providers to file a report annually with the TRS Fund administrator and the Commission on their specific outreach efforts directly attributable to the additional compensation approved by the Commission for STS outreach.

(c) adopted a new cost recovery methodology for interstate captioned telephone service (CTS), as well as internet Protocol captioned telephone service (IP CTS), based on the MARS plan;

(d) adopted a cost recovery methodology for internet Protocol (IP) Relay based on price caps;

(e) adopted a cost recovery methodology for VRS that adopted tiered rates based on call volume;

(f) clarified the nature and extent that certain categories of costs are compensable from the Fund; and

(g) addressed certain issues concerning the management and oversight of the Fund, including prohibiting financial incentives offered to consumers to make relay calls.

Federal Communications Commission.

Katura Jackson,

Federal Register Liaison Officer, Office of the Secretary.

[FR Doc. 2018–06371 Filed 3–28–18; 8:45 am]

BILLING CODE 6712–01–P

FEDERAL RETIREMENT THRIFT INVESTMENT BOARD

Sunshine Act Meetings; Federal Retirement Thrift Investment Board Member Meeting

TIME AND DATE: 4:00 p.m. (telephonic), March 28, 2018.

STATUS: Closed session.

MATTERS TO BE CONSIDERED: Information covered under 5 U.S.C. 552b (c)(9)(B).

CONTACT PERSON FOR MORE INFORMATION: Kimberly Weaver, Director, Office of External Affairs, (202) 942–1640.

Dated: March 27, 2018.

Dharmesh Vashee,

Deputy General Counsel, Federal Retirement Thrift Investment Board.

[FR Doc. 2018–06427 Filed 3–27–18; 11:15 am]

BILLING CODE 6760–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Disease Control and Prevention

Government-Owned Inventions; Availability for Licensing and Collaboration; Notification of Q&A Webinar

AGENCY: Centers for Disease Control and Prevention (CDC), Department of Health and Human Services (HHS).

ACTION: Notice.

SUMMARY: The invention named in this notice is owned by agencies of the United States Government and is available for licensing in accordance with the U.S. Federal Technology Transfer Act of 1986. Related data for 510(k) submission is available as part of the licensing package. The technology and related data are being licensed to achieve expeditious commercialization of federally funded research and development. A U.S. Provisional patent application has been filed to extend market coverage. CDC also seeks collaboration partners with interest in adapting the test for different equipment, point-of-care, or more rapid processing.

DATES: Individuals interested in this technology opportunity are invited to participate in a live question and answer webinar on April 27, 2018 at 10 a.m. Eastern Daylight Time.

ADDRESSES: Licensing, related data for 510(k) submission, and other information pertaining to the technology listed below, may be obtained by writing to Technology Transfer Office, Centers for Disease Control and Prevention, 1600 Clifton Road NE, Mailstop D–42, Atlanta, GA 30329; Telephone (404)639–1330; or email *tto@cdc.gov.*

SUPPLEMENTARY INFORMATION:

Description of Technology

CDC Trioplex Real-time RT–PCR (Reverse Transcription Polymerase Chain Reaction) Assay for Detection of Zika, Dengue, & Chikungunya Virus Infections CDC ref. no.: I–009–17 NIH ref. no.: E–081–2017 (See *https://www.ott.nih.gov/technology/e-081-2017.*)

CDC has developed the Trioplex real-time RT–PCR test to detect evidence of Zika, dengue and chikungunya virus infections, all of which are spread by mosquito bites from the same *Aedes* species and cause epidemics in more than 100 countries. The real-time RT–PCR assay is for qualitative detection and differentiation of RNA (ribonucleic acid) from dengue, chikungunya, and Zika viruses in serum, whole blood, and cerebral spinal fluid, and for the qualitative detection of Zika virus RNA in urine and amniotic fluid. This assay protocol is designed to facilitate simultaneous testing for the three viruses using a single sample in the same plate well (multiplex). A singleplex reaction (measuring one analyte at a time) is also an option for chikungunya, and dengue testing if one primer/probe set per well is preferred. The test can be run in different modalities and equipment available in most laboratories. The test has been designed to minimize the likelihood of false positive results. Cross-reactivity for any of the components is not expected. The Food & Drug Administration (FDA) issued emergency use authorization (EUA) for the Trioplex assay on March 17, 2016. Additional information can be found at: *http://www.fda.gov/downloads/MedicalDevices/Safety/EmergencySituations/UCM491592.pdf.*

Currently, there are no vaccines or therapeutics commercially available for Zika, dengue, or chikungunya virus infections.

Competitive advantages:

- Currently, there is no multiplex assay on the market that can detect Zika, chikungunya and the four dengue subtypes in one test; this test will also help assess disease severity in dengue secondary infections
- There is no FDA-approved chikungunya PCR test on the market and current Zika and dengue tests must be run separately
- This was the first molecular test for Zika to receive FDA's EUA

Question and Answer Webinar

Individuals interested in this technology opportunity are invited to participate in a live question and answer webinar on April 27, 2018 at 10 a.m. Eastern Daylight Time. Individuals must pre-register for the session by sending an email to *tto@cdc.gov* by Thursday, April 26, at 1 p.m. EDT.

After requesting the registration, participants will receive a confirmation of their registration along with access information to enter prior to the webinar. Persons interested in this technology are strongly encouraged to register for and participate in the webinar.

A signed Confidential Disclosure Agreement (available under Forms at *www.cdc.gov/tto)* will be required to receive copies of unpublished patent applications and other information.

Inventors: Jorge Munoz-Jordan, Robert Lanciotti, and Gilberto Santiago.

U.S. PCT (Patent Cooperation Treaty) Application No. PCT/US2017/023021: Filed March 17, 2017.

(CDC Ref. #: I–009–17; NIH Ref. #E–081–2017—See *https://www.ott.nih.gov/technology/e-081-2017.*)

Dated: March 26, 2018.

Sandra Cashman,

Executive Secretary, Centers for Disease Control and Prevention.

[FR Doc. 2018–06306 Filed 3–28–18; 8:45 am]

BILLING CODE 4163–18–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Medicare & Medicaid Services

[Document Identifiers CMS–10148]

Agency Information Collection Activities: Proposed Collection; Comment Request

AGENCY: Centers for Medicare & Medicaid Services, HHS.

ACTION: Notice.

SUMMARY: The Centers for Medicare & Medicaid Services (CMS) is announcing an opportunity for the public to comment on CMS' intention to collect information from the public. Under the Paperwork Reduction Act of 1995 (the PRA), federal agencies are required to publish notice in the **Federal Register** concerning each proposed collection of information (including each proposed extension or reinstatement of an existing collection of information) and to allow 60 days for public comment on the proposed action. Interested persons are invited to send comments regarding our

burden estimates or any other aspect of this collection of information, including the necessity and utility of the proposed information collection for the proper performance of the agency's functions, the accuracy of the estimated burden, ways to enhance the quality, utility, and clarity of the information to be collected, and the use of automated collection techniques or other forms of information technology to minimize the information collection burden.

DATES: Comments must be received by May 29, 2018.

ADDRESSES: When commenting, please reference the document identifier or OMB control number. To be assured consideration, comments and recommendations must be submitted in any one of the following ways:

1. *Electronically.* You may send your comments electronically to *http://www.regulations.gov.* Follow the instructions for ''Comment or Submission'' or ''More Search Options'' to find the information collection document(s) that are accepting comments.

2. *By regular mail.* You may mail written comments to the following address: CMS, Office of Strategic Operations and Regulatory Affairs, Division of Regulations Development, Attention: Document Identifier/OMB Control Number ____, Room C4–26–05, 7500 Security Boulevard, Baltimore, Maryland 21244–1850.

To obtain copies of a supporting statement and any related forms for the proposed collection(s) summarized in this notice, you may make your request using one of following:

1. Access CMS' website address at *https://www.cms.gov/Regulations-and-Guidance/Legislation/PaperworkReductionActof1995/PRA-Listing.html.*

2. Email your request, including your address, phone number, OMB number, and CMS document identifier, to *Paperwork@cms.hhs.gov.*

3. Call the Reports Clearance Office at (410) 786–1326.

FOR FURTHER INFORMATION CONTACT: William Parham at (410) 786–4669.

SUPPLEMENTARY INFORMATION:

Contents

This notice sets out a summary of the use and burden associated with the following information collections. More detailed information can be found in each collection's supporting statement and associated materials (see **ADDRESSES**).

CMS–10148 HIPAA Administrative Simplification (Non-Privacy/Security) Complaint Form

Under the PRA (44 U.S.C. 3501–3520), federal agencies must obtain approval from the Office of Management and Budget (OMB) for each collection of information they conduct or sponsor. The term ''collection of information'' is defined in 44 U.S.C. 3502(3) and 5 CFR 1320.3(c) and includes agency requests or requirements that members of the public submit reports, keep records, or provide information to a third party. Section 3506(c)(2)(A) of the PRA requires federal agencies to publish a 60-day notice in the **Federal Register** concerning each proposed collection of information, including each proposed extension or reinstatement of an existing collection of information, before submitting the collection to OMB for approval. To comply with this requirement, CMS is publishing this notice.

Information Collection

1. *Type of Information Collection Request:* Revision of the currently approved collection.; *Title of Information Collection:* HIPAA Administrative Simplification (Non-Privacy/Security) Complaint Form; *Use:* The authority for administering and enforcing compliance with the non-privacy/security Health Insurance Portability and Accountability Act (HIPAA) rules has been delegated to the Centers for Medicare & Medicaid Services (CMS). At present, CMS' compliance and enforcement activities are primarily complaint-based. Although our enforcement efforts are focused on investigating complaints, they may also include conducting compliance reviews to determine if a covered entity is in compliance. Potential violations can come through a complaint form or a compliance review.

This standard form collects identifying and contact information of the complainant, as well as, the identifying and contact information of the filed against entity (FAE). This information enables CMS to respond to the complainant and gather more information if necessary, and to contact the FAE to discuss the complaint and CMS' findings.

In addition to the identifying and contact information, the standard form collects a summary which outlines the nature of the complaint. This summary is used to determine the validity of the complaint, and to categorize the complaint as related to transactions, standards, code sets, unique identifiers, and/or operating rules. This ensures the appropriate direction of the complaint process and enables CMS to produce accurate reports regarding complaint activity.

The revision form associated with this submission adds an option for filing complaints under Unique Identifier and Operating Rules. It also requests an email address for filed against entities, if available. *Form Number:* CMS–10148 (OMB Control number: 0938–0948); *Frequency:* Occasionally; *Affected Public:* Individuals; *Number of Respondents:* 125; *Total Annual Responses:* 125; *Total Annual Hours:* 125. (For policy questions regarding this collections contact Kevin Steward at 410–786–6149.)

Dated: March 26, 2018.

William N. Parham, III,

Director, Paperwork Reduction Staff, Office of Strategic Operations and Regulatory Affairs.

[FR Doc. 2018–06312 Filed 3–28–18; 8:45 am]

BILLING CODE 4120–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

[Docket No. FDA–2007–D–0369]

Product-Specific Guidance for Doxycycline Hyclate; Revised Draft Guidance for Industry; Availability

AGENCY: Food and Drug Administration, HHS.

ACTION: Notice of availability.

SUMMARY: The Food and Drug Administration (FDA or Agency) is announcing the availability of a revised draft guidance for industry on generic doxycycline hyclate oral delayed-release tablets, entitled ''Product-Specific Guidance for Doxycycline Hyclate.'' The revised draft guidance, when finalized, will provide product-specific recommendations on, among other things, the design of bioequivalence (BE) studies to support abbreviated new drug applications (ANDAs) for doxycycline hyclate oral delayed-release tablets.

DATES: Submit either electronic or written comments on the draft guidance by May 29, 2018 to ensure that the Agency considers your comments on the draft guidance before it begins work on the final version of the guidance.

ADDRESSES: You may submit comments on any guidance at any time as follows:

Electronic Submissions

Submit electronic comments in the following way:

• *Federal eRulemaking Portal: https://www.regulations.gov.* Follow the instructions for submitting comments. Comments submitted electronically, including attachments, to *https://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 *https://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):* Dockets Management Staff (HFA–305), Food and Drug Administration, 5630 Fishers Lane, Rm. 1061, Rockville, MD 20852.

• For written/paper comments submitted to the Dockets Management Staff, 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–2007–D–0369 for ''Product-Specific Guidance for Doxycycline Hyclate; Revised Draft Guidancefor Industry.'' Received comments will be placed in the docket and, except for those submitted as ''Confidential Submissions,'' will be publicly viewable at *https://www.regulations.gov* or at the Dockets Management Staff 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 *https://www.regulations.gov.* Submit both copies to the Dockets Management Staff. 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: *https://www.gpo.gov/fdsys/pkg/FR-2015-09-18/pdf/2015-23389.pdf.*

Docket: For access to the docket to read background documents or the electronic and written/paper comments received, go to *https://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 Dockets Management Staff, 5630 Fishers Lane, Rm. 1061, Rockville, MD 20852.

You may submit comments on any guidance at any time (see 21 CFR 10.115(g)(5)).

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. 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: Xiaoqiu Tang, Center for Drug Evaluation and Research (HFD–600), Food and Drug Administration, 10903 New Hampshire Ave., Bldg. 75, Rm. 4730, Silver Spring, MD 20993–0002, 301–796–5850.

SUPPLEMENTARY INFORMATION:

I. Background

In the **Federal Register** of June 11, 2010 (75 FR 33311), FDA announced the availability of a guidance for industry entitled ''Guidance for Industry on Bioequivalence Recommendations for Specific Products'' that explained the process that would be used to make product-specific guidances available to the public on FDA's website at *https://www.fda.gov/Drugs/GuidanceComplianceRegulatoryInformation/Guidances/default.htm.*

As described in that guidance, FDA adopted this process to develop and disseminate product-specific guidances and to provide a meaningful opportunity for the public to consider and comment on the guidances. This notice announces the availability of a revised draft guidance for generic doxycycline hyclate oral delayed-release tablets.

FDA initially approved new drug application (NDA) 050795 for DORYX (doxycycline hyclate oral delayed-release tablets) in May 2005. In May 2009, FDA issued a draft guidance for industry on generic doxycycline hyclate oral delayed-release tablets and most recently revised that guidance in June 2015. On May 20, 2016, FDA approved a supplement to NDA 050795 for a new formulation of doxycycline hyclate delayed-release tablets in equivalent to (EQ) 60 milligram (mg) and EQ 120 mg strengths under the trade name Doryx MPC. We are now issuing another revised draft guidance for industry on doxycycline hyclate oral delayed-release tablets to include recommendations for demonstrating bioequivalence to these strengths.

In November 2016, Mayne Pharma International Pty Ltd submitted a citizen petition requesting that FDA require certain in vitro dissolution criteria as part of the BE demonstration for any ANDA referencing DORYX MPC. FDA has reviewed the issues raised in this citizen petition and is responding to the citizen petition separately in the docket for that citizen petition (Docket No. FDA–2016–P–4047, available at *https://www.regulations.gov*).

This revised draft guidance is being issued consistent with FDA's good guidance practices regulation (21 CFR 10.115). The revised draft guidance, when finalized, will represent the current thinking of FDA on the design of BE studies to support ANDAs for doxycycline hyclate oral delayed-release tablets. 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. This guidance is not subject to Executive Order 12866.

II. Electronic Access

Persons with access to the internet may obtain the draft guidance at either *https://www.fda.gov/Drugs/GuidanceComplianceRegulatoryInformation/Guidances/default.htm* or *https://www.regulations.gov.*

Dated: March 20, 2018.

Leslie Kux,

Associate Commissioner for Policy.

[FR Doc. 2018–06253 Filed 3–28–18; 8:45 am]

BILLING CODE 4164–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

[Docket No. FDA–2018–N–0875]

Joint Meeting of the Anesthetic and Analgesic Drug Products Advisory Committee and the Drug Safety and Risk Management Advisory Committee; Notice of Meeting; Establishment of a Public Docket; Request for Comments

AGENCY: Food and Drug Administration, HHS.

ACTION: Notice; establishment of a public docket; request for comments.

SUMMARY: The Food and Drug Administration (FDA) announces a forthcoming public advisory committee meeting of the Anesthetic and Analgesic Drug Products Advisory Committee and the Drug Safety and Risk Management Advisory Committee. The general function of the committees is to provide advice and recommendations to FDA on regulatory issues. The meeting will be open to the public. FDA is establishing a docket for public comment on this document.

DATES: The meeting will be held on May 22, 2018, from 8 a.m. to 4:30 p.m.

ADDRESSES: College Park Marriott Hotel and Conference Center, General Vessey Ballroom, 3501 University Blvd., Hyattsville, MD 20783. The conference center's telephone number is 301–985–7300. Answers to commonly asked questions about FDA Advisory Committee meetings may be accessed at: *https://www.fda.gov/AdvisoryCommittees/AboutAdvisoryCommittees/ucm408555.htm.* Information about the College Park Marriott Hotel and Conference Center can be accessed at: *https://www.marriott.com/hotels/travel/wasum-college-park-marriott-hotel-and-conference-center/.*

FDA is establishing a docket for public comment on this meeting. The docket number is FDA–2018–N–0875. The docket will close on May 21, 2018. Submit either electronic or written comments on this public meeting by May 21, 2018. Please note that late, untimely filed comments will not be considered. Electronic comments must be submitted on or before May 21, 2018. The *https://www.regulations.gov* electronic filing system will accept comments until midnight Eastern Time at the end of May 21, 2018. Comments received by mail/hand delivery/courier (for written/paper submissions) will be considered timely if they are postmarked or the delivery service acceptance receipt is on or before that date.

Comments received on or before May 8, 2018, will be provided to the committees. Comments received after that date will be taken into consideration by FDA.

You may submit comments as follows:

Electronic Submissions

Submit electronic comments in the following way:

- *Federal eRulemaking Portal: https://www.regulations.gov.* Follow the instructions for submitting comments. Comments submitted electronically, including attachments, to *https://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 *https://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):* Dockets Management Staff (HFA–305), Food and Drug Administration, 5630 Fishers Lane, Rm. 1061, Rockville, MD 20852.
- For written/paper comments submitted to the Dockets Management Staff, 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–2018–N–0875 for ''Joint Meeting of the Anesthetic and Analgesic Drug Products Advisory Committee and the Drug Safety and Risk Management Advisory Committee; Notice of Meeting; Establishment of a Public Docket; Request for Comments.'' Received comments, those filed in a timely manner (see the **ADDRESSSES** section), will be placed in the docket and, except for those submitted as ''Confidential Submissions,'' publicly viewable at *https://www.regulations.gov* or at the Dockets Management Staff 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.'' FDA 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 *https://www.regulations.gov.* Submit both copies to the Dockets Management Staff. If you do not wish your name and contact information 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 the 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: *https://www.gpo.gov/fdsys/pkg/FR-2015-09-18/pdf/2015-23389.pdf.*

Docket: For access to the docket to read background documents or the electronic and written/paper comments received, go to *https://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 Dockets Management Staff, 5630 Fishers Lane, Rm. 1061, Rockville, MD 20852.

FOR FURTHER INFORMATION CONTACT: 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: *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 FDA's website at *https://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.

SUPPLEMENTARY INFORMATION:

Agenda: The committees will be asked to discuss new drug application (NDA) 209588, for buprenorphine sublingual spray, submitted by INSYS Development Company, Inc., for the treatment of moderate-to-severe acute pain where the use of an opioid analgesic is appropriate. The committees will also be asked to discuss whether this product should be approved.

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 website 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 website after the meeting. Background material is available at *https://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. Written submissions may be made to the contact person on or before May 8, 2018. Oral presentations from the public will be scheduled between approximately 1 p.m. and 2 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 30, 2018. 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 May 1, 2018.

Persons attending FDA's advisory committee meetings are advised that FDA is not responsible for providing access to electrical outlets.

For press inquiries, please contact the Office of Media Affairs at *fdaoma@fda.hhs.gov* or 301–796–4540.

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 (see **FOR FURTHER INFORMATION CONTACT**) at least 7 days in advance of the meeting.

FDA is committed to the orderly conduct of its advisory committee meetings. Please visit our website at *https://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 21, 2018.

Leslie Kux,

Associate Commissioner for Policy.

[FR Doc. 2018–06307 Filed 3–28–18; 8:45 am]

BILLING CODE 4164–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

[Docket No. FDA–2017–N–6644]

Fiscal Year 2018 Generic Drug Regulatory Science Initiatives; Public Workshop; Request for Comments

AGENCY: Food and Drug Administration, HHS.

ACTION: Notice of public workshop; request for comments.

SUMMARY: The Food and Drug Administration (FDA, the Agency, or we) is announcing the following public workshop entitled ''FY 2018 Generic Drug Regulatory Science Initiatives.'' The purpose of the public workshop is to provide an overview of the status of regulatory science initiatives for generic drugs and an opportunity for public input on these initiatives. FDA is seeking this input from a variety of stakeholders—industry, academia, patient advocates, professional societies, and other interested parties—as it fulfills its commitment under the Generic Drug User Fee Amendments of 2017 (GDUFA II) to develop an annual list of regulatory science initiatives specific to generic drugs. FDA will take the information it obtains from the public workshop into account in developing its fiscal year (FY) 2019 regulatory science initiatives.

DATES: The public workshop will be held on May 24, 2018 from 8:30 a.m. to 4:30 p.m. Submit either electronic or written comments on this public workshop by June 25, 2018. See the **SUPPLEMENTARY INFORMATION** section for registration date and information.

ADDRESSES: The public workshop will be held at the FDA White Oak Campus, 10903 New Hampshire Ave., Bldg. 31 Conference Center, the Great Room (Rm. 1503, sections B and C), Silver Spring, MD 20993–0002. Entrance for the public workshop participants (non-FDA employees) is through Bldg. 1, where routine security check procedures will be performed. For parking and security information, please refer to *https://www.fda.gov/AboutFDA/WorkingatFDA/BuildingsandFacilities/WhiteOakCampusInformation/ucm241740.htm*.

You may submit comments as follows. Please note that late, untimely filed comments will not be considered. Electronic comments must be submitted on or before June 25, 2018. The *https://www.regulations.gov* electronic filing system will accept comments until midnight Eastern Time at the end of June 25, 2018. Comments received by mail/hand delivery/courier (for written/paper submissions) will be considered timely if they are postmarked or the delivery service acceptance receipt is on or before that date.

Electronic Submissions

Submit electronic comments in the following way:

- *Federal eRulemaking Portal: https://www.regulations.gov.* Follow the instructions for submitting comments. Comments submitted electronically, including attachments, to *https://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 *https://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):* Dockets Management Staff (HFA–305), Food and Drug Administration, 5630 Fishers Lane, Rm. 1061, Rockville, MD 20852.

• For written/paper comments submitted to the Dockets Management Staff, 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–2017–N–6644 for ''FY 2018 Generic Drug Regulatory Science Initiatives; Public Workshop; Request for Comments.'' Received comments, those filed in a timely manner (see **ADDRESSES**), will be placed in the docket and, except for those submitted as ''Confidential Submissions,'' publicly viewable at *https://www.regulations.gov* or at the Dockets Management Staff 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 *https://www.regulations.gov.* Submit both copies to the Dockets Management Staff. 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: *https://www.gpo.gov/fdsys/pkg/FR-2015-09-18/pdf/2015-23389.pdf.*

Docket: For access to the docket to read background documents or the electronic and written/paper comments received, go to *https://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 Dockets Management Staff, 5630 Fishers Lane, Rm. 1061, Rockville, MD 20852.

FOR FURTHER INFORMATION CONTACT: Stephanie Choi, Center for Drug Evaluation and Research, Food and Drug Administration, 10903 New Hampshire Ave., Bldg. 75, Rm. 4736, Silver Spring, MD 20993, 240–402–7960, *Stephanie.Choi@fda.hhs.gov;* or Robert Lionberger, Center for Drug Evaluation and Research, Food and Drug Administration, 10903 New Hampshire Ave., Bldg. 75, Rm. 4722, Silver Spring, MD 20993, 240–402–7957, *Robert.Lionberger@fda.hhs.gov.*

SUPPLEMENTARY INFORMATION:

I. Background

In July 2012, Congress passed the Generic Drug User Fee Amendments of 2012 (GDUFA I) (Pub. L. 112–144). GDUFA I was designed to enhance public access to safe, high-quality generic drugs and to modernize the generic drug program. To support this goal, FDA agreed in the GDUFA I commitment letter to work with industry and interested stakeholders on identifying regulatory science initiatives specific to generic drugs for each fiscal year covered by GDUFA I.

In August 2017, GDUFA I was reauthorized until September 2022 through GDUFA II (Pub. L. 115–52). In the GDUFA II commitment letter,[1] FDA agreed to conduct annual public workshops ''to solicit input from industry and stakeholders for inclusion in an annual list of GDUFA II [r]egulatory [s]cience initiatives.'' The public workshop scheduled for May 24, 2018, seeks to fulfill this agreement.

II. Topics for Discussion at the Public Workshop

The purpose of the public workshop is to obtain input from industry and other interested stakeholders on the identification of generic drug regulatory science initiatives for FY 2019.

FDA is particularly interested in receiving input regarding the following three topics:

1. FY 2018 regulatory science initiatives,[2] including specific products or actions that FDA should consider as it implements those initiatives,

2. newly approved new drug applications that may pose scientific challenges to the future development of generic products referencing those applications, and

3. regulatory science initiatives that FDA should begin to consider in FY 2019.

FDA will consider all comments made at this workshop or received through the docket (see **ADDRESSES**) as it develops its FY 2019 regulatory science initiatives. Information concerning the regulatory science initiatives for generic drugs can be found at *https://www.fda.gov/gdufaregscience.*

III. Participating in the Public Workshop

Registration: To register for the public workshop, please provide complete contact information for each attendee, including name, title, affiliation, address, email, and telephone to *GDUFARegulatoryScience@fda.hhs.gov.* Please also indicate in the email whether attendance will be by webcast or in person.

Registration is free and based on space availability, with priority given to early registrants. Persons interested in attending this public workshop must register online by April 24, 2018, midnight Eastern Time. Early registration is recommended because seating is limited; therefore, FDA may limit the number of participants from each organization. Registrants will receive confirmation when they have been accepted.

If you need special accommodations due to a disability, please contact Stephanie Choi (see **FOR FURTHER INFORMATION CONTACT**) no later than April 24, 2018.

Requests for Oral Presentations: During online registration you may indicate if you wish to present during a public comment session or participate in a specific session, and which topic(s) you wish to address. We will do our best to accommodate requests to make public comments (and requests to participate in the focused sessions). Individuals and organizations with common interests are urged to consolidate or coordinate their

[1] The GDUFA II commitment letter is available at *https://www.fda.gov/downloads/ForIndustry/UserFees/GenericDrugUserFees/UCM525234.pdf.*

[2] The FY 2018 regulatory science initiatives are available at *https://www.fda.gov/downloads/Drugs/ResourcesForYou/Consumers/BuyingUsingMedicineSafely/GenericDrugs/UCM582777.pdf.*

presentations, and request time for a joint presentation, or submit requests for designated representatives to participate in the focused sessions. Following the close of registration, we will determine the amount of time allotted to each presenter and the approximate time each oral presentation is to begin, and will select and notify participants by May 8, 2018. All requests to make oral presentations must be received by the close of registration on April 24, 2018, midnight Eastern Time. If selected for presentation, any presentation materials must be emailed to *GDUFARegulatoryScience@fda.hhs.gov* no later than May 17, 2018, midnight Eastern Time. No commercial or promotional material will be permitted to be presented or distributed at the public workshop.

Streaming Webcast of the Public Workshop: This public workshop will also be webcast. Please register online by April 24, 2018, midnight Eastern Time to attend the workshop remotely. Please note that remote attendees will not be able to speak or make presentations during the public comment period or during any other session of the workshop. To join the workshop via the webcast, please go to *https://collaboration.fda.gov/gdufa2018/.*

If you have never attended a Connect Pro event before, test your connection at *https://collaboration.fda.gov/common/help/en/support/meeting_test.htm.* To get a quick overview of the Connect Pro program, visit *https://www.adobe.com/go/connectpro_overview.* FDA has verified the website addresses in this document, as of the date this document publishes in the **Federal Register**, but websites are subject to change over time.

Transcripts: Please be advised that as soon as a transcript of the public workshop is available, it will be accessible at *https://www.regulations.gov* or at *https://www.fda.gov/gdufaregscience.* It may be viewed at the Dockets Management Staff (see **ADDRESSES**). A link to the transcript will also be available on the internet at *https://www.fda.gov/gdufaregscience.*

Dated: March 21, 2018.

Leslie Kux,

Associate Commissioner for Policy.

[FR Doc. 2018–06260 Filed 3–28–18; 8:45 am]

BILLING CODE 4164–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

[Docket No. FDA–2018–N–1015]

Joint Meeting of the Arthritis Advisory Committee and the Drug Safety and Risk Management Advisory Committee; Notice of Meeting; Establishment of a Public Docket; Request for Comments

AGENCY: Food and Drug Administration, HHS.

ACTION: Notice; establishment of a public docket; request for comments.

SUMMARY: The Food and Drug Administration (FDA) announces a forthcoming public advisory committee meeting of the Arthritis Advisory Committee and the Drug Safety and Risk Management Advisory Committee. The general function of the committees is to provide advice and recommendations to FDA on regulatory issues. The meeting will be open to the public. FDA is establishing a docket for public comment on this document.

DATES: The meeting will be held on April 24 and 25, 2018, from 8 a.m. to 5 p.m.

ADDRESSES: 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: *https://www.fda.gov/AdvisoryCommittees/AboutAdvisoryCommittees/ucm408555.htm.*

FDA is establishing a docket for public comment on this meeting. The docket number is FDA–2018–N–1015. The docket will close on April 23, 2018. Submit either electronic or written comments on this public meeting by April 23, 2018. Please note that late, untimely filed comments will not be considered. Electronic comments must be submitted on or before April 23, 2018. The *https://www.regulations.gov* electronic filing system will accept comments until midnight Eastern Time at the end of April 23, 2018. Comments received by mail/hand delivery/courier (for written/paper submissions) will be considered timely if they are postmarked or the delivery service acceptance receipt is on or before that date.

Comments received on or before April 10, 2018, will be provided to the committees. Comments received after that date will be taken into consideration by FDA.

You may submit comments as follows:

Electronic Submissions

Submit electronic comments in the following way:

- *Federal eRulemaking Portal: https://www.regulations.gov.* Follow the instructions for submitting comments. Comments submitted electronically, including attachments, to *https://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 *https://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):* Dockets Management Staff (HFA–305), Food and Drug Administration, 5630 Fishers Lane, Rm. 1061, Rockville, MD 20852.
- For written/paper comments submitted to the Dockets Management Staff, 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–2018–N–1015 for ''Joint Meeting of the Arthritis Advisory Committee and the Drug Safety and Risk Management Advisory Committee; Notice of Meeting; Establishment of a Public Docket; Request for Comments.'' Received comments, those filed in a timely manner (see the **ADDRESSES** section), will be placed in the docket and, except for those submitted as ''Confidential Submissions,'' publicly viewable at *https://www.regulations.gov* or at the Dockets Management Staff 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.'' FDA 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 *https://www.regulations.gov.* Submit both copies to the Dockets Management Staff. 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: *https://www.gpo.gov/fdsys/pkg/FR-2015-09-18/pdf/2015-23389.pdf.*

Docket: For access to the docket to read background documents or the electronic and written/paper comments received, go to *https://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 Dockets Management Staff, 5630 Fishers Lane, Rm. 1061, Rockville, MD 20852.

FOR FURTHER INFORMATION CONTACT: Jennifer Shepherd, 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: *AAC@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 FDA's website at *https://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.

SUPPLEMENTARY INFORMATION:

Agenda: The committees will be asked to discuss supplemental new drug application (sNDA) 20998, for CELEBREX (celecoxib) capsules submitted by Pfizer, Inc., which includes the results from the PRECISION (Prospective Randomized Evaluation of Celecoxib Integrated Safety vs. Ibuprofen Or Naproxen) trial, a cardiovascular outcomes randomized controlled trial that compared celecoxib to ibuprofen and naproxen, and determine whether the findings of the trial change FDA's current understanding of the safety of these three NSAIDs. In order to interpret some of the PRECISION findings, the committees will also consider the clinical implications of the drug interactions between each of these three NSAIDs and aspirin in patients taking aspirin for secondary prevention of cardiovascular disease.

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 website 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 website after the meeting. Background material is available at *https://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 **ADDRESSES**) on or before April 10, 2018, will be provided to the committees. Oral presentations from the public will be scheduled between approximately 8:30 a.m. and 9:30 a.m. on April 25, 2018. 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 2, 2018. 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 3, 2018.

Persons attending FDA's advisory committee meetings are advised that FDA is not responsible for providing access to electrical outlets.

For press inquiries, please contact the Office of Media Affairs at *fdaoma@fda.hhs.gov* or 301–796–4540.

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 special accommodations due to a disability, please contact Jennifer Shepherd (see **FOR FURTHER INFORMATION CONTACT**) at least 7 days in advance of the meeting.

FDA is committed to the orderly conduct of its advisory committee meetings. Please visit our website at *https://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 21, 2018.

Leslie Kux,

Associate Commissioner for Policy.

[FR Doc. 2018–06309 Filed 3–28–18; 8:45 am]

BILLING CODE 4164–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

Government-Owned Invention; Availability for Licensing

AGENCY: National Institutes of Health, HHS.

ACTION: Notice.

SUMMARY: The inventions listed below are owned by an agency of the U.S. Government.

FOR FURTHER INFORMATION CONTACT: Licensing information may be obtained by emailing the indicated licensing contact at the National Heart, Lung, and Blood, Office of Technology Transfer and Development Office of Technology Transfer, 31 Center Drive Room 4A29, MSC 2479, Bethesda, MD 20892–2479; telephone: 301- 402–5579. A signed Confidential Disclosure Agreement may be required to receive any unpublished information.

SUPPLEMENTARY INFORMATION: The following inventions are available for

licensing in accordance with 35 U.S.C. 209 and 37 CFR part 404 to achieve expeditious commercialization of results of federally-funded research and development. Technology description follows.

Lentiviral Protein Delivery System for RNA-Guided Genome Editing

Description of Technology: This invention provides an HIV–1-based lentiviral vector system for gene correction strategies involving a homologous recombination with a variation of the CRISPR/Cas9 system. Such systems are being explored as potential therapies for certain hereditary diseases. This system comprises (a) a lentivirus vector particle comprising a lentiviral genome which encodes at least one guide RNA sequence that is complementary to a first DNA sequence in a host cell genome, (b) a Cas9 protein, and optionally (c) a donor nucleic acid molecule comprising a second DNA sequence. In addition, the invention provides a host cell comprising the foregoing system, as well as a method of altering a DNA sequence in a host cell comprising contacting a host cell with the foregoing system. Alternatively, the invention also provides a fusion protein comprising a Cas9 protein and a cyclophilin A (CypA) protein, wherein the fusion protein binds to the lentivirus vector particle, as well as a lentiviral vector particle comprising such a fusion protein. Other such lentivirus-based vectors encode a guide RNA, which contains a specific sequence that recognizes a target gene, and a Cas9 endonuclease, which cuts at the specific site. However, such systems present some problems due to constitutive expression of Cas9 endonuclease in lentiviral vector-transduced cells and the large size of the Cas9 gene. The variation of this invention delivers the Cas9 endonuclease directly, instead of the gene encoding the protein.

Potential Commercial Applications: Clinical trials for hereditary diseases such as sickle-cell disease and beta-thalassemia are good market opportunities. Gene correction using the disclosed lentiviral vector system are being tested with respect to the beta-globin gene and the BCL11A gene to treat sickle-cell disease and will be used for induced pluripotent stem cell (iPS) generation.

Development Stage: Early-stage. In vitro data in cell-line models available.

Inventors: Naoya Uchida, Juan J. Haro Mora and John F. Tisdale (NHLBI).

Intellectual Property: US Application No. 62/236,223, filed October 2, 2015 and PCT/US2016/054759, filed September 30, 2016, (NIH Reference No. E–165–2015/0,1).

Publications: Lentiviral protein delivery system for RNA-guided genome editing, PCT Publication No. WO/2017/059241, published April 6, 2017.

Licensing Contact: Cristina Thalhammer-Reyero, Ph.D., M.B.A.; 301–435–4507; *thalhamc@mail.nih.gov.*

Collaborative Research Opportunity: The National Heart, Lung and Blood Institute is seeking statements of capability or interest from parties interested in collaborative research to further develop, evaluate or commercialize this technology. For collaboration opportunities, please contact Denise Crooks at *crooksd@mail.nih.gov.*

Dated: March 22, 2018.

Cristina Thalhammer-Reyero,

Senior Licensing and Patenting Manager, Office of Technology Transfer and Development, National Heart, Lung, and Blood Institute.

[FR Doc. 2018–06364 Filed 3–28–18; 8:45 am]

BILLING CODE 4140–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

Eunice Kennedy Shriver National Institute of Child Health and Human Development; Notice of Meeting

Pursuant to section 10(d) of the Federal Advisory Committee Act, as amended, notice is hereby given of a meeting of the Board of Scientific Counselors, NICHD.

The meeting will be open to the public as indicated below, with the 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 Eunice Kennedy Shriver National Institute Of Child Health And Human Development, 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, NICHD.

Date: June 1, 2018.

Open: 8:00 a.m. to 11:45 a.m.

Agenda: A report by the Scientific Director, NICHD, on the status of the NICHD Division of Intramural Research; talks by various intramural scientists, and current organizational structure.

Place: National Institutes of Health, Building 31A, Conference Room 2A48, 31 Center Drive, Bethesda, MD 20892.

Closed: 11:45 a.m. to 4:00 p.m.

Agenda: To review and evaluate personal qualifications and performance, and competence of individual investigators.

Place: National Institutes of Health, Building 31A, Conference Room 2A48, 31 Center Drive, Bethesda, MD 20892.

Contact Person: Constantine A. Stratakis, MD, D(med)Sci, Scientific Director, Eunice Kennedy Shriver National Institute of Child Health and Human Development, NIH, Building 31A, Room 2A46, 31 Center Drive, Bethesda, MD 20892, 301–594–5984, *stratakc@mail.nih.gov.*

Information is also available on the Institute's/Center's home page: *https://www.nichd.nih.gov/about/meetings/Pages/index.aspx,* where an agenda and any additional information for the meeting will be posted when available.

(Catalogue of Federal Domestic Assistance Program Nos.93.864, Population Research; 93.865, Research for Mothers and Children; 93.929, Center for Medical Rehabilitation Research; 93.209, Contraception and Infertility Loan Repayment Program, National Institutes of Health, HHS)

Dated: March 23, 2018.

Michelle Trout,

Program Analyst, Office of Federal Advisory Committee Policy.

[FR Doc. 2018–06259 Filed 3–28–18; 8:45 am]

BILLING CODE 4140–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

Eunice Kennedy Shriver National Institute of Child Health and Human Development; 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 National Advisory Board on Medical Rehabilitation Research. 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: National Advisory Board on Medical Rehabilitation Research.

Date: May 7–8, 2018.

Time: May 7, 2018, 9:00 a.m. to 5:00 p.m.

Agenda: NICHD Director's report; Inclusion at NIH; Clinical Trials Policy Updates; Update on NIH Rehabilitation Research Plan Analysis; Communication and Dissemination Strategies; Pathways to Prevention.

Place: NICHD Offices, 6710B Rockledge Drive, Rooms 1425/1427, Bethesda, MD 20892.

Time: May 8, 2018, 8:30 a.m. to 12:00 p.m.

Agenda: Pragmatic Trials at NIH; Rehabilitation 2030: WHO Effort; Scientific Presentation on Multimodal Approaches.

Place: NICHD Offices, 6710B Rockledge Drive, Rooms 1425/1427, Bethesda, MD 20892.

Contact Person: Ralph M. Nitkin, Ph.D., Deputy Director, National Center for Medical Rehabilitation Research (NCMRR), Eunice Kennedy Shriver National Institute of Child Health and Human Development, NIH, DHHS, 6710B Rockledge Drive, Room 2116, MSC 7002, Bethesda, MD 20892, (301) 402–4206, *RN21e@nih.gov.*

Information is also available on the Institute's/Center's home page: *http://www.nichd.nih.gov/about/advisory/nabmrr/Pages/index.aspx* where the current roster and minutes from past meetings are posted.

(Catalogue of Federal Domestic Assistance Program Nos. 93.864, Population Research; 93.865, Research for Mothers and Children; 93.929, Center for Medical Rehabilitation Research; 93.209, Contraception and Infertility Loan Repayment Program, National Institutes of Health, HHS)

Dated: March 23, 2018.

Michelle Trout,

Program Analyst, Office of Federal Advisory Committee Policy.

[FR Doc. 2018–06258 Filed 3–28–18; 8:45 am]

BILLING CODE 4140–01–P

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

[Docket No. USCG–2018–0042]

Chemical Transportation Advisory Committee; Vacancies

AGENCY: U.S. Coast Guard, Department of Homeland Security.

ACTION: Request for applications.

SUMMARY: The U.S. Coast Guard seeks applications for membership on the Chemical Transportation Advisory Committee. The Chemical Transportation Advisory Committee provides advice and makes recommendations on matters relating to the safe and secure marine transportation of hazardous materials insofar as they relate to matters within the United States Coast Guard's jurisdiction.

DATES: Completed applications should reach the U.S. Coast Guard on or before May 29, 2018.

ADDRESSES: Applicants should send a cover letter expressing interest in an appointment to the Chemical Transportation Advisory Committee that also identifies which membership category the applicant is applying under, along with a resume detailing the applicant's experience via one of the following methods:

- *By Email: jake.r.lobb2@uscg.mil;* Subject Line: Chemical Transportation Advisory Committee;
- *By Fax:* (202) 372–8380 ATTN: Lieutenant Jake Lobb; or
- *By Mail:* Lieutenant Jake Lobb, Alternate Designated Federal Official of the Chemical Transportation Advisory Committee, Commandant, Hazardous Materials Division (CG–ENG–5), U.S. Coast Guard, 2703 Martin Luther King Jr. Ave. SE, Stop 7509, Washington, DC 20593–7509.

FOR FURTHER INFORMATION CONTACT: Lieutenant Jake Lobb of the Chemical Transportation Advisory Committee; (202) 372–1428; *jake.r.lobb2@uscg.mil.*

SUPPLEMENTARY INFORMATION: The Chemical Transportation Advisory Committee is a federal advisory committee which operates under the provisions of the Federal Advisory Committee Act, 5 U.S.C. Appendix.

The Chemical Transportation Advisory Committee provides advice and recommendations to the Department of Homeland Security on matters relating to the safe and secure marine transportation of hazardous materials insofar as they relate to matters within the United States Coast Guard's jurisdiction.

The Chemical Transportation Advisory Committee meets at least twice per year. It may also meet for extraordinary purposes. Its subcommittees may meet to consider specific problems as required.

The U.S. Coast Guard will consider applications for 8 positions that become vacant on September 16, 2018. The membership categories are: Chemical manufacturing, marine handling or transportation of chemicals, vessel design and construction, marine safety or security, and marine environmental protection. All members of the Chemical Transportation Advisory Committee are Representatives. Each Chemical Transportation Advisory Committee member serves for a term of three years, and may serve no more than two consecutive three-year terms. A member appointed to fill an unexpired term may serve the remainder of that term. All members serve at their own expense and receive no salary, reimbursement of travel expenses, or other compensation from the Federal Government.

The Department of Homeland Security does not discriminate in selection of Committee members on the basis of race, color, religion, sex, national origin, political affiliation, sexual orientation, gender identity, marital status, disabilities and genetic information, age, membership in an employee organization, or any other non-merit factor. The Department of Homeland Security strives to achieve a widely diverse candidate pool for all of its recruitment actions.

If you are interested in applying to become a member of the Committee, send your cover letter and resume to Lieutenant Jake Lobb, Alternate Designated Federal Official of the Chemical Transportation Advisory Committee, via one of the transmittal methods in the **ADDRESSES** section by the deadline in the **DATES** section of this notice. All email submittals will receive email receipt confirmation.

Dated: March 23, 2018.

Jeffrey G. Lantz,

Director, Commercial Regulations and Standards.

[FR Doc. 2018–06385 Filed 3–28–18; 8:45 am]

BILLING CODE 9110–04–P

DEPARTMENT OF HOMELAND SECURITY

Federal Emergency Management Agency

[Docket ID: FEMA–2018–0012; OMB No. 1660–NEW]

Agency Information Collection Activities: Proposed Collection; Comment Request; National Catastrophic Resource Catalog

AGENCY: U.S. Fire Administration, Federal Emergency Management Agency, DHS.

ACTION: Notice and request for comments.

SUMMARY: The Federal Emergency Management Agency (FEMA), as part of its continuing effort to reduce paperwork and respondent burden, invites the general public to take this opportunity to comment on a new information collection. In accordance with the Paperwork Reduction Act of 1995, this notice seeks comments concerning the identification and cataloging of fire and emergency services personnel and equipment that might be available to support a catastrophic national disaster response.

DATES: Comments must be submitted on or before May 29, 2018.

ADDRESSES: To avoid duplicate submissions to the docket, please use only one of the following means to submit comments:

(1) *Online.* Submit comments at *www.regulations.gov* under Docket ID FEMA–2018–0012. Follow the instructions for submitting comments.

(2) *Mail.* Submit written comments to Docket Manager, Office of Chief Counsel, DHS/FEMA, 500 C Street SW, 8NE, Washington, DC 20472–3100.

All submissions received must include the agency name and Docket ID. Regardless of the method used for submitting comments or material, all submissions will be posted, without change, to the Federal eRulemaking Portal at *http://www.regulations.gov,* and will include any personal information you provide. Therefore, submitting this information makes it public. You may wish to read the Privacy Act notice that is available via the link in the footer of *www.regulations.gov.*

FOR FURTHER INFORMATION CONTACT: Thomas Murray, Fire Program Specialist, FEMA, U.S. Fire Administration, (301) 447–1588, *Thomas.murray2@fema.dhs.gov.* You may contact the Information Management Division for copies of the proposed collection of information at email address: *FEMA-Information-Collections-Management@fema.dhs.gov.*

SUPPLEMENTARY INFORMATION: Implementation of the concepts within the National Response Framework (NRF) and Response Federal Interagency Operational Plan (FIOP) is mandatory for Federal departments and agencies. *See* 6 U.S.C. 314. According to the NRF, the U.S. Fire Administration (USFA), as a support agency to Emergency Support Function (ESF)—4, Firefighting, is responsible for coordinating the support for the detection and suppression of fires. To meet the requirements of the FIOP, the USFA, supporting the Core Capability of Fire Management and Suppression, will provide National Incident Management System (NIMS) resources (*e.g.,* personnel and equipment) necessary to support wildland, rural, and urban firefighting operations resulting from, or occurring coincidentally with, an all-hazards incident requiring a coordinated national response for assistance.

Flooding, tornadoes and hurricanes do not follow geo-political boundaries. The larger and more widespread the event, the greater the likelihood that the existing local mutual-aid systems will not meet the demands placed upon them. Fire and Emergency Services will need to draw on assistance from systems beyond their normal mutual-aid boundaries, executing regional, statewide and interstate mutual-aid systems. For example, the State Emergency Management Agency may coordinate the use of the Emergency Management Assistance Compact (EMAC). Many Federal agencies who have a role in disaster response under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, Public Law 93–288, as amended, 42 U.S.C. 5121 *et seq.,* depend to some extent on the support of skilled and equipped citizens. However, during a catastrophic event (such as in a New Madrid earthquake), these mutual-aid systems will be immediately overwhelmed. Responders who support Fire and Emergency Services, as well as involved Federal agencies themselves, may be impacted to such an extent that they are not available to deploy.

The goal of this information collection is to help facilitate a sustained response to a catastrophic event where response services are limited and the demand for them is overwhelmed. The information contained in the National Catastrophic Resource Catalog (NCRC) will provide a foundation to supplement existing mutual-aid systems and sustain a long-term response operation. The USFA staff, deployed to the National Response Coordination Center (NRCC) in Washington DC, will assess the situation and evaluate the availability of the NIMS-typed capabilities and credentialed personnel contained in the NCRC. The information will be used by NRCC personnel to coordinate the deployment of teams, persons and equipment to sustain the response operation.

Collection of Information

Title: National Catastrophic Resource Catalog.

Type of Information Collection: New information collection.

OMB Number: OMB Collection 1660–NEW.

FEMA Forms: FEMA Form 035–0–1, National Catastrophic Resource Catalog.

Abstract: This information collection will help USFA meet the ESF–4 firefighting resource requirements before/during a national catastrophic disaster response, such as an earthquake, hurricane, or terroristic act. USFA will pre-identify those specialized resources that may be available to support a disaster response. This collection will be solicited from the nation's fire and emergency services on a voluntary basis to establish a catalog/database of potential resources that could be mobilized to support a national catastrophic disaster response.

Affected Public: Not-for-profit institutions; State, Local or Tribal Governments.

Estimated Number of Respondents: 3,947.

Estimated Number of Responses: 3,947.

Estimated Total Annual Burden Hours: 439.

Estimated Total Annual Respondent Cost: $23,728.94.

Estimated Respondents' Operation and Maintenance Costs: $0.

Estimated Respondents' Capital and Start-Up Costs: $0.

Estimated Total Annual Cost to the Federal Government: $85,824.49.

Comments

Comments may be submitted as indicated in the **ADDRESSES** caption above. Comments are solicited to (a) evaluate whether the proposed data collection is necessary for the proper performance of the agency, including whether the information shall have practical utility; (b) 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; (c) enhance the quality, utility, and clarity of the information to be collected; and (d) 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.

Dated: March 13, 2018.

William H. Holzerland,

Senior Director for Information Management, Office of the Chief Administrative Officer, Mission Support, Federal Emergency Management Agency, Department of Homeland Security.

[FR Doc. 2018–06277 Filed 3–28–18; 8:45 am]

BILLING CODE 9111–45–P

DEPARTMENT OF HOMELAND SECURITY

[Docket No. DHS–2018–0016]

Homeland Security Science and Technology Advisory Committee

AGENCY: Science and Technology Directorate, DHS.

ACTION: Committee management; notice of open Federal Advisory Committee meeting.

SUMMARY: The Homeland Security Science and Technology Advisory Committee (HSSTAC) will meet in-person and via webinar on Thursday, April 12, 2018. The meeting will be open to the public.

DATES: The HSSTAC meeting will take place Thursday, April 12, 2018 from 9:30 a.m. to 5:30 p.m.

The meeting may close early if the committee has completed its business.

Due to security requirements, screening pre-registration is required for this event. Please see the REGISTRATION section below.

ADDRESSES: 1120 Vermont Ave. NW, 5th Floor, Washington, DC 20005.

FOR FURTHER INFORMATION CONTACT: Michel Kareis, HSSTAC Designated Federal Official, S&T Interagency Office (IAO), STOP 0205, Department of Homeland Security, 245 Murray Lane, Washington, DC 20528–0205, 202–254–8778 (Office), 202–254–6176 (Fax), *hsstac@hq.dhs.gov* (Email).

SUPPLEMENTARY INFORMATION:

I. Background

Notice of this meeting is given under the Federal Advisory Committee Act (FACA), 5 U.S.C. Appendix (Pub. L. 92–463). The committee addresses areas of interest and importance to the Under Secretary for Science and Technology (S&T), such as new developments in systems engineering, cyber-security, knowledge management and how best to leverage related technologies funded by other Federal agencies and by the private sector. It also advises the Under Secretary on policies, management processes, and organizational constructs as needed.

II. Registration

If you plan to attend the meeting in-person, you must RSVP by April 10, 2018. To register, email *Hsstac@hq.dhs.gov* with the following subject line: ''RSVP to HSSTAC Meeting.'' The email should include the name(s), title, organization/affiliation, email address, and telephone number of those interested in attending.

To pre-register for the webinar, please send an email to *hsstac@hq.dhs.gov* with the following subject line: ''RSVP to HSSTAC Meeting.'' The email should include the name(s), title, organization/affiliation, email address, and telephone number of those interested in attending. You must RSVP by April 11, 2018.

For information on services for individuals with disabilities or to request special assistance at the meeting, please contact Michel Kareis as soon as possible listed above in the **FOR FURTHER INFORMATION CONTACT** section.

III. Public Comment

At the end of the open session, there will be a period for oral statements. Please note that the comments period may end before the time indicated, following the last call for oral statements. To register as a speaker, contact the person listed in the **FOR FURTHER INFORMATION CONTACT** section.

To facilitate public participation, we invite public comment on the issues to be considered by the committee as listed in the Agenda below. Anyone is permitted to submit comments at any time, including orally at the meeting. However, those who would like their comments reviewed by committee members prior to the meeting must submit them in written form no later than April 9, 2018. Please include the docket number (DHS–2018–0016) and submit via *one* of the following methods:

- *Federal eRulemaking Portal: http://www.regulations.gov.* Follow the instructions for submitting comments.
- *Email: hsstac@hq.dhs.gov.* Include the docket number in the subject line of the message.
- *Fax:* 202–254–6176.
- *Mail:* Michel Kareis, HSSTAC Designated Federal Official, S&T IAO, STOP 0205, Department of Homeland Security, 245 Murray Lane, Washington, DC 20528–0205.

Instructions: All submissions received must include the words ''Department of Homeland Security'' and docket number DHS–2018–0016. Comments received will be posted without alteration at *http://www.regulations.gov.*

Docket: For access to the docket to read the background documents or comments received by the HSSTAC, go to *http://www.regulations.gov* and enter the docket number into the search function: DHS–2018–0016.

Agenda: The session will begin with remarks from the Designated Federal Official, Michel Kareis, and the Committee Chair, Dr. Vincent Chan. Next, the Senior Official Performing the Duties of the Under Secretary for Science and Technology (SOPDUSST) will provide an overview of his priorities, including the S&T revitalization plan, the DHS Leadership Year and a discussion on proposed HSSTAC tasking.

The afternoon session will begin with DHS S&T highlights and subcommittee updates. Information will be provided by the Social Media Working Group for Emergency Services and Disaster Management Subcommittee (SMWGEDSC), Quadrennial Homeland Security Review Subcommittee, and Systems Engineering Authority Subcommittee. In addition, a new subcommittee on Technology Scouting and Technology Forecasting will be announced.

There will be a discussion on new topics for the SMWGDSC, including future technology and shifts in trends. The final session of the day will be on Technology Scouting and Forecasting.

A public comment period will be held at the end of the open session.

Dated: March 26, 2018.

Denis Gusty,

Alternate Designated Federal Official for the HSSTAC.

[FR Doc. 2018–06388 Filed 3–28–18; 8:45 am]

BILLING CODE 9110–9F–P

DEPARTMENT OF HOMELAND SECURITY

U.S. Immigration and Customs Enforcement

Agency Information Collection Activities: Extension, With Changes, of an Existing Information Collection; Comment Request

ACTION: 30-Day Notice of Information collection for review; Form No. I–901; Fee Remittance for Certain F, J and M Non-immigrants; OMB Control No. 1653–0034.

The Department of Homeland Security, U.S. Immigration and Customs Enforcement (USICE) will be submitting the following information collection request for review and clearance in accordance with the Paperwork Reduction Act of 1995. The information collection is published in the **Federal Register** to obtain comments from the public and affected agencies. This information collection was previously published in the **Federal Register** on December 8, 2017, at 82 FRN 58011, allowing for a 60-day comment period. USICE received one comment in connection with the 60-day notice. The purpose of this notice is to allow an additional 30 days for public comments.

Written comments and suggestions regarding items contained in this notice and especially with regard to the estimated public burden and associated response time should be directed to the Office of Information and Regulatory Affairs, Office of Management and Budget. Comments should be addressed to the OMB Desk Officer for U.S. Immigration and Customs Enforcement, Department of Homeland Security, and sent via electronic mail to *oira_submission@omb.eop.gov* or faxed to (202) 395–5806.

Written comments and suggestions from the public and affected agencies concerning the proposed collection of information should address one or more of the following four points:

(1) 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;

(2) 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;

(3) Enhance the quality, utility, and clarity of the information to be collected; and

(4) 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, with changes, of a currently approved information collection.

(2) *Title of the Form/Collection:* Fee Remittance for Certain F, J and M Nonimmigrants.

(3) *Agency form number, if any, and the applicable component of the Department of Homeland Security sponsoring the collection:* ICE Form I–901. U.S. Immigration and Customs Enforcement.

(4) *Affected public who will be asked or required to respond, as well as a brief abstract:* Primary: Individuals or households. Public Law 104–208, Subtitle D, Section 641 directs the Attorney General, in consultation with the Secretary of State and the Secretary of Education, to develop and conduct a program to collect information on nonimmigrant foreign students and exchange visitors from approved institutions of higher education, as defined in section 101(a) of the Higher Education Act of 1965, as amended or in a program of study at any other DHS approved academic or language-training institution, to include approved private elementary and secondary schools and public secondary schools, and from approved exchange visitor program sponsors designated by the Department of State (DOS). The rule, ''Adjusting Program Fees and Establishing Procedures for Out-of-Cycle Review and Recertification of Schools Certified by the Student and Exchange Visitor Program to Enroll F and/or M Nonimmigrant Students,'' (73 FR 55683; September 26, 2008), authorized a fee to be collected from the F and M nonimmigrants, not to exceed $200, and a fee to be collected from the exchange visitors, not to exceed $180, to support this information collection program. DHS has implemented the Student and Exchange Visitor Information System (SEVIS) to carry out this statutory requirement.

(5) *An estimate of the total number of respondents and the amount of time estimated for an average respondent to respond:* 740,410 responses at 19 minutes (.32 hours) per response.

(6) *An estimate of the total public burden (in hours) associated with the collection:* 236,931 annual burden hours.

Dated: March 26, 2018.

Scott Elmore,

PRA Clearance Officer, Office of the Chief Information Officer, U.S. Immigration and Customs Enforcement, Department of Homeland Security.

[FR Doc. 2018–06351 Filed 3–28–18; 8:45 am]

BILLING CODE 9111–28–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–6088–FA–01]

Announcement of Tenant Protection Voucher Funding Awards for Fiscal Year 2017 for the Housing Choice Voucher Program

AGENCY: Office of the Assistant Secretary for Public and Indian Housing, HUD.

ACTION: Announcement of Fiscal Year 2017 Awards.

SUMMARY: In accordance with Section 102(a)(4)(C) of the Department of Housing and Urban Development Reform Act of 1989, this document notifies the public of Tenant Protection Voucher (TPV) funding awards for Fiscal Year (FY) 2017 to public housing agencies (PHAs) under the Section 8 Housing Choice Voucher Program (HCVP). The purpose of this notice is to publish the names, addresses of awardees, and the amount of their non-competitive funding awards for assisting households affected by housing conversion actions, public housing relocations and replacements, moderate rehabilitation replacements, and HOPE VI voucher awards.

FOR FURTHER INFORMATION CONTACT: Milan Ozdinec, Deputy Assistant Secretary, Office of Public Housing and Voucher Programs, Office of Public and Indian Housing, Department of Housing and Urban Development, 451 Seventh Street SW, Room 4204, Washington, DC 20410–5000, telephone (202) 402–1380 (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) 927–7589.

SUPPLEMENTARY INFORMATION: The regulations governing the HCVP are published at 24 CFR 982. The purpose of the rental assistance program is to assist eligible families to pay their rent for decent, safe, and sanitary housing in the private rental market. The regulations for allocating housing assistance budget authority under Section 213(d) of the Housing and Community Development Act of 1974 are published at 24 CFR part 791, subpart D.

The FY 2017 awardees announced in this notice were provided HCVP tenant protection vouchers (TPVs) funds on an as-needed, non-competitive basis, *i.e.,* not consistent with the provisions of a Notice of Funding Availability (NOFAs). TPV awards made to PHAs for program actions that displace families living in public housing were made on a first-come, first-served basis in accordance with PIH Notice 2007–10, Voucher Funding in Connection with the Demolition or Disposition of Occupied Public Housing Units, and PIH Notice 2017–10, ''Implementation of the Federal Fiscal Year (FFY) 2017 Funding Provision for the Housing Choice Voucher Program.'' Awards for the Rental Assistance Demonstration (RAD) were provided for Rental Supplement and Rental Assistance Payment Projects (RAD Second Component) consistent with PIH Notice 2012–32 (HA), REV–2, ''Rental Assistance Demonstration-Final Implementation, Revision 2.'' Announcements of awards provided under the NOFA process for Mainstream, Designated Housing, Family Unification (FUP), and Veterans Assistance Supportive Housing (VASH) programs will be published in a separate **Federal Register** notice.

Awards published under this notice were provided (1) to assist families living in HUD-owned properties that are being sold; (2) to assist families affected by the expiration or termination of their Section 8 Project-based and Moderate Rehabilitation contracts; (3) to assist families in properties where the owner has prepaid the HUD mortgage; (4) to assist families in projects where the Rental Supplement and Rental Assistance Payments contracts are expired (RAD—Second Component); (5) to provide relocation housing assistance

in connection with the demolition of public housing; (6) to assist individuals affected by the expiration or termination of their Section 8 single room occupancy (SRO) contracts; and (7) to assist families in public housing developments that are scheduled for demolition in connection with a HUD-approved HOPE VI revitalization or demolition grant, and (8) to assist families consistent with PIH Notice 2016–12, ''Funding Availability for Tenant Protection Voucher for Certain At-Risk Households in Low Vacancy Areas-Fiscal Year 2016.''

A special administrative fee of $200 per occupied unit was provided to PHAs to compensate for any extraordinary HCVP administrative costs associated with the Multifamily Housing conversion actions.

The Department awarded total new budget authority of $94,468,761 to recipients under all the above-mentioned categories for 9,218 housing choice vouchers. This budget authority includes $1,386,144 of unobligated commitments made in FY 2016. These funds were reserved by September 30, 2016, but not contracted until FY 2017, and thus have been included with obligated commitments for FY 2017.

In accordance with Section 102(a)(4)(C) of the Department of Housing and Urban Development Reform Act of 1989 (103 Stat. 1987, 42 U.S.C. 3545), the Department is publishing the names, addresses of awardees, and their award amounts in Appendix A. The awardees are listed alphabetically by State for each type of TPV award.

Dated: *March 20, 2018.*

Dominique G. Blom,

General Deputy Assistant Secretary for Public and Indian Housing.

SECTION 8 RENTAL ASSISTANCE PROGRAMS ANNOUNCEMENT OF AWARDS FOR FISCAL YEAR 2017

Housing agency	Address	Units	Award
Special Fees			
Special Fees—At-Risk Households			
CA: SAN JOSE HOUSING AUTHORITY	505 WEST JULIAN STREET, SAN JOSE, CA 95110.	0	$21,200
MA: BOSTON HOUSING AUTHORITY	52 CHAUNCY STREET, BOSTON, MA 02111	0	6,400
Total for Special Fees—At-Risk Households		0	27,600
Special Fees—Opt-Outs/Terminations			
CA: CITY OF LOS ANGELES HSG AUTH	2600 WILSHIRE BLVD., 3RD FLOOR, LOS ANGELES, CA 90057.	0	5,600
CA: COUNTY OF SHASTA HSG AUTH	1670 MARKET STREET, STE. 300, REDDING, CA 96001.	0	1,800
CT: ANSONIA HOUSING AUTHORITY	36 MAIN STREET, ANSONIA, CT 06401	0	1,200
DC: DC HOUSING AUTHORITY	1133 NORTH CAPITOL STREET NE, WASHINGTON, DC 20002.	0	23,200
FL: HOUSING AUTHORITY OF	1300 BROAD STREET, JACKSONVILLE, FL 32202.	0	9,200
IA: CITY OF DES MOINES MUNICIPAL	2309 EUCLID AVE., DES MOINES, IA 50310	0	23,400
IA: NORTHWEST IOWA REGIONAL HA	P.O. BOX 446, 919 2ND AVENUE SW, SPENCER, IA 51301.	0	1,400
IL: CHICAGO HOUSING AUTHORITY	60 EAST VAN BUREN ST., 11TH FLOOR, CHICAGO, IL 60605.	0	1,000
IL: HOUSING AUTHORITY OF COOK	175 WEST JACKSON BOULEVARD, SUITE 350, CHICAGO, IL 60604.	0	22,000
IL: HSG AUTHORITY OF THE COUNTY OF	33928 N U.S. HIGHWAY 45, GRAYSLAKE, IL 60030.	0	31,600
KS: KANSAS CITY HOUSING AUTHORITY	1124 NORTH NINTH STREET, KANSAS CITY, KS 66101.	0	1,600
KS: ELLIS COUNTY PHA	C/O NORTHWEST KS HOUSING, INC., P.O. BOX 248, 319 N POMEROY.	0	1,000
KY: HOPKINSVILLE HOUSING AUTHORITY	400 NORTH ELM STREET, P.O. BOX 437, HOPKINSVILLE, KY.	0	2,600
MA: SPRINGFIELD HSG AUTHORITY	25 SAAB COURT, P.O. BOX 1609, SPRINGFIELD, MA 01101.	0	5,600
MI: MICHIGAN STATE HSG. DEV. AUTH	P.O. BOX 30044, LANSING, MI 48909	0	25,000
MN: ST. PAUL PHA	555 NORTH WABASHA, SUITE 400, ST. PAUL, MN 55102.	0	8,600
MN: WORTHINGTON HRA	819 TENTH STREET, WORTHINGTON, MN 56187.	0	1,800
MN: ST. CLOUD HRA	1225 WEST ST. GERMAIN, ST. CLOUD, MN 56301.	0	1,200
MN: NW MN MULTI-COUNTY HRA	P.O. BOX 128, MENTOR, MN 56736	0	600
MO: ST. CLAIR CO. HSG. AUTHORITY	P.O. BOX 125, APPLETON CITY, MO 64724	0	1,800
MS: MISS REG H A II	P.O. BOX 1887, OXFORD, MS 38655	0	17,400
NC: HA OF THE CITY OF CHARLOTTE	P.O. BOX 36795, 1301 SOUTH BOULEVARD, CHARLOTTE, NC 28236.	0	7,000
NC: HA COUNTY OF WAKE	100 SHANNON STREET, P.O. BOX 399, ZEBULON, NC 27597.	0	5,600
ND: STUTSMAN COUNTY HOUSING	300 2ND ST NE–200, JAMESTOWN, ND 58401	0	1,200

SECTION 8 RENTAL ASSISTANCE PROGRAMS ANNOUNCEMENT OF AWARDS FOR FISCAL YEAR 2017—Continued

Housing agency	Address	Units	Award
ND: HOUSING AUTHORITY OF THE	P.O. BOX 5, ASHLEY, ND 58413	0	2,600
ND: DICKEY/SARGENT HOUSING AUTHORITY	P.O. BOX 624, 309 NORTH 2ND, ELLENDALE, ND 58436.	0	5,800
ND: HOUSING AUTHORITY OF THE	3530 33RD AVENUE NE, HARVEY, ND 58341	0	2,800
NE: OMAHA HOUSING AUTHORITY	1805 HARNEY STREET, OMAHA, NE 68102	0	4,600
NE: CENTRAL NEBRASKA JOINT HSG AUTH	P.O. BOX 509, LOUP CITY, NE 68853	0	3,200
NJ: VINELAND HOUSING AUTHORITY	191 CHESTNUT AVENUE, VINELAND, NJ 08360	0	2,000
NV: SOUTHERN NEVADA REGIONAL	340 NORTH 11TH ST., LAS VEGAS, NV 89104	0	1,600
NY: THE CITY OF NEW YORK	DEPT. OF HSG. PRESERVATION & DEV., 100 GOLD STREET, ROOM 501.	0	200
NY: NYS HSG TRUST FUND CORPORATION	38–40 STATE STREET, ALBANY, NY 12207	0	19,200
OH: COLUMBUS METRO. HA	880 EAST 11TH AVENUE, COLUMBUS, OH 43211.	0	9,600
OH: CUYAHOGA MHA	8120 KINSMAN ROAD, CLEVELAND, OH 44104	0	1,600
OH: CINCINNATI METROPOLITAN	1635 WESTERN AVE., CINCINNATI, OH 45214	0	31,200
OH: STARK METROPOLITAN HOUSING	400 EAST TUSCARAWAS STREET, CANTON, OH 44702.	0	7,200
OH: MEDINA MHA	850 WALTER ROAD, MEDINA, OH 44256	0	3,400
PA: HOUSING AUTHORITY OF THE CITY OF	200 ROSS STREET, ATTN: PATRICK BLACKWELL, PITTSBURGH, PA.	0	21,200
PA: PHILADELPHIA HOUSING AUTHORITY	12 SOUTH 23RD STREET, PHILADELPHIA, PA 19103.	0	46,000
PA: BETHLEHEM HOUSING AUTHORITY	645 MAIN STREET, 4TH FLOOR OFFICES, BETHLEHEM, PA 18018.	0	1,600
PA: FAYETTE COUNTY HOUSING	624 PITTSBURGH ROAD, UNIONTOWN, PA 15401.	0	8,000
SD: CITY OF LENNOX HOUSING &	P.O. BOX 265, HIGHWAY 17 AT SECOND AVE., LENNOX, SD 57039.	0	400
SD: CITY OF MITCHELL HOUSING &	200 E 15TH AVE., MITCHELL, SD 57301	0	1,000
TX: GRAND PRAIRIE HSNG & COMM DEV	P.O. BOX 534045, 205 W CHURCH ST., GRAND PRAIRIE, TX 75053.	0	4,000
TX: DALLAS COUNTY HOUSING	2377 N STEMMONS FREEWAY, SUITE 600–LB 12, DALLAS, TX 75207.	0	10,200
WA: KING COUNTY HOUSING AUTHORITY	600 ANDOVER PARK WEST, SEATTLE, WA 98188.	0	20,800
WA: BELLINGHAM HOUSING AUTHORITY	208 UNITY ST. LOWER LEVEL, P.O. BOX 9701, BELLINGHAM, WA 98225.	0	9,600
WA: HOUSING AUTHORITY OF SNOHOMISH	12625 4TH AVE. W, SUITE 200, EVERETT, WA 98204.	0	4,600
WA: PIERCE COUNTY HOUSING	603 S POLK, P.O. BOX 45410, TACOMA, WA 98445.	0	2,800
Total for Special Fees—Opt-Outs/Terminations.		0	426,600
Special Fees—Prepays			
CT: ANSONIA HOUSING AUTHORITY	36 MAIN STREET, ANSONIA, CT 06401	0	4,400
FL: HA MIAMI BEACH	200 ALTON ROAD, MIAMI BEACH, FL 33139	0	6,200
IL: SPRINGFIELD HOUSING AUTHORITY	200 NORTH ELEVENTH STREET, SPRINGFIELD, IL 62703.	0	18,200
MA: CAMBRIDGE HOUSING AUTHORITY	675 MASSACHUSETTS AVENUE, CAMBRIDGE, MA 02139.	0	68,000
MA: HOLYOKE HOUSING AUTHORITY	475 MAPLE STREET, HOLYOKE, MA 01040	0	8,400
MA: CHICOPEE HOUSING AUTHORITY	128 MEETINGHOUSE ROAD, CHICOPEE, MA 01013.	0	32,600
MA: WORCESTER HOUSING AUTHORITY	40 BELMONT STREET, WORCESTER, MA 01605.	0	31,200
MA: WESTFIELD HSG AUTHORITY	ALICE BURKE WAY, P.O. BOX 99, WESTFIELD, MA 01085.	0	49,600
MD: HOUSING AUTHORITY OF BALTIMORE	417 EAST FAYETTE STREET, BALTIMORE, MD 21201.	0	35,800
MI: MICHIGAN STATE HSG. DEV. AUTH	P.O. BOX 30044, LANSING, MI 48909	0	12,800
NJ: ATLANTIC CITY HOUSING AUTHORITY	227 VERMONT AVENUE, P.O. BOX 1258, ATLANTIC CITY, NJ.	0	40,400
NY: ALBANY HOUSING AUTHORITY	200 SOUTH PEARL, ALBANY, NY 12202	0	11,000
NY: HA OF ROCHESTER	675 WEST MAIN STREET, ROCHESTER, NY 14611.	0	75,400
NY: NYS HSG TRUST FUND CORPORATION	38–40 STATE STREET, ALBANY, NY 12207	0	3,200
TX: GRAND PRAIRIE HSNG & COMM DEV	P.O. BOX 534045, 205 W CHURCH ST., GRAND PRAIRIE, TX 75053.	0	40,000
UT: HA OF CITY OF OGDEN	1100 GRANT AVE., OGDEN, UT 84404	0	8,800

SECTION 8 RENTAL ASSISTANCE PROGRAMS ANNOUNCEMENT OF AWARDS FOR FISCAL YEAR 2017—Continued

Housing agency	Address	Units	Award
WV: WHEELING HOUSING AUTHORITY	P.O. BOX 2089, 11 COMMUNITY STREET, WHEELING, WV 26003.	0	24,400
Total for Special Fees—Prepays		0	470,400
Special Fees—RAD Conversions			
CA: SAN FRANCISCO HSG AUTH	1815 EGBERT AVE., SAN FRANCISCO, CA 94124.	0	26,600
CO: LITTLETON HSG AUTH	5844 S DATURA ST., LITTLETON, CO 80120	0	41,800
MA: HOLYOKE HOUSING AUTHORITY	475 MAPLE STREET, HOLYOKE, MA 01040	0	15,200
NJ: ELIZABETH HOUSING AUTHORITY	688 MAPLE AVENUE, ELIZABETH, NJ 07202	0	200
NY: THE CITY OF NEW YORK	DEPT. OF HSG. PRESERVATION & DEV., 100 GOLD STREET, ROOM 501.	0	9,400
WA: SEATTLE HOUSING AUTHORITY	120 SIXTH AVENUE NORTH, P.O. BOX 19028, SEATTLE, WA 98109.	0	6,800
Total for Special Fees—RAD Conversions		0	100,000
Special Fees—Relocation—Rent Supplement			
MA: BOSTON HOUSING AUTHORITY	52 CHAUNCY STREET, BOSTON, MA 02111	0	21,400
MA: WAKEFIELD H A	26 CRESCENT ST., WAKEFIELD, MA 01880	0	8,600
Total for Special Fees—Relocation—Rent Supplement.		0	30,000
Total for Special Fees		0	1,054,600
Public Housing TP			
Choice Neighborhood Relocation (Sunset Provision)			
CA: SAN FRANCISCO HSG AUTH	1815 EGBERT AVE., SAN FRANCISCO, CA 94124.	89	1,434,218
CT: NORWALK HOUSING AUTHORITY	24½ MONROE STREET, NORWALK, CT 06856	36	545,918
NJ: HOUSING AUTHORITY OF THE CITY OF	2021 WATSON STREET, CAMDEN, NJ 08105	192	1,600,494
WI: HA OF THE CITY OF MILWAUKEE	P.O. BOX 324, 809 NORTH BROADWAY, MILWAUKEE, WI 53201.	100	627,840
Total for Choice Neighborhood Relocation (Sunset Provision).		417	4,208,470
Choice Neighborhood Replacement			
CA: COUNTY OF SACRAMENTO HOUSING	801 12TH STREET, SACRAMENTO, CA 95814	141	1,211,235
KY: LOUISVILLE HOUSING AUTHORITY	420 SOUTH EIGHTH STREET, LOUISVILLE, KY 40203.	117	912,263
MO: HOUSING AUTHORITY OF KANSAS	920 MAIN STREET, SUITE 701, KANSAS CITY, MO 64106.	78	558,960
Total for Choice Neighborhood Replacement		336	2,682,458
CPD—SRO Replacement			
CO: FORT COLLINS HSG AUTH	1715 W MOUNTAIN AVE., FORT COLLINS, CO 80521.	15	121,997
OH: CUYAHOGA MHA	8120 KINSMAN ROAD, CLEVELAND, OH 44104	6	37,347
PA: PHILADELPHIA HOUSING AUTHORITY	12 SOUTH 23RD STREET, PHILADELPHIA, PA 19103.	24	194,412
Total for CPD—SRO Replacement		45	353,756
Mod Rehab—RAD			
CA: SAN FRANCISCO HSG AUTH	1815 EGBERT AVE., SAN FRANCISCO, CA 94124.	133	2,712,402
CO: LITTLETON HSG AUTH	5844 S DATURA ST., LITTLETON, CO 80120	209	1,715,572
NY: THE CITY OF NEW YORK	DEPT. OF HSG. PRESERVATION & DEV., 100 GOLD STREET, ROOM 501.	47	558,180
WA: SEATTLE HOUSING AUTHORITY	120 SIXTH AVENUE NORTH, P.O. BOX 19028, SEATTLE, WA 98109.	34	404,026

SECTION 8 RENTAL ASSISTANCE PROGRAMS ANNOUNCEMENT OF AWARDS FOR FISCAL YEAR 2017—Continued

Housing agency	Address	Units	Award
Total for Mod Rehab—RAD		423	5,390,180
Mod Replacements			
CA: COUNTY OF SACRAMENTO HOUSING	801 12TH STREET, SACRAMENTO, CA 95814 ..	1	8,490
CA: ALAMEDA COUNTY HSG AUTH	22941 ATHERTON STREET, HAYWARD, CA 94541.	8	115,392
CO: AURORA HOUSING AUTHORITY	10745 E KENTUCKY AVENUE, AURORA, CO 80012.	48	456,180
DC: DC HOUSING AUTHORITY	1133 NORTH CAPITOL STREET NE, WASHINGTON, DC 20002.	38	413,834
FL: HA MIAMI BEACH	200 ALTON ROAD, MIAMI BEACH, FL 33139	128	1,963,787
IA: CITY OF DES MOINES MUNICIPAL	2309 EUCLID AVE., DES MOINES, IA 50310	12	59,463
MD: MARYLAND DEPT OF HSG &	7800 HARKINS ROAD, LANHAM, MD 20706	1	7,516
MI: DETROIT HOUSING COMMISSION	1301 EAST JEFFERSON AVENUE, DETROIT, MI 48207.	5	35,778
NY: CITY OF NORTH TONAWANDA	C/O BELMONT HOUSING RESOURCES, 1195 MAIN ST., BUFFALO, NY.	3	11,577
OH: CUYAHOGA MHA	8120 KINSMAN ROAD, CLEVELAND, OH 44104	2	12,449
TX: SAN ANTONIO HOUSING AUTHORITY	818 S FLORES STREET, P.O. BOX 1300, SAN ANTONIO, TX 78295.	27	172,156
WA: HOUSING AUTHORITY CITY OF	1207 COMMERCE AVENUE, LONGVIEW, WA 98632.	8	42,300
WV: CHARLESTON/KANAWHA HA	1525 WASHINGTON STREET WEST, P.O. BOX 86, CHARLESTON, WV.	4	21,177
WV: HOUSING AUTHORITY CITY OF	P.O. BOX 1475, 1600 HILL AVENUE, BLUEFIELD, WV 24701.	6	7,769
Total for Mod Replacements		291	3,327,868
MTW Replacement			
MA: CAMBRIDGE HOUSING AUTHORITY	675 MASSACHUSETTS AVENUE, CAMBRIDGE, MA 02139.	173	2,919,998
Total for MTW Replacement		173	2,919,998
Relocation—Sunset			
DC: DC HOUSING AUTHORITY	1133 NORTH CAPITOL STREET NE, WASHINGTON, DC 20002.	257	3,600,416
RI: NEWPORT HOUSING AUTHORITY	120B HILLSIDE AVENUE, NEWPORT, RI 02840	4	43,806
TX: HOUSING AUTHORITY OF EL PASO	5300 PAISANO, EL PASO, TX 79905	0	29,687
Total for Relocation—Sunset		261	3,673,909
Replacement			
CA: SAN FRANCISCO HSG AUTH	1815 EGBERT AVE., SAN FRANCISCO, CA 94124.	848	14,238,763
CA: CITY OF LOS ANGELES HSG AUTH	2600 WILSHIRE BLVD., 3RD FLOOR, LOS ANGELES, CA 90057.	62	659,072
CA: ALAMEDA COUNTY HSG AUTH	22941 ATHERTON STREET, HAYWARD, CA 94541.	50	721,056
CT: MERIDEN HOUSING AUTHORITY	22 CHURCH STREET, MERIDEN, CT 06450	116	1,191,343
DE: NEWARK HOUSING AUTHORITY	313 E MAIN STREET, NEWARK, DE 19711	1	7,971
FL: HA PALM BEACH COUNTY	3432 W 45TH STREET, WEST PALM BEACH, FL 33407.	44	475,591
IL: HOUSING AUTHORITY OF JOLIET	6 SOUTH BROADWAY STREET, JOLIET, IL 60436.	120	1,206,202
IL: MENARD COUNTY HOUSING	101 W SHERIDAN ROAD, PETERSBURG, IL 62675.	238	1,296,281
IN: EAST CHICAGO HA	4920 LARKSPUR DR., P.O. BOX 498, EAST CHICAGO, IN 46312.	0	586,193
MD: HOUSING AUTHORITY OF BALTIMORE	417 EAST FAYETTE STREET, BALTIMORE, MD 21201.	58	580,527
MD: ANNE ARUNDEL COUNTY HOUSING	7885 GORDON COURT, P.O. BOX 817, GLEN BURNIE, MD 21060.	100	1,168,453
MS: MISSISSIPPI REGIONAL HOUSING	P.O. BOX 1051, COLUMBUS, MS 39703	13	59,940
NY: THE MUNICIPAL HOUSING AUTHORITY	1511 CENTRAL PARK AVE., P.O. BOX 35, YONKERS, NY 10710.	32	389,710
PA: MCKEESPORT HOUSING AUTHORITY	2901 BROWNLEE AVENUE, MCKEESPORT, PA 15132.	11	68,746

SECTION 8 RENTAL ASSISTANCE PROGRAMS ANNOUNCEMENT OF AWARDS FOR FISCAL YEAR 2017—Continued

Housing agency	Address	Units	Award
RI: NEWPORT HOUSING AUTHORITY	120B HILLSIDE AVENUE, NEWPORT, RI 02840	30	328,540
TX: HOUSTON HOUSING AUTHORITY	2640 FOUNTAIN VIEW, HOUSTON, TX 77057 ...	111	844,022
TX: CORPUS CHRISTI HOUSING	3701 AYERS STREET, CORPUS CHRISTI, TX 78415.	122	907,650
TX: GALVESTON HOUSING AUTHORITY	4700 BROADWAY, GALVESTON, TX 77551	31	248,983
TX: TAYLOR HSG AUTHORITY	311–C EAST 7TH STREET, TAYLOR, TX 76574	52	345,065
UT: HOUSING AUTHORITY OF THE	3595 S MAIN STREET, SALT LAKE CITY, UT 84115.	2	15,544
VA: NORFOLK REDEVELOPMENT & H/A	201 GRANBY ST., P.O. BOX 968, NORFOLK, VA 23501.	24	207,800
VQ: VIRGIN ISLANDS HOUSING AUTHORITY	P.O. BOX 7668, ST. THOMAS, VI 00801	283	2,473,375
VT: RUTLAND HOUSING AUTHORITY	5 TREMONT STREET, RUTLAND, VT 05701	25	139,135
WA: HOUSING AUTHORITY CITY OF	3107 COLBY AVE., P.O. BOX 1547, EVERETT, WA 98206.	60	574,185
Total for Replacement	.....	2,433	28,734,147
Witness Relocation Assistance			
CO: JEFFERSON COUNTY HOUSING	7490 WEST 45TH AVENUE, WHEATRIDGE, CO 80033.	1	16,056
CT: DANBURY HOUSING AUTHORITY	2 MILL RIDGE ROAD, P.O. BOX 86, DANBURY, CT 06810.	1	18,000
CT: STRATFORD HOUSING AUTHORITY	295 EVERETT STREET, P.O. BOX 668, STRATFORD, CT 06497.	1	14,424
FL: HA WEST PALM BEACH GENERAL	1715 DIVISION AVENUE, WEST PALM BEACH, FL 33407.	1	26,280
FL: HA FORT LAUDERDALE CITY	437 SW 4TH AVENUE, FORT LAUDERDALE, FL 33315.	1	21,612
FL: BROWARD COUNTY HOUSING	4780 NORTH STATE ROAD 7, LAUDERDALE LAKES, FL 33319.	1	11,532
MA: BOSTON HOUSING AUTHORITY	52 CHAUNCY STREET, BOSTON, MA 02111	2	43,872
Total for Witness Relocation Assistance	.....	8	151,776
Total for Public Housing TP	.....	4,387	51,442,562
Housing TP			
Certain At-Risk Households Low Vacancy			
CA: SAN JOSE HOUSING AUTHORITY	505 WEST JULIAN STREET, SAN JOSE, CA 95110.	104	1,559,289
MA: BOSTON HOUSING AUTHORITY	52 CHAUNCY STREET, BOSTON, MA 02111	32	462,048
Total for Certain At-Risk Households Low Vacancy.	.....	136	2,021,337
New Hsg Conversion Rent Supplement			
MA: BOSTON HOUSING AUTHORITY	52 CHAUNCY STREET, BOSTON, MA 02111	107	1,400,703
MA: WAKEFIELD H A	26 CRESCENT ST., WAKEFIELD, MA 01880	43	479,607
Total for New Hsg Conversion Rent Supplement.	.....	150	1,880,310
Prepayment—RAD			
MA: HOLYOKE HOUSING AUTHORITY	475 MAPLE STREET, HOLYOKE, MA 01040	76	502,384
Total for Prepayment—RAD	.....	76	502,384
Pre-payment Vouchers			
CT: ANSONIA HOUSING AUTHORITY	36 MAIN STREET, ANSONIA, CT 06401	22	215,149
FL: HA MIAMI BEACH	200 ALTON ROAD, MIAMI BEACH, FL 33139	18	160,194
IL: SPRINGFIELD HOUSING AUTHORITY	200 NORTH ELEVENTH STREET, SPRINGFIELD, IL 62703.	91	514,496
MA: CAMBRIDGE HOUSING AUTHORITY	675 MASSACHUSETTS AVENUE, CAMBRIDGE, MA 02139.	340	5,586,392
MA: HOLYOKE HOUSING AUTHORITY	475 MAPLE STREET, HOLYOKE, MA 01040	42	277,633
MA: CHICOPEE HOUSING AUTHORITY	128 MEETINGHOUSE ROAD, CHICOPEE, MA 01013.	163	1,115,898

SECTION 8 RENTAL ASSISTANCE PROGRAMS ANNOUNCEMENT OF AWARDS FOR FISCAL YEAR 2017—Continued

Housing agency	Address	Units	Award
MA: WORCESTER HOUSING AUTHORITY	40 BELMONT STREET, WORCESTER, MA 01605.	156	1,033,344
MA: WESTFIELD HSG AUTHORITY	ALICE BURKE WAY, P.O. BOX 99, WESTFIELD, MA 01085.	248	1,541,657
MD: HOUSING AUTHORITY OF BALTIMORE	417 EAST FAYETTE STREET, BALTIMORE, MD 21201.	179	1,791,625
MI: MICHIGAN STATE HSG. DEV. AUTH	P.O. BOX 30044, LANSING, MI 48909	64	391,089
NJ: ATLANTIC CITY HOUSING AUTHORITY	227 VERMONT AVENUE, P.O. BOX 1258, ATLANTIC CITY, NJ.	202	2,232,504
NY: ALBANY HOUSING AUTHORITY	200 SOUTH PEARL, ALBANY, NY 12202	55	356,730
NY: HA OF ROCHESTER	675 WEST MAIN STREET, ROCHESTER, NY 14611.	377	1,986,624
NY: NYS HSG TRUST FUND CORPORATION	38–40 STATE STREET, ALBANY, NY 12207	16	164,329
TX: GRAND PRAIRIE HSNG & COMM DEV	P.O. BOX 534045, 205 W CHURCH ST., GRAND PRAIRIE, TX 75053.	200	1,574,112
UT: HA OF CITY OF OGDEN	1100 GRANT AVE., OGDEN, UT 84404	44	225,641
WV: WHEELING HOUSING AUTHORITY	P.O. BOX 2089, 11 COMMUNITY STREET, WHEELING, WV 26003.	122	600,884
Total for Pre-payment Vouchers		2,339	19,768,301
Relocation 8bb Sunset			
WA: HOUSING AUTHORITY OF SNOHOMISH	12625 4TH AVE. W, SUITE 200, EVERETT, WA 98204.	24	240,849
Total for Relocation 8bb Sunset		24	240,849
Rent Supplement—RAD			
NJ: ELIZABETH HOUSING AUTHORITY	688 MAPLE AVENUE, ELIZABETH, NJ 07202	1	10,555
Total for Rent Supplement—RAD		1	10,555
Termination/Opt-Out Vouchers			
CA: COUNTY OF SHASTA HSG AUTH	1670 MARKET STREET, STE. 300, REDDING, CA 96001.	9	43,197
CT: ANSONIA HOUSING AUTHORITY	36 MAIN STREET, ANSONIA, CT 06401	6	61,712
DC: DC HOUSING AUTHORITY	1133 NORTH CAPITOL STREET NE, WASHINGTON, DC 20002.	116	1,625,090
FL: HOUSING AUTHORITY OF	1300 BROAD STREET, JACKSONVILLE, FL 32202.	46	310,274
IA: CITY OF DES MOINES MUNICIPAL	2309 EUCLID AVE., DES MOINES, IA 50310	117	580,572
IA: NORTHWEST IOWA REGIONAL HA	P.O. BOX 446, 919 2ND AVENUE SW, SPENCER, IA 51301.	7	21,762
IL: CHICAGO HOUSING AUTHORITY	60 EAST VAN BUREN ST., 11TH FLOOR, CHICAGO, IL 60605.	5	52,788
IL: HOUSING AUTHORITY OF COOK	175 WEST JACKSON BOULEVARD, SUITE 350, CHICAGO, IL 60604.	110	1,295,874
IL: HSG AUTHORITY OF THE COUNTY OF	33928 N U.S. HIGHWAY 45, GRAYSLAKE, IL 60030.	158	1,295,897
KS: KANSAS CITY HOUSING AUTHORITY	1124 NORTH NINTH STREET, KANSAS CITY, KS 66101.	8	56,191
KS: ELLIS COUNTY PHA	C/O NORTHWEST KS HOUSING, INC., P.O. BOX 248, 319 N POMEROY.	5	19,944
KY: HOPKINSVILLE HOUSING AUTHORITY	400 NORTH ELM STREET, P.O. BOX 437, HOPKINSVILLE, KY.	13	47,139
MA: SPRINGFIELD HSG AUTHORITY	25 SAAB COURT, P.O. BOX 1609, SPRINGFIELD, MA 01101.	28	205,091
MI: MICHIGAN STATE HSG. DEV. AUTH	P.O. BOX 30044, LANSING, MI 48909	125	763,845
MN: ST. PAUL PHA	555 NORTH WABASHA, SUITE 400, ST. PAUL, MN 55102.	43	334,156
MN: WORTHINGTON HRA	819 TENTH STREET, WORTHINGTON, MN 56187.	9	33,205
MN: ST. CLOUD HRA	1225 WEST ST. GERMAIN, ST. CLOUD, MN 56301.	6	32,858
MN: NW MN MULTI-COUNTY HRA	P.O. BOX 128, MENTOR, MN 56736	3	12,770
MO: ST. CLAIR CO. HSG. AUTHORITY	P.O. BOX 125, APPLETON CITY, MO 64724	9	43,728
MS: MISS REG H A II	P.O. BOX 1887, OXFORD, MS 38655	87	607,963
NC: HA OF THE CITY OF CHARLOTTE	P.O. BOX 36795, 1301 SOUTH BOULEVARD, CHARLOTTE, NC 28236.	35	330,704

SECTION 8 RENTAL ASSISTANCE PROGRAMS ANNOUNCEMENT OF AWARDS FOR FISCAL YEAR 2017—Continued

Housing agency	Address	Units	Award
NC: HA COUNTY OF WAKE	100 SHANNON STREET, P.O. BOX 399, ZEBULON, NC 27597.	28	192,961
ND: STUTSMAN COUNTY HOUSING	300 2ND ST. NE—200, JAMESTOWN, ND 58401	6	21,745
ND: HOUSING AUTHORITY OF THE	P.O. BOX 5, ASHLEY, ND 58413	13	46,995
ND: DICKEY/SARGENT HOUSING AUTHORITY	P.O. BOX 624, 309 NORTH 2ND, ELLENDALE, ND 58436.	29	87,933
ND: HOUSING AUTHORITY OF THE	3530 33RD AVENUE NE, HARVEY, ND 58341	14	37,763
NE: OMAHA HOUSING AUTHORITY	1805 HARNEY STREET, OMAHA, NE 68102	23	163,375
NE: CENTRAL NEBRASKA JOINT HSG AUTH	P.O. BOX 509, LOUP CITY, NE 68853	16	96,975
NH: KEENE HOUSING	831 COURT STREET, KEENE, NH 03431	0	44,940
NJ: VINELAND HOUSING AUTHORITY	191 CHESTNUT AVENUE, VINELAND, NJ 08360	10	93,670
NV: SOUTHERN NEVADA REGIONAL	340 NORTH 11TH ST., LAS VEGAS, NV 89104	8	77,917
NY: THE CITY OF NEW YORK	DEPT. OF HSG. PRESERVATION & DEV, 100 GOLD STREET, ROOM 501.	1	11,876
NY: NYS HSG TRUST FUND CORPORATION	38–40 STATE STREET, ALBANY, NY 12207	96	957,646
OH: COLUMBUS METRO. HA	880 EAST 11TH AVENUE, COLUMBUS, OH 43211.	48	297,827
OH: CUYAHOGA MHA	8120 KINSMAN ROAD, CLEVELAND, OH 44104	8	49,796
OH: CINCINNATI METROPOLITAN	1635 WESTERN AVE., CINCINNATI, OH 45214	156	989,781
OH: STARK METROPOLITAN HOUSING	400 EAST TUSCARAWAS STREET, CANTON, OH 44702.	36	173,137
OH: MEDINA MHA	850 WALTER ROAD, MEDINA, OH 44256	17	85,362
PA: HOUSING AUTHORITY OF THE CITY OF	200 ROSS STREET, ATTN: PATRICK BLACKWELL, PITTSBURGH, PA.	106	731,413
PA: PHILADELPHIA HOUSING AUTHORITY	12 SOUTH 23RD STREET, PHILADELPHIA, PA 19103.	230	2,362,753
PA: BETHLEHEM HOUSING AUTHORITY	645 MAIN STREET, 4TH FLOOR OFFICES, BETHLEHEM, PA 18018.	8	62,145
PA: FAYETTE COUNTY HOUSING	624 PITTSBURGH ROAD, UNIONTOWN, PA 15401.	40	221,626
SD: CITY OF LENNOX HOUSING &	P.O. BOX 265, HIGHWAY 17 AT SECOND AVE., LENNOX, SD 57039.	2	9,779
SD: CITY OF MITCHELL HOUSING &	200 E 15TH AVE., MITCHELL, SD 57301	5	14,777
TX: GRAND PRAIRIE HSNG & COMM DEV	P.O. BOX 534045, 205 W CHURCH ST., GRAND PRAIRIE, TX 75053.	20	157,411
TX: DALLAS COUNTY HOUSING	2377 N STEMMONS FREEWAY, SUITE 600—LB 12, DALLAS, TX 75207.	51	371,668
WA: KING COUNTY HOUSING AUTHORITY	600 ANDOVER PARK WEST, SEATTLE, WA 98188.	104	1,734,296
WA: BELLINGHAM HOUSING AUTHORITY	208 UNITY ST. LOWER LEVEL, P.O. BOX 9701, BELLINGHAM, WA 98225.	48	321,512
WA: HOUSING AUTHORITY OF SNOHOMISH	12625 4TH AVE. W, SUITE 200, EVERETT, WA 98204.	23	234,410
WA: PIERCE COUNTY HOUSING	603 S POLK, P.O. BOX 45410, TACOMA, WA 98445.	14	121,614
Total for Termination/Opt-Out Vouchers		2,105	17,547,863
Total for Housing TP		4,831	41,971,599
Grand Total		9,218	94,468,761

[FR Doc. 2018–06363 Filed 3–28–18; 8:45 am]
BILLING CODE 4210–67–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5846–N–02]

Waivers and Alternative Requirements for the Jobs Plus Initiative Program

AGENCY: Office of the Assistant Secretary for Public and Indian Housing, HUD.

ACTION: Notice.

SUMMARY: Since Fiscal Year 2014, Jobs Plus has provided competitive grants to partnerships between public housing authorities (PHAs), local workforce investment boards established under section 117 of the Workforce Investment Act of 1998, and other agencies and organizations that provide support to help public housing residents obtain employment and increase earnings. On March 13, 2015, HUD published a **Federal Register** notice announcing waivers and alternative requirements for Jobs Plus. This notice clarifies that those waivers and alternative requirements continue to apply until HUD publishes a **Federal Register** notice announcing a change in Federal law that requires HUD to alter or amend this Notice on terms and conditions as to how Jobs Plus funds may be used.

DATES: *Applicability Date:* March 29, 2018.

FOR FURTHER INFORMATION CONTACT: To assure a timely response, please electronically direct requests for further information to this email address: *JobsPlus@hud.gov.* Written requests may also be directed to the following address: Office of Public and Indian Housing—Jayme A. Brown, U.S. Department of Housing and Urban Development, 451 7th Street SW, Room 4120, Washington, DC 20410.

SUPPLEMENTARY INFORMATION:

I. Background

Jobs Plus promotes economic empowerment in low-income areas by providing funding to PHAs that develop locally-based, job-driven approaches to increase earnings and advance employment outcomes through work readiness, employer linkages, job placement, educational advancement, technology skills, and financial literacy for residents of public housing. Congress first appropriated funds for the program in the Consolidated Appropriations Act, 2014, (Pub. L. 113–76, approved January 17, 2014) (2014 Appropriations Act), and continued to appropriate funds for the program in the Consolidated and Further Continuing Appropriations Act, 2015, (Pub. L. 113–235, approved December 16, 2014) (2015 Appropriation Act), the Consolidated Appropriations Act, 2016, (Pub. L. 114–113, approved December 18, 2015), and the Consolidated Appropriations Act, 2017 (Pub. L. 115–31, approved May 5, 2017). Each year, the provisions pertaining to Jobs Plus have remained substantially the same.

On March 13, 2015, HUD published a **Federal Register** notice at 80 FR 13415 titled ''Jobs-Plus Pilot Initiative,'' which announced waivers and alternative requirements for Jobs Plus. This notice clarifies that those waivers and alternative requirements continue to apply as long as Congress continues to appropriate funds for Jobs Plus, and the provisions governing the use of those funds remain substantially the same. HUD will announce any revisions to the waivers and alternative requirements for Jobs Plus in future **Federal Register** notices. The list of waivers and alternative requirements that were in the March 13, 2015, notice is published in the appendix of this notice. HUD has made minor revisions to the language in the appendix from what was published in 2015 for clarity, but the waivers and alternative requirements remain substantively the same. The revised language clarifies that individuals, and not families, must enroll in Jobs Plus in order to obtain the benefit of a Jobs Plus earned income disregard; that PHAs may disallow all incremental increases in earned income from rent determinations for individuals in Jobs Plus public housing projects; and that the period of this disallowance is up to 48 months, beginning on the date on which a public housing resident enrolls in the Jobs Plus program and ending at the end of the grant period. The language in the appendix also reflects that HUD revised its regulations since the 2015 notice was published so that there is a standard lifetime maximum two-year earned-income disallowance period.

II. Environmental Review

This Notice involves administrative and fiscal requirements related to income limits and exclusions with regard to calculation of rental assistance which do not constitute a development decision affecting the physical condition of specific project areas or building sites. Accordingly, under 24 CFR 50.19(c)(6), this Notice is categorically excluded from environmental review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321).

Dated: March 20, 2018.

Dominique Blom,

General Deputy Assistant Secretary for Public and Indian Housing.

Appendix—Jobs Plus Initiative and Alternative Requirements

The statutes that have appropriated funds for the Jobs Plus program (the Consolidated Appropriations Act, 2014, Pub. L. 113–76; the Consolidated and Further Continuing Appropriations Act, 2015, Pub. L. 113–235; the Consolidated Appropriations Act, 2016, Pub. L. 114–113; and the Consolidated Appropriations Act, 2017, Pub. L. 115–31) provide that HUD is authorized to waive or alter the rent and income limitation requirements under sections 3 and 6 of the United States Housing Act of 1937 as necessary to implement Jobs Plus. The list of waivers and alternative requirements, as described above, follows:

I. Public Housing Rent Calculation

Permissive exclusions for public housing. Provisions affected: Section 6(c) of the United States Housing Act of 1937 (42 U.S.C. 1437d), 3(b)(5)(B) of the United States Housing Act of 1937 (42 U.S.C. 1437a), and 24 CFR 5.609(c). *Alternative requirements:* The PHA shall calculate the annual earned income for Jobs Plus participants receiving the Jobs Plus earned income disregard separately from other income disregards for the purposes of determining the amount of annual income excluded under Jobs Plus. The records associated with the calculated disregarded amounts shall be provided to HUD for review; additional instructions for the submission of records will be provided at a later date. The PHA may use Jobs Plus grant funds to cover the decrease in funding associated with the increased tenant income.

II. Public Housing Income Limitation Requirements

Disallowance of earned income from rent determination. Provisions affected: HUD is waiving section 3(d)(1) and (2), of the United States Housing Act of 1937 (42 U.S.C. 1437a) and 24 CFR 960.255(b)(1), (b)(2), (b)(3) & (d). *Alternative requirements:* A PHA may disallow all incremental increases in earned income due to employment from rent determinations for individuals in Jobs Plus public housing projects for a period of up to 48 months, beginning on the date on which a public housing resident enrolls in the Jobs Plus program, and ending at the end of the grant period. A PHA must require individual members of a family in a Jobs Plus public housing project to enroll in Jobs Plus in order for each individual to be eligible for the benefit of the Jobs Plus earned income disregard. The PHA shall not setup Individual Savings Accounts in lieu of providing the Jobs Plus earned income exclusion. Any compensation to the PHA for lost rent revenues, such as by the standard earned income disregard calculation in the Operating Fund, will be manually adjusted by HUD to prevent overpayment of Public Housing Operating funds to grant recipients. Instead, PHAs shall use funds received through their Jobs Plus award to account for lost rental revenue due to the application of the Jobs Plus rent incentive.

There shall be no phase-in period for families participating in Jobs Plus. Upon completion of the earned income exclusion period, the tenant's rent will be calculated based on the tenant's income, including all earned income in accordance with 24 CFR part 5, subpart F.

The standard lifetime maximum two-year disallowance period prescribed in 24 CFR 960.255(b)(3) shall not apply to individuals participating in Jobs Plus. Individuals may benefit from the Jobs Plus earned income disregard even if they have previously benefited from the standard public housing earned income disregard. If individuals at Jobs Plus targeted developments receive the standard earned income disregard, they may continue to do so until they enroll in the Jobs Plus earned income disregard or until the time of their next rent-recertification, whichever is earlier.

[FR Doc. 2018–06361 Filed 3–28–18; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[LLNM00400 18X L13100000.FI0000]

Notice of Proposed Reinstatement of Terminated Oil and Gas Leases; OKNM127909, OKNM127910, OKNM127911, OKNM127912, OKNM127913, OKNM127917, and OKNM127920, Oklahoma

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice of reinstatement.

SUMMARY: In accordance with the Mineral Leasing Act of 1920, Red Fork (USA) Investments, Inc., timely filed a petition for reinstatement of competitive oil and gas leases OKNM 127909, OKNM 127910, OKNM 127911, OKNM 127912, OKNM 127913, and OKNM 127920, in Payne County, Oklahoma, and OKNM 127917, in Noble County, Oklahoma. The lessee paid the required rentals accruing from the date of termination. No new leases were issued that affect these lands. The Bureau of Land Management proposes to reinstate these leases.

FOR FURTHER INFORMATION CONTACT: Julieann Serrano, Supervisory Land Law Examiner, Branch of Adjudication, Bureau of Land Management New Mexico State Office, 301 Dinosaur Trail, Santa Fe, New Mexico 87508, (505) 954–2149, *jserrano@blm.gov.* Persons who use a telecommunications device for the deaf (TDD) may call the Federal Relay Service (FRS) at 1–800–877–8339 to contact the above individual during normal business hours. The FRS 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 lessee agrees to new lease terms for rentals and royalties of $10 per acre, or fraction thereof, per year, and 16⅔ percent, respectively. The lessee agrees to additional or amended stipulations. The lessee paid the $500 administration fee for the reinstatement of the lease and the $159 cost for publishing this Notice.

The lessee met the requirements for reinstatement of the lease per Sec. 31(d) and (e) of the Mineral Leasing Act of 1920. The BLM is proposing to reinstate the leases, effective the date of termination subject to the:

- Original terms and conditions of the lease;
- Additional and amended stipulations;
- Increased rental of $10 per acre;
- Increased royalty of 16⅔ percent; and
- $159 cost of publishing this Notice.

Authority: 43 CFR 3108.2–3.

Julieann Serrano,

Supervisory, Land Law Examiner.

[FR Doc. 2018–06285 Filed 3–28–18; 8:45 am]

BILLING CODE 4310–FB–P

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[18X.LLAK930000 L13100000.PP0000]

Notice of Availability of the Draft Supplemental Environmental Impact Statement for the Alpine Satellite Development Plan for the Proposed Greater Mooses Tooth 2 Development Project, National Petroleum Reserve in Alaska; Notice of Public Meetings and Subsistence Hearings

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice.

SUMMARY: The Bureau of Land Management (BLM), Arctic District Office, Fairbanks, Alaska, is issuing for public comment the Draft Supplemental Environmental Impact Statement (EIS) for the Alpine Satellite Development Plan for the Proposed Greater Mooses Tooth 2 (GMT2) Development Project, National Petroleum Reserve in Alaska (NPR–A). BLM Alaska is also announcing pending public meetings and subsistence-related hearings to receive comments on the GMT2 Draft Supplemental EIS and the project's potential to impact subsistence resources and activities. The EIS will supplement the September 2004 Alpine Satellite Development Plan Final EIS that originally analyzed the GMT2 Project, regarding establishing satellite oil production pads and associated infrastructure within the Alpine field.

DATES: To ensure that the BLM will consider your comments on the GMT2 Draft Supplemental EIS, BLM Alaska must receive your written comments no later than 45 days after the Environmental Protection Agency publishes its notice of availability of the GMT2 Draft Supplemental EIS in the **Federal Register**. BLM Alaska will announce the dates, times, and locations of public meetings on its website, through public notices, media news releases, and/or mailings.

ADDRESSES: You may provide comments by mail, fax, email, or in person. Mail comments to: GMT2 SEIS Comments, Attn: Stephanie Rice, 222 West 7th Avenue #13, Anchorage, Alaska 99513; fax comments to 907–271–3933; email comments to *blm_ak_gmt2_comments@blm.gov;* or hand-deliver comments during normal business hours (9 a.m. to 4 p.m.) to the BLM Public Information Center, 222 West 7th Avenue, Anchorage, Alaska.

You may review the GMT2 Draft Supplemental EIS online at BLM Alaska's website at *http://www.blm.gov/alaska.* You may also review copies of the GMT2 Draft Supplemental EIS at both BLM Alaska Public Information Centers at the Federal Building at 222 West 7th Avenue, Anchorage, and at the Arctic District Office, 222 University Avenue, Fairbanks. You may also request a CD or paper copy of the GMT2 Draft Supplemental EIS by contacting Stephanie Rice, BLM project lead, at 907–271–3202.

FOR FURTHER INFORMATION CONTACT: Stephanie Rice, BLM Alaska State Office, 907–271–3202. People who use a telecommunications device for the deaf (TDD) may call the Federal Relay Service (FRS) at 1–800–877–8339 to contact the above individual during normal business hours. The FRS 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 GMT2 Supplemental EIS analyzes an application from ConocoPhillips, Alaska, Inc. (ConocoPhillips). The application is for a permit to drill and related authorizations to construct, operate, and maintain a drill site, access road, pipelines, and ancillary facilities on federally managed land to support development of petroleum resources at the GMT2 drill site. BLM Alaska manages the surface and subsurface at the drill site and at the proposed infield road and pipeline route. ConocoPhillips may also develop subsurface resources owned by the Arctic Slope Regional Corporation, and may occupy surface lands owned by the Kuukpik Corporation.

The proposed GMT2 site is approximately 25 miles southwest of the ConocoPhillips-operated Alpine Central Processing Facility (CD1) and will be operated and maintained by staff at the Alpine Central Processing Facility.

The GMT2 Project was originally analyzed as the Colville Delta 7 (CD7) drill pad in the BLM's September 2004 Alpine Satellite Development Plan Final EIS. The purpose of the Supplemental EIS is to evaluate any relevant new circumstances and information that have arisen since the Alpine Satellite Development Plan Final EIS was completed, to update the alternatives in the 2004 EIS, and to address any changes to ConocoPhillips' proposed development plan for GMT2. The GMT2 Draft Supplemental EIS analyzes four alternatives, including two alternatives with an access road, an alternative without an access road, and a no-action alternative.

The key issues in the GMT2 Draft Supplemental EIS are the protection of

surface resources; the minimization of social impacts; and the identification of appropriate mitigation measures for the construction, operation, and maintenance of a drill site and access road, pipelines, and ancillary facilities to support development of petroleum resources at the proposed GMT2 site. Section 810 of the Alaska National Interest Lands Conservation Act (ANILCA), 16 U.S.C. 3120, requires that the BLM evaluate effects on subsistence activities for the alternatives presented in this GMT2 Draft Supplemental EIS and to hold public hearings if the BLM finds that any of the alternatives or the cumulative effects of past, present, and reasonably foreseeable future development may significantly restrict subsistence activities.

BLM Alaska will hold public meetings on the GMT2 Draft Supplemental EIS in these Alaska communities: Anchorage, Anaktuvuk Pass, Atqasuk, Utqiaġvik, Fairbanks, and Nuiqsut. In addition, the public meetings at Anaktuvuk Pass, Atqasuk, Utqiaġvik, and Nuiqsut will incorporate subsistence hearings to take comments on subsistence impacts pursuant to the ANILCA.

Before including your address, phone number, email address, or other personally identifying information in your comment, you should be aware that your entire comment—including your personally identifying information—may be made publicly available at any time. While you can ask the BLM in your comment to withhold your personally identifying information from public review, we cannot guarantee that we will be able to do so.

Authority: 16 U.S.C. 3120(a); 40 CFR 1506.6(b).

Karen E. Mouritsen,

Acting State Director, Alaska.

[FR Doc. 2018–06380 Filed 3–28–18; 8:45 am]

BILLING CODE 4310–JA–P

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[LLNVS00560.L58530000.EU0000.241A; N–94628; 12–08807; MO #4500115810; TAS:15X5232]

Notice of Realty Action: Classification for Lease and/or Conveyance for Recreation and Public Purposes of Public Lands for a Park in the Northwest Portion of the Las Vegas Valley, Clark County, Nevada

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice of realty action.

SUMMARY: The Bureau of Land Management (BLM), Las Vegas Field Office, has examined and found suitable for classification for lease and subsequent conveyance under the provisions of the Recreation and Public Purposes (R&PP) Act, as amended, approximately 2.98 acres of public land in the Las Vegas Valley, Clark County, Nevada. The City of Las Vegas proposes to use the land for a community 2.98-acre park that will help meet future expanding recreation needs in the northwestern part of the Las Vegas Valley.

DATES: Interested parties may submit written comments regarding the proposed classification for lease and conveyance of the land until May 14, 2018. Absent any adverse comments, the decision will become effective on May 29, 2018.

ADDRESSES: Mail written comments to the BLM Las Vegas Field Office, Attn: Vanessa L. Hice, Assistant Field Manager, 4701 N Torrey Pines Drive, Las Vegas, Nevada 89130, or faxed to 775–515–5010.

FOR FURTHER INFORMATION CONTACT: Roger Ketterling at the above address or by telephone at 702–515–5087. Persons who use a telecommunications device for the deaf (TDD) may call the Federal Relay Service at 1–800–877–8339 to contact the above individual during normal business hours. The Service 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 parcel is located south of the existing Wayne Bunker Park on Constantinople Avenue between Buffalo Drive and Tenaya Way in northwest Las Vegas and is legally described as:

Mount Diablo Meridian, Nevada

T. 20 S., R. 60 E.,
Sec. 10, SW¼NE¼NW¼NW¼.

The area described contains 2.98 acres in Clark County, Nevada.

In accordance with the R&PP Act, the City of Las Vegas has filed an application to develop the above-described land as a community park consisting of picnic shelters, children's play area, restrooms, pedestrian walkways, parking and turf open space play areas. Additional detailed information pertaining to this publication, plan of development, and site plan is located in case file N–94628, which is available for review at the BLM Las Vegas Field Office at the above address.

The City of Las Vegas is a political subdivision of the State of Nevada and is therefore a qualified applicant under the R&PP Act.

Subject to limitations prescribed by law and regulation, prior to patent issuance, the holder of any right-of-way grant within the lease area may be given the opportunity to amend the right-of-way grant for conversion to a new term, including perpetuity, if applicable.

The land identified is not needed for any Federal purpose. The lease and/or conveyance is consistent with the BLM Las Vegas Resource Management Plan dated October 5, 1998, and would be in the public interest. The City of Las Vegas has not applied for more than the 640-acre limitation for public purpose uses in a year and has submitted a statement in compliance with the regulations at 43CFR 2741.4(b).

The lease and conveyance, when issued, will be subject to the provisions of the R&PP Act and applicable regulations of the Secretary of the Interior, and will contain the following reservations to the United States:

1. A right-of-way thereon for ditches or canals constructed by the authority of the United States, Act of August 30, 1890 (43 U.S.C. 945); and

2. All minerals shall be reserved to the United States, together with the right to prospect for, mine, and remove such deposits for the same under applicable law and such regulations as the Secretary of the Interior may prescribe.

Any lease and conveyance will also be subject to all valid existing rights, will contain any terms or conditions required by law (including, but not limited to, any terms or conditions required by 43 CFR 2741,4), and will contain an appropriate indemnification clause protecting the United States from claims arising out of the lessee's/patentee's use, occupancy, or operations on the leased/patented lands. It will also contain any other terms and conditions deemed necessary and appropriate by the Authorized Officer.

Upon publication of this Notice in the **Federal Register**, the land described above will be segregated from all other forms of appropriation under the public land laws, rights-of-way, including the general mining laws, except for lease and conveyance under the R&PP Act, leasing under the mineral leasing laws, and disposals under the mineral material disposal laws.

Interested parties may submit written comments on the suitability of the land for a public park in the City of Las Vegas. Comments on the classification are restricted to whether the land is physically suited for the proposal, whether the use will maximize the future use or uses of the land, whether

the use is consistent with local planning and zoning, or if the use is consistent with State and Federal programs. Interested parties may also submit written comments regarding the specific use proposed in the application and plan of development, and whether the BLM followed proper administrative procedures in reaching the decision to lease and convey under the R&PP Act.

Before including your address, phone number, email, or other personal identifying information in your comment, you should be aware that your entire comment—including your personal identifying information—may be made publicly available at any time. While you can ask us in your comment to withhold your personal identifying information from public review, we cannot guarantee that we will be able to do so. Only written comments submitted to the Field Manager, BLM Las Vegas Field Office, will be considered properly filed. Any adverse comments will be reviewed by the BLM Nevada State Director, who may sustain, vacate, or modify this realty action.

In the absence of any adverse comments, the decision will become effective on May 29, 2018. The lands will not be available for lease and conveyance until after the decision becomes effective.

Authority: 43 CFR 2741.5.

Vanessa L. Hice,

Assistant Field Manager, Division of Lands, Las Vegas Field Office.

[FR Doc. 2018–06287 Filed 3–28–18; 8:45 am]

BILLING CODE 4310–HC–P

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[LLWY920000. L51040000.FI0000. 18XL5017AR]

Notice of Proposed Reinstatement of Terminated Oil and Gas Lease WYW180886, Wyoming

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice of reinstatement.

SUMMARY: In accordance with the Mineral Leasing Act of 1920, Kenneth K. Farmer (lessee) timely filed with the Bureau of Land Management (BLM) a petition for reinstatement of competitive oil and gas lease WYW180886, situated in Sweetwater County, Wyoming. The lessee paid the required rentals that accrued from the date of termination. BLM did not issue any leases that affect this land prior to receiving the petition. BLM proposes to reinstate this lease.

FOR FURTHER INFORMATION CONTACT: Chris Hite, Chief of Fluid Minerals Adjudication, Bureau of Land Management, Wyoming State Office, 5353 Yellowstone Road, P.O. Box 1828, Cheyenne, Wyoming, 82009; phone 307–775–6176; email *chite@blm.gov.* Persons who use a telecommunications device for the deaf may call the Federal Relay Service (FRS) at 1–800–877–8339 to contact Mr. Hite during normal business hours. The FRS is available 24 hours a day, 7 days a week, to leave a message or question with the above individual. A reply will be sent during normal business hours.

SUPPLEMENTARY INFORMATION: The lessee agrees to the amended lease terms for rentals and royalties at rates of $10 per acre, or fraction thereof, per year and 16–2/3 percent, respectively. The lessee paid the required $500 administrative fee for lease reinstatement and the $159 cost of publishing this Notice. The lessee met the requirements for reinstatement of the lease per Sec. 31(d) and (e) of the Mineral Leasing Act of 1920 (30 U.S.C. 188). The BLM proposes to reinstate the lease effective July 1, 2016, under the original terms and conditions of the lease and the increased rental and royalty rates cited above.

Authority: 30 U.S.C. 188(e)(4) and 43 CFR 3108.2–3(b)(2)(v).

Chris Hite,

Chief, Branch of Fluid Minerals Adjudication.

[FR Doc. 2018–06384 Filed 3–28–18; 8:45 am]

BILLING CODE 4310–22–P

DEPARTMENT OF THE INTERIOR

National Park Service

[NPS–NERO–PAGR–25118; PX.PR166532I.00.1]

Notice of the 2018 Meeting Schedule for the Paterson Great Falls National Historical Park Advisory Commission

AGENCY: National Park Service, Interior.

ACTION: Notice of meeting.

SUMMARY: The National Park Service is hereby giving notice of the 2018 meeting schedule for the Paterson Great Falls National Historical Park Advisory Commission.

DATES: The Commission will meet on the following dates in 2018:

Thursday, April 12, 2018, 2:00 p.m.–5:00 p.m. (EASTERN);

Thursday, July 12, 2018, 2:00 p.m.–5:00 p.m. (EASTERN); and

Thursday, October 11, 2018, 2:00 p.m.–5:00 p.m. (EASTERN).

ADDRESSES: The April and October meetings will be held at The Paterson Museum, 2 Market Street, Paterson, NJ 07501; the July meetings will be held at the Rogers Meeting Center, 32 Spruce Street, Paterson, NJ 07501.

FOR FURTHER INFORMATION CONTACT: Darren Boch, Superintendent and Designated Federal Officer, Paterson Great Falls National Historical Park, 72 McBride Avenue, Paterson, NJ 07501, telephone (973) 523–2630, or email *darren_boch@nps.gov.*

SUPPLEMENTARY INFORMATION: As required by the Federal Advisory Committee Act (5 U.S.C. Appendix 1–16), the National Park Service (NPS) is hereby giving notice for the 2018 meeting schedule for the Paterson Great Falls National Historical Park Advisory Commission. The Commission is authorized by the Omnibus Public Land Management Act, (16 U.S.C. 410lll), ''to advise the Secretary in the development and implementation of the management plan.'' Agendas for these meetings will be provided on the Commission website at *http://www.nps.gov/pagr/parkmgmt/federal-advisory-commission.htm.* Topics to be discussed include updates on the status of the Paterson Great Falls National Historical Park General Management Plan.

The meetings will be open to the public and time will be reserved during each meeting for public comment. Oral comments will be summarized for the record. If individuals wish to have their comments recorded verbatim, they must submit them in writing. Written comments and requests for agenda items may be sent to: Federal Advisory Commission, Paterson Great Falls National Historical Park, 72 McBride Avenue, Paterson, NJ 07501. Before including your address, phone number, email address, or other personal identifying information in your written comments, you should be aware that your entire comment—including your personal identifying information—may be made publicly available at any time. While you can ask us in your comment to withhold your personal identifying information from public review, we cannot guarantee that we will be able to do so. All comments will be made part of the public record and will be electronically distributed to all Committee members.

Authority: 5 U.S.C. Appendix 1–16; 16 U.S.C. 410lll.

Alma Ripps,

Chief, Office of Policy.

[FR Doc. 2018–06250 Filed 3–28–18; 8:45 am]

BILLING CODE 4312–52–P

DEPARTMENT OF THE INTERIOR

Bureau of Ocean Energy Management

[MMAA104000; OMB Control Number 1010–0151; Docket ID: BOEM–2018–0016]

Agency Information Collection Activities; Submission to the Office of Management and Budget for Review and Approval; 30 CFR 550, Subpart B, Plans and Information

AGENCY: Bureau of Ocean Energy Management, Interior.

ACTION: Notice of information collection; request for comment.

SUMMARY: In accordance with the Paperwork Reduction Act of 1995, the Bureau of Ocean Energy Management (BOEM) is proposing to renew an information collection with revisions.

DATES: Interested persons are invited to submit comments on or before April 30, 2018.

ADDRESSES: Send written comments on this information collection request (ICR) to the Office of Management and Budget's Desk Officer for the Department of the Interior by email at *OIRA_Submission@omb.eop.gov;* or via facsimile to 202–395–5806. Please provide a copy of your comments to the BOEM Information Collection Clearance Officer, Anna Atkinson, Bureau of Ocean Energy Management, 45600 Woodland Road, Sterling, Virginia, 20166; or by email to *anna.atkinson@boem.gov.* Please reference Office of Management and Budget (OMB) Control Number 1010–0151 in the subject line of your comments.

FOR FURTHER INFORMATION CONTACT: To request additional information about this ICR, contact Anna Atkinson by email, or by telephone at 703–787–1025. You may also view the ICR at *http://www.reginfo.gov/public/do/PRAMain.*

SUPPLEMENTARY INFORMATION: In accordance with the Paperwork Reduction Act of 1995 (PRA), we provide the general public and other Federal agencies with an opportunity to comment on new, proposed, revised, and continuing collections of information. This helps us assess the impact of our information collection requirements and minimize the public's reporting burden. It also helps the public understand our information collection requirements and provide the requested data in the desired format.

A **Federal Register** notice with a 60-day public comment period soliciting comments on this collection of information was published on December 15, 2017 (82 FR 59645). One comment was received from a private citizen, but it was not germane to the information collection in this ICR.

We are again soliciting comments on the proposed ICR that is described below. We are especially interested in public comment addressing the following issues: (1) Is the collection necessary to the proper functions of BOEM; (2) Will this information be processed and used in a timely manner; (3) Is the estimate of burden accurate; (4) How might BOEM enhance the quality, utility, and clarity of the information to be collected; and (5) How might BOEM minimize the burden of this collection on the respondents, including through the use of information technology?

Comments that you submit in response to this notice are a matter of public record. Before including your address, phone number, email address, or other personal identifying information in your comment, you should be aware that your entire comment—including your personal identifying information—may be made publicly available at any time. While you can ask us in your comment to withhold your personal identifying information from public review, we cannot guarantee that we will be able to do so.

Abstract: The Outer Continental Shelf (OCS) Lands Act, as amended (43 U.S.C. 1331 *et seq.* and 43 U.S.C. 1801 *et seq.*), authorizes the Secretary of the Interior to prescribe rules and regulations to administer leasing of mineral resources on the OCS. Such rules and regulations apply to all operations conducted under a lease, or unit. The OCS Lands Act, at 43 U.S.C. 1340 and 1351, requires the holders of OCS oil and gas or sulphur leases to submit exploration plans (EPs) and development and production plans (DPPs) to the Secretary for approval prior to commencing these activities. Also, as a Federal agency, we have an affirmative duty to comply with the National Environmental Policy Act and the Endangered Species Act (ESA). Compliance with the ESA includes a substantive duty to carry out any agency action in a manner that is not likely to jeopardize protected species, as well as a procedural duty to consult with the United States Fish and Wildlife Service (USFWS) and National Oceanic and Atmospheric Administration Fisheries (NOAA Fisheries) before engaging in a discretionary action that may affect a protected species.

The regulations at 30 CFR part 550, subpart B, concern plans and information that must be submitted to conduct activities on a lease or unit, and are the subject of this collection. The collection also covers the related Notices to Lessees and Operators (NTLs) that BOEM issues to clarify or provide additional guidance on some aspects of our regulations.

BOEM geologists, geophysicists, and environmental scientists and other Federal agencies (*e.g.,* USFWS, NOAA Fisheries) analyze and evaluate the information and data collected under Subpart B to ensure that planned operations are safe; will not adversely affect the marine, coastal, or human environment; and will conserve the resources of the OCS. BOEM uses the information to make an informed decision on whether to approve the proposed EP or DPP as submitted, or require plan modifications. The affected States also review the information collected to determine consistency with approved Coastal Zone Management plans.

In 2016, BOEM published a final rule entitled, ''Oil and Gas and Sulfur Operations on the Outer Continental Shelf—Requirements for Exploratory Drilling on the Arctic Outer Continental Shelf.'' This rule finalized new regulations specific to activities conducted on the Arctic OCS that modify 30 CFR part 550, subpart B. The new regulations require operators to develop an Integrated Operations Plan (IOP) for each exploratory program on the Arctic OCS, as well as to submit additional planning information with the EPs. An additional 3,930 burden hours were approved as part of that rulemaking, and are included in the burden table for this control number. The Secretary's Order 3350 (May 1, 2017), which further implements the President's Executive Order entitled, ''Implementing an America-First Offshore Energy Strategy'' (82 FR 20815, May 3, 2017), directs BOEM to review the final rule. If the Secretary decides that the final determination is to suspend, revise, or rescind the rule, the related burden hours in this OMB control number will be adjusted accordingly.

We protect proprietary information, including the information collected under Subpart B, in accordance with the Freedom of Information Act (5 U.S.C. 552) and the Department of the Interior's implementing regulations (43 CFR part 2), 30 CFR 550.197, ''Data and information to be made available to the public or for limited inspection,'' and 30 CFR part 552, ''Outer Continental Shelf (OCS) Oil and Gas Information Program.''

Title of Collection: 30 CFR 550, Subpart B, Plans and Information.

OMB Control Number: 1010–00151.

Form Number:

- *BOEM–0137—OCS Plan Information Form*
- *BOEM–0138—Exploration Plan (EP) Air Quality Screening Checklist*
- *BOEM–0139—DOCD Air Quality Screening Checklist*
- *BOEM–0141—ROV Survey Report*
- *BOEM–0142—Environmental Impact Analysis Worksheet*

Type of Review: Revision of a currently approved collection.

Respondents/Affected Public: Potential respondents comprise Federal OCS oil, gas, and sulphur lessees and operators.

Total Estimated Number of Annual Responses: 4,266.

Total Estimated Number of Annual Burden Hours: 436,438.

Respondent's Obligation: Mandatory.

Frequency of Collection: On occasion, semi-monthly, and varies by section.

Total Estimated Annual Non-Hour Cost: $3,939,435.

We have identified three non-hour costs associated with this information collection that are cost recovery fees. They consist of fees being submitted with EPs ($3,673), DPPs or Development Operation Coordination Documents (DOCDs) ($4,238), and Conservation Information Documents (CIDs) ($27,348).

There is also one non-hour cost associated with the Protected Species Observer program. The cost associated with this program is due to observation activities that are usually subcontracted to other service companies with expertise in these areas.

Estimated Reporting and Recordkeeping Hour Burden: We expect the estimated annual reporting burden for this collection to be 436,438 hours. We are transferring 3,930 annual burden hours from OMB control number 1010–0189, 30 CFR 550, Subpart B, Arctic OCS Activities, to this information collection request. These 3,930 annual burden hours are for Arctic exploration requirements which were approved by OMB in the final rule for Requirements for Exploratory Drilling on the Arctic OCS, 81 FR 46478 (July 15, 2016). Once this information collection request is approved by OMB, we will be discontinuing OMB control number 1010–0189.

The following table details the individual BOEM components and respective hour burden estimates of this ICR.

BURDEN BREAKDOWN

Citation 30 CFR 550 subpart B and NTLs	Reporting & recordkeeping requirement	Hour burden	Average number of annual responses	Burden hours
		Non-hour costs		
200 thru 206	General requirements for plans and information; fees/refunds, etc.	Burden included with specific requirements below		0
201 thru 206; 211 thru 228: 241 thru 262.	BOEM posts EPs/DPPs/DOCDs on FDMS, and receives public comments for preparation of EAs.	Not considered IC as defined in 5 CFR 1320.3(h)(4)		0
*204***	*For new Arctic OCS exploration activities: submit IOP, including all required information.*	2,880	1	2,880
Subtotal			1	2,880
Ancillary Activities				
208; NTL 2009–G34 *	Notify BOEM in writing, and if required by the Regional Supervisor notify other users of the OCS before conducting ancillary activities.	11	61 notices	671
208; 210(a)	Submit report summarizing & analyzing data/information obtained or derived from ancillary activities.	2	61 reports	122
208; 210(b)	Retain ancillary activities data/information; upon request, submit to BOEM.	2	61 records	122
Subtotal			183 responses	915
Contents of Exploration Plans (EP)				
209; 231(b); 232(d); 234; 235; 281(3); 283; 284; 285; NTL 2015–N01 *.	Submit new, amended, modified, revised, or supplemental EP, or resubmit disapproved EP, including required information; withdraw your EP.	150	345 changed plans	51,750
209; 211 thru 228; NTL 2015–N01 *.	Submit EP and all required information (including, but not limited to, submissions required by BOEM Forms 0137, 0138, 0142; lease stipulations; reports, including shallow hazards surveys; H2S; G&G; archaeological surveys & reports (550.194) ***, in specified formats.	600	163 plans	97,800
	Provide notifications	$3,673 × 163 EP surface locations = $598,699 non-hour cost		
220	Alaska-specific requirements	Burden included with EP requirements (30 CFR 550.211–228).		0
*220***	*For new Arctic OCS exploration activities: submit required Arctic-specific information with EP.*	350	1	350
*220***	*For existing Arctic OCS exploration activities: submit Arctic-specific information, as required.*	700	1	700

BURDEN BREAKDOWN—Continued

Citation 30 CFR 550 subpart B and NTLs	Reporting & recordkeeping requirement	Hour burden	Average number of annual responses	Burden hours
		Non-hour costs		
Subtotal			510 responses	150,600
			$598,699 Non-Hour Costs	
Review and Decision Process for the EP				
235(b); 272(b); 281(d)(3)(ii)	Appeal State's objection	Burden exempt as defined in 5 CFR 1320.4(a)(2) and (c)		0
Contents of Development and Production Plans (DPP) and Development Operations Coordination Documents (DOCD)				
209; 266(b); 267(d); 272(a); 273; 281(3)(i); 283; 284; 285; NTL 2015–N01 *.	Submit amended, modified, revised, updated or supplemental DPP or DOCD, including required information, or resubmit disapproved DPP or DOCD.	235	353 changed plans	82,955
241 thru 262; 209; NTL 2015–N01 *.	Submit DPP/DOCD and required/supporting information (including, but not limited to, submissions required by BOEM Forms 0137, 0139, 0142; lease stipulations; reports, including shallow hazards surveys; archaeological surveys & reports such as shallow hazards surveys (CFR 550.194)), in specified formats. Provide notifications.	700	268 plans	187,600
		$4,238 × 268 DPP/DOCD wells = $1,135,784		
Subtotal			621 responses	270,555
			$1,135,784 Non-hour costs	
Review and Decision Process for the DPP or DOCD				
267(a)	Once BOEM deemed DPP/DOCD submitted; Governor of each affected State, local government official; etc., submit comments/recommendations.	Not considered IC as defined in 5 CFR 1320.3(h)(4)		0
267(b)	General public comments/recommendations submitted to BOEM regarding DPPs or DOCDs.	Not considered IC as defined in 5 CFR 1320.3(h)(4)		0
269(b)	For leases or units in vicinity of proposed development and production activities RD may require those lessees and operators to submit information on preliminary plans for their leases and units.	3	1 response	3
Subtotal			1 responses	3
Post-Approval Requirements for the EP, DPP, and DOCD				
280(b)	In an emergency, request departure from your approved EP, DPP, or DOCD.	Burden included under 1010–0114		0
281(a)	Submit various BSEE applications for approval and submit permits.	Burdens included under appropriate subpart or form (1014–0003; 1014–0011; 1014–0016; 1014–0018)		0
282	Retain monitoring data/information; upon request, make available to BOEM.	4	150 records	600
282(b)	Prepare and submit monitoring plan for approval	2	6 plans	12
	Prepare and Submit monitoring reports and data (including BOEM Form 0141 used in GOMR).	3	12 reports	36
284(a)	Submit updated info on activities conducted under approved EP/DPP/DOCD.	4	56 updates	224
Subtotal			224 responses	872
Submit CIDs				
296(a); 297	Submit CID and required/supporting information; submit CID for supplemental DOCD or DPP.	375	14 documents	5,250
			$27,348 × 14 = $382,872	
296(b); 297	Submit a revised CID for approval	100	13 revisions	1,300
Subtotal			27 responses	6,550

BURDEN BREAKDOWN—Continued

Citation 30 CFR 550 subpart B and NTLs	Reporting & recordkeeping requirement	Hour burden	Average number of annual responses	Burden hours
		Non-hour costs		
			$382,872 non-hour costs	
Seismic Survey Mitigation Measures and Protected Species Observer Program NTL *				
NTL 2016–G02 *; 211 thru 228; 241 thru 262.	Submit to BOEM observer training requirement materials and information.	1.5	2 sets of material	3
	Training certification and recordkeeping	1	1 new trainee	1
	During seismic acquisition operations, submit daily observer reports semi-monthly.	1.5	344 reports	516
	If used, submit to BOEM information on any passive acoustic monitoring system prior to placing it in service.	2	6 submittals	12
	During seismic acquisition operations, submit to BOEM marine mammal observation report(s) semi-monthly or within 14 hours if air gun operations were shut down.	1.5	1,976 reports	2,964
	During seismic acquisition operations, when air guns are being discharged, submit daily observer reports semi-monthly.	1.5	344 reports	516
	Observation Duty (3 observers fulfilling an 8 hour shift each for 365 calendar days × 4 vessels = 35,040 man-hours). This requirement is contracted out; hence the non-hour cost burden.	3 observers × 8 hrs × 365 days = 8,760 hours × 4 vessels observing = 35,040 man-hours × $52/hr = $1,822,080 non-hour costs		
Subtotal			2,673 responses	4,012
			$1,822,080 Non-Hour Costs	
Vessel Strike Avoidance and Injured/Protected Species Reporting NTL *				
NTL 2016–G01 *; 211 thru 228; 241 thru 262.	Notify BOEM within 24 hours of strike, when your vessel injures/kills a protected species (marine mammal/sea turtle).	1	1 notice	1
Subtotal			1 response	1
General Departure and Alternative Compliance				
200 thru 299	General departure and alternative compliance requests not specifically covered elsewhere in Subpart B regulations.	2	25 requests	50
Subtotal			25 responses	50
Total Burden			4,266 responses	436,438

* The identification number of NTLs may change when NTLs are reissued periodically to update information.

** *NEW requirements from the Oil and Gas and Sulfur Operations on the Outer Continental Shelf—Requirements for Exploratory Drilling on the Arctic Outer Continental Shelf final rule.*

*** Archaeological surveys and reports required under 30 CFR 550, Subpart A, in 550.194(a) are generally part of the geohazard survey report required under 30 CFR 550, Subpart B. On average it takes an archaeologist 35 hours to prepare the archaeological survey and report. This hour burden is included in the overall hour burden estimate for submission of EPs and all required information.

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 authority for this action is the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*).

Dated: March 27, 2018.

Deanna Meyer-Pietruszka,

Chief, Office of Policy, Regulation and Analysis.

[FR Doc. 2018–06500 Filed 3–28–18; 8:45 am]

BILLING CODE 4310–MR–P

DEPARTMENT OF THE INTERIOR

Bureau of Reclamation

[RR01115000, 18XR0680A1, RX.R0336902.0019100]

Yakima River Basin Conservation Advisory Group Charter Renewal

AGENCY: Bureau of Reclamation, Interior.

ACTION: Notice of charter renewal.

SUMMARY: Following consultation with the General Services Administration, the Secretary of the Interior (Secretary) is renewing the charter for the Yakima River Basin Conservation Advisory Group (CAG). The purpose of the CAG is to provide recommendations to the Secretary and the State of Washington on the structure and implementation of the Yakima River Basin Water Conservation Program (Basin Conservation Program).

FOR FURTHER INFORMATION CONTACT: Gwendolyn Christensen, Manager, Yakima River Basin Water Enhancement

Project, telephone (509) 575–5848, extension 203; *gchristensen@usbr.gov.*

SUPPLEMENTARY INFORMATION: The Basin Conservation Program is structured to provide economic incentives with cooperative Federal, State, and local funding to stimulate the identification and implementation of structural and nonstructural cost-effective water conservation measures in the Yakima River basin. Improvements in the efficiency of water delivery and use will result in improved streamflows for fish and wildlife and improve the reliability of water supplies for irrigation.

This notice is published in accordance with Section 9(a)(2) of the Federal Advisory Committee Act of 1972 (Pub. L. 92–463, as amended). The certification of renewal is published below.

Certification

I hereby certify that Charter renewal of the Yakima River Basin Conservation Advisory Group is in the public interest in connection with the performance of duties imposed on the Department of the Interior.

Ryan K. Zinke,

Secretary of the Interior.

[FR Doc. 2018–06334 Filed 3–28–18; 8:45 am]

BILLING CODE 4332–90–P

INTERNATIONAL TRADE COMMISSION

[Investigation No. 337–TA–1105]

Certain Programmable Logic Controllers (PLCs) Components Thereof, and Products Containing 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 January 19, 2018, under section 337 of the Tariff Act of 1930, as amended, on behalf of Radwell International, Inc., of Willingboro, New Jersey. 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 programmable logic controllers (PLCs), components thereof, and products containing same by reason of: (1) A conspiracy to fix resale prices in violation of Section 1 of the Sherman Act; (2) a conspiracy to boycott resellers in violation of Section 1 of the Sherman Act; and (3) monopolization in violation of Section 2 of the Sherman Act, the threat or effect of which is to destroy or substantially injure a domestic industry in the United States, or to restrain or monopolize trade and commerce in the United States.

The complainant requests that the Commission institute an investigation and, after the investigation, issue a limited exclusion order and a cease and desist order.

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 *https://www.usitc.gov.* The public record for this investigation may be viewed on the Commission's electronic docket (EDIS) at *https://edis.usitc.gov.*

FOR FURTHER INFORMATION CONTACT: Pathenia M. Proctor, 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, 19 U.S.C. 1337 and in section 210.10 of the Commission's Rules of Practice and Procedure, 19 CFR 210.10 (2017).

Scope of Investigation: Having considered the complaint, the U.S. International Trade Commission, on March 23, 2018, *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)(A) 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 programmable logic controllers (PLCs), components thereof, and products containing same by reason of: (1) A conspiracy to fix resale prices in violation of Section 1 of the Sherman Act; (2) a conspiracy to boycott resellers in violation of Section 1 of the Sherman Act; and (3) monopolization in violation of Section 2 of the Sherman Act, the threat or effect of which is to destroy or substantially injure a domestic industry in the United States, or to restrain or monopolize trade and commerce in the United States;

(2) Pursuant to Commission Rule 210.50(b)(1), 19 CFR 210.50(b)(1), the presiding administrative law judge shall take evidence or other information and hear arguments from the parties and other interested persons with respect to the public interest in this investigation, as appropriate, and provide the Commission with findings of fact and a recommended determination on this issue, which shall be limited to the statutory public interest factors set forth in 19 U.S.C. 1337(d)(1), (f)(1), (g)(1);

(3) 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: Radwell International, Inc., 1 Millennium Drive, Willingboro, NJ 08046.

(b) The respondent is the following entity alleged to be in violation of section 337, and is the party upon which the complaint is to be served: Rockwell Automation, Inc., 1201 South 2nd Street, Milwaukee, WI 53204–2410.

(c) The Office of Unfair Import Investigations, U.S. International Trade Commission, 500 E Street SW, Suite 401, Washington, DC 20436; and

(4) 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 respondent 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 the 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 26, 2018.

Lisa R. Barton,

Secretary to the Commission.

[FR Doc. 2018–06377 Filed 3–28–18; 8:45 am]

BILLING CODE 7020–02–P

INTERNATIONAL TRADE COMMISSION

[Inv. No. 337–TA–1106]

Certain Toner Cartridges and Components Thereof; 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 28, 2018, under section 337 of the Tariff Act of 1930, as amended, on behalf of Canon Inc. of Japan; Canon U.S.A. Inc. of Melville, New York; and Canon Virginia, Inc. of Newport News, Virginia. 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 toner cartridges and components thereof by reason of infringement of U.S. Patent No. 9,746,826 (''the '826 patent''); U.S. Patent No. 9,836,021 (''the '021 patent''); U.S. Patent No. 9,841,727 (''the '727 patent''); U.S. Patent No. 9,841,728 (''the '728 patent''); U.S. Patent No. 9,841,729 (''the '729 patent''); U.S. Patent No. 9,857,764 (''the '764 patent''); U.S. Patent No. 9,857,765 (''the '765 patent''); U.S. Patent No. 9,869,960 (''the '960 patent''); and U.S. Patent No. 9,874,846 (''the '846 patent''). The complaint further alleges that an industry in the United States exists as required by the applicable Federal Statute.

The complainants request 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 *https://www.usitc.gov.* The public record for this investigation may be viewed on the Commission's electronic docket (EDIS) at *https://edis.usitc.gov.*

FOR FURTHER INFORMATION CONTACT: Pathenia M. Proctor, 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, 19 U.S.C. 1337 and in section 210.10 of the Commission's Rules of Practice and Procedure, 19 CFR 210.10 (2017).

Scope of Investigation: Having considered the complaint, the U.S. International Trade Commission, on March 23, 2018, *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 toner cartridges and components thereof by reason of infringement of one or more of claims 1–4, 6, 7, and 9 of the '826 patent; claims 1, 2, 4, 5, 7–11, 13, 18, and 20 of the '021 patent; claims 1, 2, 4–7, 9–12, 15–17, 19–22, 24, 26, and 27 of the '727 patent; claims 1, 2, 4–7, 9–12, 15–17, 19–22, 24, and 26–28 of the '728 patent; claims 1–3, 6, 8–11, 14, 16–21, 24, and 26 of the '729 patent; claims 7–9 of the '764 patent; claims 1, 3, 4, 6, 13, 16, 17, and 19 of the '765 patent; claims 1–7 of the '960 patent; and claims 1–3 of the '846 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 are:

Canon Inc., 30–2, Shimomaruko 3-chome, Ohta-ku, Tokyo 146–8501, Japan

Canon U.S.A., Inc., One Canon Park, Melville, New York 11747

Canon Virginia, Inc., 12000 Canon Boulevard, Newport News, Virginia 23606

(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:

Ninestar Corporation, No. 3883, Zhuhai Avenue, Xiangzhou District, Zhuhai Guangdong, China 519060

Ninestar Image Tech Limited, No. 3883, Zhuhai Avenue, Xiangzhou District, Zhuhai Guangdong, China 519060

Ninestar Technology Company, Ltd., 17950 East Ajax Circle, City of Industry, California 91748

Apex Microtech Ltd., 9/F Unit 18, New Commerce Centre, No. 19, On Sum Street, Shatin, N.T., Hong Kong

Static Control Components, Inc., 3010 Lee Avenue, Sanford, North Carolina 27332–6210

Aster Graphics, Inc., 540 South Melrose Street, Placentia, California 92870

Jiangxi Yibo E-tech Co., Ltd., No. 756 Guangfu Road, Xinyu Hi-Tech Industry Development Zone, Xinyu City, Jiangxi, China 338004

Aster Graphics Co., Ltd., No. A22–23, Bld. D1, Phase VIII, New Town, Agile Garden, Sanxiang, Zhongshan, Guangdong, China 528463

Print-Rite Holdings Ltd., Unit 8, 10/F, Block A, MP Industrial Centre, No. 18 Ka Yip Street, Chai Wan, Hong Kong

Print-Rite N.A., Inc., 341 Mason Road, La Vergne, Tennessee 37086

Union Technology Int'l (M.C.O.) Co. Ltd., 14H, Nam Kwong Building, 223–225 Avenida Dr. Rodrigo, Rodrigues, Macau

Print-Rite Unicorn Image Products Co. Ltd., No. 32 Pingbeiyi Road, Nanping Technology, Industry Park, Nanping Town, Xiangzhou District, Zhuhai, China 519060

Kingway Image Co., Ltd. d/b/a, Zhu Hai Kingway Image Co., Ltd., No. 1, Ping Dong Road 2, Building 1, 4th Floor, Nanping Industry Park, Zhuhai, China

Ourway Image Tech. Co., Ltd., No. 291 People's West Road, Xiangzhou, Zhuhai, China

Ourway Image Co., Ltd., Unit 403, 4/F, Ri Rong Edifice, No. 291 People's West Road, Xiangzhou, Zhuhai, China

Zhuhai Aowei Electronics Co., Ltd., Unit 403, 4/F, Ri Rong Edifice, No. 291 People's West Road, Xiangzhou, Zhuhai, China

Ourway US Inc., 17800 Castleton Street, Suite 412, City of Industry, California 91748

Acecom, Inc.—San Antonio d/b/a InkSell.com, 4212 Thousand Oaks Drive, San Antonio, Texas 78217
ACM Technologies, Inc., 2535 Research Drive, Corona, California 92882
Arlington Industries, Inc., 1616 S. Lakeside Drive, Waukegan, Illinois 60085
Bluedog Distribution Inc., 450 North Park Road, Suite 810, Hollywood, Florida 33021
Do It Wiser LLC d/b/a Image Toner, 4255 Trotters Way #8A, Alpharetta, Georgia 30004
EIS Office Solutions, Inc., 314 Garden Oaks Boulevard, Houston, Texas 77018–5502
eReplacements, LLC, 600 E. Dallas Road, Suite 200, Grapevine, Texas 76051
Frontier Imaging Inc., 1250 W Artesia Boulevard, Compton, California 90220
Garvey's Office Products, Inc., 7500 N. Caldwell Avenue, Niles, Illinois 60714–3808
Global Cartridges, 918 Chula Vista Ave., Suite #3, Burlingame, California 94010
GPC Trading Co., Limited d/b/a GPC Image, Room 1103, Hang Seng Mongkok Building, 677 Nathan Road, Kowloon, Hong Kong
Hong Kong BoZe Co., Limited d/b/a Greensky, Flat/Rm A 27/F, Billion Plaza 2, 10 Cheung Yee Street, Lai Chi Kok, KL Hong Kong
Master Print Supplies, Inc. d/b/a HQ Products, 802 Burlway Road, Burlingame, California 94010
i8 International, Inc. d/b/a Ink4Work.com, 19961 Harrison Avenue, City of Industry, California 91789
Ink Technologies Printer Supplies, LLC, 7600 McEwen Road, Dayton, Ohio 45459
LD Products, Inc., 3700 Cover Street, Long Beach, California 90808
Linkyo Corp. d/b/a SuperMediaStore.com, 629 South Sixth Avenue, La Puente, California 91746
CLT Computers, Inc. d/b/a Multiwave and MWave, 20153 Paseo Del Prado, Walnut, California 91789
Imaging Supplies Investors, LLC d/b/a, SuppliesOutlet.com, SuppliesWholesalers.com, and, OnlineTechStores.com, 5440 Reno Corporate Drive, Reno, Nevada 89511
Online Tech Stores, LLC d/b/a, SuppliesOutlet.com, SuppliesWholesalers.com, and OnlineTechStores.com, 190 Monroe Avenue, Suite 600, Grand Rapids, Michigan 49503–2628
Kuhlmann Enterprises, Inc. d/b/a Precision Roller, 2102 W. Quail Avenue, Suite 1, Phoenix, Arizona 85027
Print After Print, Inc. d/b/a OutOfToner.com, 2640 E. Rose Garden Lane, Phoenix, Arizona 85050
Fairland, LLC d/b/a ProPrint, 155 N. Riverview Drive, Suite 100, Anaheim Hills, California 92808
Reliable Imaging Computer Products, Inc., 9659 Balboa Boulevard, Northridge, California 91325
Apex Excel Limited d/b/a ShopAt247, 19223 Colima Road, Unit 943, Rowland Heights, California 91748
The Supplies Guys, LLC, 590 Centerville Road #388, Lancaster, Pennsylvania 17601
Billiontree Technology USA Inc. d/b/a Toner Kingdom, 19945 Harrison Avenue, City of Industry, California 91789
FTrade Inc. d/b/a ValueToner, 1324 Forest Avenue, Suite 406, Staten Island, New York 10302
V4INK, Inc., 2760 E Philadelphia Street, Ontario, California 91761
World Class Ink Supply, Inc., 47 Cooper Street, Rear Suite, Woodbury, New Jersey 08096
9010–8077 Quebec Inc. d/b/a Zeetoner, 6 Rue Finch, Dollard-Des-Ormeaux, Quebec, Canada H9A 3G9
Zinyaw LLC d/b/a TonerPirate.com and Supply District, 1321 Upland Drive #1359, Houston, Texas 77043

(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 26, 2018.

Lisa R. Barton,

Secretary to the Commission.

[FR Doc. 2018–06378 Filed 3–28–18; 8:45 am]

BILLING CODE 7020–02–P

INTERNATIONAL TRADE COMMISSION

[Investigation No. 337–TA–1016]

Certain Access Control Systems and Components Thereof; Notice of the Commission's Final Determination Finding a Violation of Section 337; Issuance of Limited Exclusion Order and Cease and Desist Orders; Termination of the Investigation

AGENCY: U.S. International Trade Commission.

ACTION: Notice.

SUMMARY: Notice is hereby given that the U.S. International Trade Commission has found a violation of section 337 in this investigation and has issued a limited exclusion order prohibiting importation of infringing access control systems and components thereof and issued cease and desist orders directed to the following respondents: Techtronic Industries Company Ltd. of Tsuen Wan, Hong Kong (''TTi HK''); Techtronic Industries North America Inc. of Hunt Valley, Maryland (''TTi NA''); One World Technologies, Inc. of Anderson, South Carolina (''One World''); and OWT Industries, Inc. of Pickens, South Carolina (''OWT''). The investigation is terminated.

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. Copies of non-confidential documents filed in connection with this investigation are or 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 (*https://www.usitc.gov*). The public record for this investigation

may be viewed on the Commission's electronic docket (EDIS) at *https://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: The Commission instituted this investigation on August 9, 2016, based on a complaint filed by The Chamberlain Group, Inc. of Elmhurst, Illinois (''Chamberlain'' or ''CGI''). 81 FR 52713 (Aug. 9, 2016). The complaint alleges violations of section 337 of the Tariff Act of 1930, as amended (19 U.S.C. 1337), in the importation into the United States, the sale for importation, and the sale within the United States after importation of certain access control systems and components thereof by reason of infringement of one or more of claims 1, 10–12, and 18–25 of U.S. Patent No. 7,196,611 (''the '611 patent''); claims 1–4, 7–12, 15, and 16 of the '319 patent; and claims 7, 11–13, 15–23, and 34–36 of the '336 patent. *Id.* The notice of investigation named the following respondents: TTi HK; TTi NA; One World; OWT; ET Technology (Wuxi) Co., Ltd. of Zhejiang, China (collectively, ''Respondents''); and Ryobi Technologies Inc. of Anderson, South Carolina (''Ryobi''). *Id.* The Office of Unfair Import Investigations is not a party to the investigation.

On October 27, 2016, the Commission determined not to review the ALJ's order (Order No. 4) granting a motion to amend the Notice of Investigation to include the following two additional respondents: Techtronic Trading Limited of Kwai Chung, Hong Kong; and Techtronic Industries Factory Outlets Inc., d/b/a Direct Tools Factory Outlet of Anderson, South Carolina (collectively, ''Techtronic''). *See* Order No. 4, Comm'n Notice of Non-Review (Oct. 27, 2016).

On November 7, 2016, the Commission determined not to review the ALJ's order (Order No. 6) terminating the investigation as to Ryobi. *See* Order No. 6, Comm'n Notice of Non-Review (Nov. 7, 2016).

On March 15, 2017, the Commission determined not to review the ALJ's order (Order No. 15) granting a motion to terminate the investigation as to Techtronic. Order No. 15, Comm'n Notice of Non-Review (Mar. 15, 2017).

On March 20, 2017, the Commission determined not to review the ALJ's order (Order No. 18) granting a motion to terminate the investigation as to claims 10, 19–20, and 22 of the '611 patent and claims 7, 11–13, 15–18, 35, and 36 of the '336 patent. Order No. 18; Comm'n Notice of Non-Review (Mar. 20, 2017).

On March 27, 2017, the ALJ issued Order No. 23 granting Respondents' motion for summary determination of non-infringement of the asserted claims of the '319 patent, stemming from the ALJ's construction of the claim term ''wall console'' to mean ''a wall-mounted control unit including a passive infrared detector.'' *See* Order No. 13 (*Markman* Order at 80).

The ALJ held an evidentiary hearing from May 1, 2017 through May 3, 2017, on issues solely relating to the '336 patent.

On May 3, the Commission determined to review Order No. 23 that granted Respondents' motion for summary determination of non-infringement of the '319 patent. On review, the Commission determined to construe ''wall console'' as a ''wall-mounted control unit,'' vacated Order No. 23, and remanded the investigation as to the '319 patent to the ALJ for further proceedings. *See* Comm'n Op. (May 5, 2017) at 1–2.

On May 31, 2017, the Commission determined not to review the ALJ's order (Order No. 28) granting a motion to terminate the investigation as to all of the pending claims of the '611 patent. Order No. 28; Comm'n Notice of Non-Review (May 31, 2017).

The ALJ held a second evidentiary hearing from July 12, 2017, through July 13, 2017, on issues relating to the '319 patent.

On November 9, 2017, the Commission determined not to review the ALJ's order (Order No. 36) granting a motion to terminate the investigation as to certain accused products and claims 19–23 of the '336 patent. Order No. 36; Comm'n Notice of Non-Review (Nov. 9, 2017).

On October 23, 2017, the ALJ issued his final ID, finding a violation of section 337 by Respondents in connection with claims 1–4, 7–12, 15, and 16 of the '319 patent. Specifically, the ALJ found that the Commission has subject matter jurisdiction, *in rem* jurisdiction over the accused products, and *in personam* jurisdiction over Respondents. ID at 24–26. The ALJ also found that Chamberlain satisfied the importation requirement of section 337 (19 U.S.C. 1337(a)(1)(B)). *Id.* The ALJ further found that the accused products directly infringe asserted claims 1–4, 7–12, 15, and 16 of the '319 patent, and that Respondents induce infringement of those claims. *See* ID at 130–141, 144. The ALJ also found that Respondents failed to establish that the asserted claims of the '319 patent are invalid for obviousness. ID at 151–212. With respect to the '336 patent, the ALJ found that Respondents do not directly or indirectly infringe asserted claim 34 and that claim 34 is not invalid as obvious. ID at 72–74, 105–119. The ALJ further found that claims 15, 19, and 34 of the '336 patent are invalid under 35 U.S.C. 101 for reciting unpatentable subject matter and that claim 15 is invalid for anticipation but that claims 12, 14, and 19 have not been shown invalid for anticipation. ID at 74–103. Finally, the ALJ found that Chamberlain established the existence of a domestic industry that practices the asserted patents under 19 U.S.C. 1337(a)(2). *See* ID at 257–261, 288–294.

Also on October 23, 2017, the ALJ issued his recommended determination on remedy and bonding. Recommended Determination on Remedy and Bonding (''RD''). The ALJ recommends that in the event the Commission finds a violation of section 337, the Commission should issue a limited exclusion order prohibiting the importation of Respondents' accused products and components thereof that infringe the asserted claims of the '319 patent. RD at 2. The ALJ also recommends issuance of cease and desist orders against respondents Techtronic Industries Company Ltd., Techtronic Industries North America Inc., One World Technologies, Inc., and OWT Industries, Inc. based on the presence of commercially significant inventory in the United States. RD at 5. With respect to the amount of bond that should be posted during the period of Presidential review, the ALJ recommends that the Commission set a bond in the amount of zero (*i.e.,* no bond) during the period of Presidential review. RD at 6–7.

On November 6, 2017, Respondents filed a petition for review as to the '319 patent and a contingent petition for review as to the '336 patent. *See* Respondents' Petition for Review. Also on November 6, 2017, Chamberlain filed a petition for review of the ID, primarily challenging the ALJ's findings of no violation of section 337 as it pertains to the '336 patent. *See* Complainant's Petition for Review of Initial Determination on Violation of Section 337.

On November 14, 2017, Chamberlain and Respondents filed their respective responses to the petitions for review. *See* Complainant's Response to Respondents' Petition for Review of Initial Determination on Violation of Section 337; Respondents' Response to Complainant's Petition for Review.

On December 22, 2017, the Commission determined to review the final ID in part. 82 FR 61792–94 (Dec. 29, 2017). Specifically, for the '319

patent the Commission determined to review (1) the ID's finding that a combination of prior art references Doppelt, Jacobs, and Gilbert fail to render the asserted claims obvious; and (2) the ID's finding that a combination of prior art references Matsuoka, Doppelt, and Eckel fail to render the asserted claims obvious. For the '336 patent the Commission determined to review (1) the ID's finding that claim 34 recites ineligible patent subject matter under 35 U.S.C. 101; and (2) the ID's finding that Pruessel, either alone or in combination with Koestler, fails to render claim 34 obvious. The Commission requested the parties to brief certain issues. *Id.* On January 5, 2018, the parties filed submissions to the Commission's question and on remedy, the public interest, and bonding. *See* Complainant's Response to Request for Written Submissions Regarding Issues Under Review; Respondents' Response to Request for Written Submissions Regarding Issues Under Review. On January 12, 2018, the parties filed reply submissions. *See* Complainant's Reply to Respondents' Submission Addressing the Commission's December 22, 2017 Notice; Respondents' Reply to Complainant's Submission Regarding Issues Under Review.

Having examined the record of this investigation, including the final ID, and the parties' submissions, for the '319 patent the Commission has determined to (1) affirm the ALJ's finding that a combination of prior art references Doppelt, Jacobs, and Gilbert fail to render the asserted claims obvious and (2) affirm the ALJ's finding that a combination of prior art references Matsuoka, Doppelt, and Eckel fail to render the asserted claims obvious, but reverse the ALJ's finding that Eckel is analogous art. For the '336 patent the Commission has determined to (1) affirm the ALJ's finding that Pruessel, either alone or in combination with Koestler, fails to render claim 34 obvious and (2) take no position on the ALJ's finding that claim 34 recites ineligible patent subject matter under 35 U.S.C. 101. The Commission adopts the ID's findings to the extent they are not inconsistent with the Commission opinion issued herewith.

Having found a violation of section 337 in this investigation, the Commission has determined that the appropriate form of relief is: (1) A limited exclusion order prohibiting the unlicensed entry of access control systems and components thereof that infringe one or more of claims 1–4, 7–12, 15, and 16 of the '319 patent that are manufactured by, or on behalf of, or are imported by or on behalf of Respondents or any of their affiliated companies, parents, subsidiaries, agents, or other related business entities, or their successors or assigns, are excluded from entry for consumption into the United States, entry for consumption from a foreign-trade zone, or withdrawal from a warehouse for consumption, for the remaining term of the '319 patent except under license of the patent owner or as provided by law; and (2) cease and desist orders prohibiting TTi HK, TTi NA, One World, and OWT from conducting any of the following activities in the United States: Importing, selling, marketing, advertising, distributing, transferring (except for exportation), and soliciting U.S. agents or distributors for, access control systems and components thereof covered by one or more of claims 1–4, 7–12, 15, and 16 of the '319 patent.

The Commission has also determined that the public interest factors enumerated in section 337(d) and (f) (19 U.S.C. 1337(d) and (f)) do not preclude issuance of the limited exclusion order or cease and desist orders. Finally, the Commission has determined that a bond in the amount of zero is required to permit temporary importation during the period of Presidential review (19 U.S.C. 1337(j)) of access control system and components thereof that are subject to the remedial orders. The Commission's orders and opinion were delivered to the President and to the United States Trade Representative on the day of their issuance.

The authority for the Commission's determination is contained in section 337 of the Tariff Act of 1930, as amended (19 U.S.C. 1337), and in Part 210 of the Commission's Rules of Practice and Procedure (19 CFR part 210).

By order of the Commission.

Issued: March 23, 2018.

Katherine Hiner,

Supervisory Attorney.

[FR Doc. 2018–06293 Filed 3–28–18; 8:45 am]

BILLING CODE 7020–02–P

DEPARTMENT OF JUSTICE

Drug Enforcement Administration

[Docket No. DEA–392]

Bulk Manufacturer of Controlled Substances Application: Chattem Chemicals, Inc.

ACTION: Notice; Correction.

SUMMARY: The Drug Enforcement Administration (DEA) published a document in the **Federal Register** on February 6, 2018, concerning a notice of application that inadvertently did not include the controlled substance levorphanol (9220).

Correction

In the **Federal Register** on February 6, 2018, in FR Doc No: 2018–02343 (83 FR 5274), correct the table to include the following basic class of controlled substance:

Controlled substance	Drug code	Schedule
Levorphanol	9220	II

Dated: March 15, 2018.

Susan A. Gibson,

Deputy Assistant Administrator.

[FR Doc. 2018–06327 Filed 3–28–18; 8:45 am]

BILLING CODE 4410–09–P

DEPARTMENT OF JUSTICE

Drug Enforcement Administration

[Docket No. DEA–392]

Importer of Controlled Substances Application: Fisher Clinical Services, Inc.

ACTION: Notice of application.

DATES: Registered bulk manufacturers of the affected basic classes and applicants therefore, may file written comments on or objections to the issuance of the proposed registration on or before April 30, 2018. Such persons may also file a written request for a hearing on the application on or before April 30, 2018.

ADDRESSES: Written comments should be sent to: Drug Enforcement Administration, Attention: DEA Federal Register Representative/DRW, 8701 Morrissette Drive, Springfield, Virginia 22152. All requests for hearing must be sent to: Drug Enforcement Administration, Attn: Administrator, 8701 Morrissette Drive, Springfield, Virginia 22152. All requests for hearing should also be sent to: (1) Drug Enforcement Administration, Attn: Hearing Clerk/LJ, 8701 Morrissette Drive, Springfield, Virginia 22152; and (2) Drug Enforcement Administration, Attn: DEA Federal Register Representative/DRW, 8701 Morrissette Drive, Springfield, Virginia 22152.

SUPPLEMENTARY INFORMATION:

The Attorney General has delegated his authority under the Controlled Substances Act to the Administrator of the Drug Enforcement Administration (DEA), 28 CFR 0.100(b). Authority to exercise all necessary functions with

respect to the promulgation and implementation of 21 CFR part 1301, incident to the registration of manufacturers, distributors, dispensers, importers, and exporters of controlled substances (other than final orders in connection with suspension, denial, or revocation of registration) has been redelegated to the Assistant Administrator of the DEA Diversion Control Division (''Assistant Administrator'') pursuant to section 7 of 28 CFR part 0, appendix to subpart R.

In accordance with 21 CFR 1301.34(a), this is notice that on June 5, 2017, Fisher Clinical Services, Inc., 700 A–C Nestle Way, Breinigsville, Pennsylvania 18031–1522 applied to be registered as an importer of the following basic classes of controlled substances:

Controlled substance	Drug code	Schedule
Methylphenidate	1724	II
Levorphanol	9220	II
Noroxymorphone	9668	II
Tapentadol	9780	II

The company plans to import the listed controlled substances in finished dosage form for testing, and clinical trials purposes only. This authorization does not extend to the import of a finished Food and Drug Administration (FDA) approved or non-approved dosage form for commercial distribution in the United States.

Dated: March 15, 2018.

Susan A. Gibson,

Deputy Assistant Administrator.

[FR Doc. 2018–06321 Filed 3–28–18; 8:45 am]

BILLING CODE 4410–09–P

DEPARTMENT OF JUSTICE

Drug Enforcement Administration

[Docket No. DEA–392]

Importer of Controlled Substances Application: Lannett Company, Inc.

ACTION: Notice of application.

DATES: Registered bulk manufacturers of the affected basic classes and applicants therefore, may file written comments on or objections to the issuance of the proposed registration on or before April 30, 2018. Such persons may also file a written request for a hearing on the application on or before April 30, 2018.

ADDRESSES: Written comments should be sent to: Drug Enforcement Administration, Attention: DEA Federal Register Representative/DRW, 8701 Morrissette Drive, Springfield, Virginia 22152. All requests for hearing must be sent to: Drug Enforcement Administration, Attn: Administrator, 8701 Morrissette Drive, Springfield, Virginia 22152. All requests for hearing should also be sent to: (1) Drug Enforcement Administration, Attn: Hearing Clerk/LJ, 8701 Morrissette Drive, Springfield, Virginia 22152; and (2) Drug Enforcement Administration, Attn: DEA Federal Register Representative/DRW, 8701 Morrissette Drive, Springfield, Virginia 22152.

SUPPLEMENTARY INFORMATION: The Attorney General has delegated his authority under the Controlled Substances Act to the Administrator of the Drug Enforcement Administration (DEA), 28 CFR 0.100(b). Authority to exercise all necessary functions with respect to the promulgation and implementation of 21 CFR part 1301, incident to the registration of manufacturers, distributors, dispensers, importers, and exporters of controlled substances (other than final orders in connection with suspension, denial, or revocation of registration) has been redelegated to the Assistant Administrator of the DEA Diversion Control Division (''Assistant Administrator'') pursuant to section 7 of 28 CFR part 0, appendix to subpart R.

In accordance with 21 CFR 1301.34(a), this is notice that on February 24, 2014, Lannett Company, Inc., 9001 Torresdale Avenue, Philadelphia, Pennsylvania 19136 applied to be registered as an importer of tetrahydrocannabinols (7370), a basic class of controlled substance listed in schedule I.

The company plans to import the finished dosage forms to support their abbreviated new drug application (ANDA) submission to the U.S. Food and Drug Administration (FDA). No other activity for this drug code is authorized for this registration.

Dated: March 15, 2018.

Susan A. Gibson,

Deputy Assistant Administrator.

[FR Doc. 2018–06313 Filed 3–28–18; 8:45 am]

BILLING CODE 4410–09–P

DEPARTMENT OF JUSTICE

Drug Enforcement Administration

[Docket No. DEA–392]

Importer of Controlled Substances Application: Novitium Pharma, LLC

ACTION: Notice of application.

DATES: Registered bulk manufacturers of the affected basic classes, and applicants therefore, may file written comments on or objections to the issuance of the proposed registration on or before April 30, 2018. Such persons may also file a written request for a hearing on the application on or before April 30, 2018.

ADDRESSES: Written comments should be sent to: Drug Enforcement Administration, Attention: DEA Federal Register Representative/DRW, 8701 Morrissette Drive, Springfield, Virginia 22152. All requests for hearing must be sent to: Drug Enforcement Administration, Attn: Administrator, 8701 Morrissette Drive, Springfield, Virginia 22152. All request for hearing should also be sent to: (1) Drug Enforcement Administration, Attn: Hearing Clerk/LJ, 8701 Morrissette Drive, Springfield, Virginia 22152; and (2) Drug Enforcement Administration, Attn: DEA Federal Register Representative/DRW, 8701 Morrissette Drive, Springfield, Virginia 22152.

SUPPLEMENTARY INFORMATION:

The Attorney General has delegated his authority under the Controlled Substances Act to the Administrator of the Drug Enforcement Administration (DEA), 28 CFR 0.100(b). Authority to exercise all necessary functions with respect to the promulgation and implementation of 21 CFR part 1301, incident to the registration of manufacturers, distributors, dispensers, importers, and exporters of controlled substances (other than final orders in connection with suspension, denial, or revocation of registration) has been redelegated to the Assistant Administrator of the DEA Diversion Control Division (''Assistant Administrator'') pursuant to section 7 of 28 CFR part 0, appendix to subpart R.

In accordance with 21 CFR 1301.34(a), this is notice that on January 8, 2018, Novitium Pharma, LLC., 70 Lake Drive, East Windsor, NJ 08520 applied to be registered as an importer of the Schedule II controlled substance Levorphanol (9220).

The company plans to import the controlled substance to develop the manufacturing process for a drug product that will in turn be used to produce a tablet equivalent to the current brand product.

Dated: March 15, 2018.

Susan A. Gibson,

Deputy Assistant Administrator.

[FR Doc. 2018–06318 Filed 3–28–18; 8:45 am]

BILLING CODE 4410–09–P

DEPARTMENT OF JUSTICE

Drug Enforcement Administration

[Docket No. DEA–392]

Importer of Controlled Substances Application: Sharp Clinical Services, INC.

ACTION: Notice of application.

DATES: Registered bulk importers of the affected basic classes, and applicants therefore, may file written comments on or objections to the issuance of the proposed registration on or before April 30, 2018. Such persons may also file a written request for a hearing on the application on or before April 30, 2018.

ADDRESSES: Written comments should be sent to: Drug Enforcement Administration, Attention: DEA Federal Register Representative/DRW, 8701 Morrissette Drive, Springfield, Virginia 22152. All requests for hearing must be sent to: Drug Enforcement Administration, Attn: Administrator, 8701 Morrissette Drive, Springfield, Virginia 22152. All request for hearing should also be sent to: (1) Drug Enforcement Administration, Attn: Hearing Clerk/LJ, 8701 Morrissette Drive, Springfield, Virginia 22152; and (2) Drug Enforcement Administration, Attn: DEA Federal Register Representative/DRW, 8701 Morrissette Drive, Springfield, Virginia 22152. Comments and requests for hearings on applications to import narcotic raw material are not appropriate. 72 FR 3417, (January 25, 2007)

SUPPLEMENTARY INFORMATION:

The Attorney General has delegated his authority under the Controlled Substances Act to the Administrator of the Drug Enforcement Administration (DEA), 28 CFR 0.100(b). Authority to exercise all necessary functions with respect to the promulgation and implementation of 21 CFR part 1301, incident to the registration of manufacturers, distributors, dispensers, importers, and exporters of controlled substances (other than final orders in connection with suspension, denial, or revocation of registration) has been redelegated to the Assistant Administrator of the DEA Diversion Control Division (''Assistant Administrator'') pursuant to section 7 of 28 CFR part 0, appendix to subpart R.

In accordance with 21 CFR 1301.34(a), this is notice that on February 2, 2018, Sharp Clinical Services INC., 300 Kimberton Rd., Phoenixville, PA 19460 applied to be registered as an importer of the following basic classes of controlled substances:

Controlled substance	Drug code	Schedule
Gamma Hydroxybutyric Acid	2010	I
Marihuana	7360	I
3,4-Methylenedioxymethamphetamine	7405	I
Psilocybin	7437	I

The company plans to import the listed controlled substances for analytical research, testing, and clinical trials. No other activity for these drug codes is authorized for this registration. Approval of permit applications will occur only when the registrant's business activity is consistent with what is authorized under 21 U.S.C. 952(a)(2).

Authorization will not extend to the import of FDA approved or non-approved finished dosage forms for commercial sale.

Dated: March 15, 2018.

Susan A. Gibson,

Deputy Assistant Administrator.

[FR Doc. 2018–06319 Filed 3–28–18; 8:45 am]

BILLING CODE 4410–09–P

DEPARTMENT OF JUSTICE

Drug Enforcement Administration

[Docket No. DEA–392]

Bulk Manufacturer of Controlled Substances Application: Navinta LLC

ACTION: Notice of application.

DATES: Registered bulk manufacturers of the affected basic class, and applicants therefore, may file written comments on or objections to the issuance of the proposed registration on or before May 29, 2018.

ADDRESSES: Written comments should be sent to: Drug Enforcement Administration, Attention: DEA Federal Register Representative/DRW, 8701 Morrissette Drive, Springfield, Virginia 22152.

SUPPLEMENTARY INFORMATION: The Attorney General has delegated his authority under the Controlled Substances Act to the Administrator of the Drug Enforcement Administration (DEA), 28 CFR 0.100(b). Authority to exercise all necessary functions with respect to the promulgation and implementation of 21 CFR part 1301, incident to the registration of manufacturers, distributors, dispensers, importers, and exporters of controlled substances (other than final orders in connection with suspension, denial, or revocation of registration) has been redelegated to the Assistant Administrator of the DEA Diversion Control Division (''Assistant Administrator'') pursuant to section 7 of 28 CFR part 0, appendix to subpart R.

In accordance with 21 CFR 1301.33(a), this is notice that on September 13, 2017, Navinta LLC, 1499 Lower Ferry Rd. Ewing, NJ 08618 applied to be registered as a bulk manufacturer for the basic classes of controlled substances:

Controlled substance	Drug code	Schedule
Pentobarbital	2270	II
4-Anilino-N-phenethyl-4-piperidine (ANPP).	8333	II
Levorphanol	9220	II
Remifentanil	9739	II
Fentanyl	9801	II

The company plans to initially manufacture API quantities of the listed controlled substances for validation purposes and FDA approval.

Dated: March 15, 2018.

Susan A. Gibson,

Deputy Assistant Administrator.

[FR Doc. 2018–06325 Filed 3–28–18; 8:45 am]

BILLING CODE 4410–09–P

DEPARTMENT OF JUSTICE

Drug Enforcement Administration

[Docket No. DEA–392]

Importer of Controlled Substances Application: Siegfried USA, LLC

ACTION: Notice of application.

DATES: Registered bulk manufacturers of the affected basic classes, and applicants therefore, may file written comments on or objections to the

issuance of the proposed registration on or before April 30, 2018. Such persons may also file a written request for a hearing on the application on or before April 30, 2018.

ADDRESSES: Written comments should be sent to: Drug Enforcement Administration, Attention: DEA Federal Register Representative/DRW, 8701 Morrissette Drive, Springfield, Virginia 22152. All requests for hearing must be sent to: Drug Enforcement Administration, Attn: Administrator, 8701 Morrissette Drive, Springfield, Virginia 22152. All request for hearing should also be sent to: (1) Drug Enforcement Administration, Attn: Hearing Clerk/LJ, 8701 Morrissette Drive, Springfield, Virginia 22152; and (2) Drug Enforcement Administration, Attn: DEA Federal Register Representative/DRW, 8701 Morrissette Drive, Springfield, Virginia 22152. Comments and requests for hearings on applications to import narcotic raw material are not appropriate. 72 FR 3417 (January 25, 2007).

SUPPLEMENTARY INFORMATION:

The Attorney General has delegated his authority under the Controlled Substances Act to the Administrator of the Drug Enforcement Administration (DEA), 28 CFR 0.100(b). Authority to exercise all necessary functions with respect to the promulgation and implementation of 21 CFR part 1301, incident to the registration of manufacturers, distributors, dispensers, importers, and exporters of controlled substances (other than final orders in connection with suspension, denial, or revocation of registration) has been redelegated to the Assistant Administrator of the DEA Diversion Control Division (''Assistant Administrator'') pursuant to section 7 of 28 CFR part 0, appendix to subpart R.

In accordance with 21 CFR 1301.34(a), this is notice that on February 2, 2018, Siegfried USA, LLC, 33 Industrial Park Road, Pennsville, NJ 08070 applied to be registered as an importer of the following basic classes of controlled substances:

Controlled substance	Drug code	Schedule
Opium, raw	9600	II
Poppy Straw Concentrate.	9670	II

The company plans to import the listed controlled substances to manufacture bulk active pharmaceuticals ingredients (API) for distribution to its customers.

Dated: March 15, 2018.

Susan A. Gibson,

Deputy Assistant Administrator.

[FR Doc. 2018–06320 Filed 3–28–18; 8:45 am]

BILLING CODE 4410–09–P

DEPARTMENT OF JUSTICE

Drug Enforcement Administration

[Docket No. DEA–392]

Bulk Manufacturer of Controlled Substances Application: Insys Manufacturing LLC

ACTION: Notice of application.

DATES: Registered bulk manufacturers of the affected basic classes, and applicants therefore, may file written comments on or objections to the issuance of the proposed registration on or before May 29, 2018.

ADDRESSES: Written comments should be sent to: Drug Enforcement Administration, Attention: DEA Federal Register Representative/DRW, 8701 Morrissette Drive, Springfield, Virginia 22152.

SUPPLEMENTARY INFORMATION: The Attorney General has delegated his authority under the Controlled Substances Act to the Administrator of the Drug Enforcement Administration (DEA), 28 CFR 0.100(b). Authority to exercise all necessary functions with respect to the promulgation and implementation of 21 CFR part 1301, incident to the registration of manufacturers, distributors, dispensers, importers, and exporters of controlled substances (other than final orders in connection with suspension, denial, or revocation of registration) has been redelegated to the Assistant Administrator of the DEA Diversion Control Division (''Assistant Administrator'') pursuant to section 7 of 28 CFR part 0, appendix to subpart R.

In accordance with 21 CFR 1301.33(a), this is notice that on December 7, 2017, Insys Manufacturing LLC, 2700 Oakmont Drive, Round Rock, Texas 78665 applied to be registered as a bulk manufacturer the following basic classes of controlled substances:

Controlled substance	Drug code	Schedule
Marihuana	7360	I
Tetrahydrocannabinols.	7370	I

The company plans to manufacture bulk synthetic active pharmaceutical ingredients (APIs) for product development and distribution to its customers. No other activity for these drug codes are authorized for this registration.

Dated: March 15, 2018.

Susan A. Gibson,

Deputy Assistant Administrator.

[FR Doc. 2018–06324 Filed 3–28–18; 8:45 am]

BILLING CODE 4410–09–P

DEPARTMENT OF JUSTICE

Drug Enforcement Administration

[Docket No. DEA–392]

Bulk Manufacturer of Controlled Substances Application: National Center for Natural Products Research NIDA MPROJECT

ACTION: Notice of application.

DATES: Registered bulk manufacturers of the affected basic classes, and applicants therefore, may file written comments on or objections to the issuance of the proposed registration on or before May 29, 2018.

ADDRESSES: Written comments should be sent to: Drug Enforcement Administration, Attention: DEA Federal Register Representative/DRW 8701 Morrissette Drive, Springfield, Virginia 22152.

SUPPLEMENTARY INFORMATION: The Attorney General has delegated his authority under the Controlled Substances Act to the Administrator of the Drug Enforcement Administration (DEA), 28 CFR 0.100(b). Authority to exercise all necessary functions with respect to the promulgation and implementation of 21 CFR part 1301, incident to the registration of manufacturers, distributors, dispensers, importers, and exporters of controlled substances (other than final orders in connection with suspension, denial, or revocation of registration) has been redelegated to the Assistant Administrator of the DEA Diversion Control Division (''Assistant Administrator'') pursuant to section 7 of 28 CFR part 0, appendix to subpart R.

In accordance with 21 CFR 1301.33(a), this is notice that on October 18, 2017, National Center for Natural Products Research NIDA MPROJECT, University of Mississippi, 135 Coy Waller Complex, P.O. Box 1848, University, Mississippi 38677–1848 applied to be registered as a bulk manufacturer of the following basic classes of controlled substances:

Controlled substance	Drug code	Schedule
Marihuana Extract.	7350	I
Marihuana	7360	I
Tetrahydrocannabinols.	7370	I

The company plans to bulk manufacture the listed controlled substances to make available to the National Institute on Drug Abuse (NIDA) a supply of bulk marihuana for distribution to research investigators in support of the national research program needs. No other activities for these drug codes are authorized for this registration.

Dated: March 15, 2018.

Susan A. Gibson,

Deputy Assistant Administrator.

[FR Doc. 2018–06323 Filed 3–28–18; 8:45 am]

BILLING CODE 4410–09–P

DEPARTMENT OF JUSTICE

Drug Enforcement Administration

[Docket No. DEA–392]

Importer of Controlled Substances Application: S&B Pharma, Inc.

ACTION: Notice of application.

DATES: Registered bulk manufacturers of the affected basic classes, and applicants therefore, may file written comments on or objections to the issuance of the proposed registration on or before April 30, 2018. Such persons may also file a written request for a hearing on the application on or before April 30, 2018.

ADDRESSES: Written comments should be sent to: Drug Enforcement Administration, Attention: DEA Federal Register Representative/DRW, 8701 Morrissette Drive, Springfield, Virginia 22152. All requests for hearing must be sent to: Drug Enforcement Administration, Attn: Administrator, 8701 Morrissette Drive, Springfield, Virginia 22152. All request for hearing should also be sent to: (1) Drug Enforcement Administration, Attn: Hearing Clerk/LJ, 8701 Morrissette Drive, Springfield, Virginia 22152; and (2) Drug Enforcement Administration, Attn: DEA Federal Register Representative/DRW, 8701 Morrissette Drive, Springfield, Virginia 22152.

SUPPLEMENTARY INFORMATION:

The Attorney General has delegated his authority under the Controlled Substances Act to the Administrator of the Drug Enforcement Administration (DEA), 28 CFR 0.100(b). Authority to exercise all necessary functions with respect to the promulgation and implementation of 21 CFR part 1301, incident to the registration of manufacturers, distributors, dispensers, importers, and exporters of controlled substances (other than final orders in connection with suspension, denial, or revocation of registration) has been redelegated to the Assistant Administrator of the DEA Diversion Control Division (''Assistant Administrator'') pursuant to section 7 of 28 CFR part 0, appendix to subpart R.

In accordance with 21 CFR 1301.34(a), this is notice that on February 18, 2015, S&B Pharma, Inc., DBA NORAC Pharma, 405 S. Motor Avenue, Azusa, CA 91702 applied for renewal of their registration as an importer of the following basic classes of controlled substances:

Controlled substance	Drug code	Schedule
4-Anilino-N-phenethyl-4-piperidine (ANPP).	8333	II
Tapentadol	9780	II

The company plans to import the controlled substances in bulk for the manufacture of other controlled substances for its customers. Tapentadol (9780) will be imported in Intermediate form to bulk manufacture Tapentadol for distribution to its customers. No other activity for these drug codes will be allowed.

Dated: March 15, 2018.

Susan A. Gibson,

Deputy Assistant Administrator.

[FR Doc. 2018–06322 Filed 3–28–18; 8:45 am]

BILLING CODE 4410–09–P

DEPARTMENT OF JUSTICE

Notice of Lodging of Proposed Consent Decree Under the Clean Air Act

On March 23, 2018, the Department of Justice lodged a proposed consent decree with the United States District Court for the District of North Dakota in the lawsuit entitled *United States of America* v. *XTO Energy Inc.,* Civil Action No. 1:18–cv–00060.

The lawsuit seeks injunctive relief and civil penalties for violations of the Clean Air Act and the Federal Implementation Plan for Oil and Natural Gas Well Production Facilities; Fort Berthold Indian Reservation at well pads owned and operated by XTO Energy Inc. (''XTO'') on the Fort Berthold Indian Reservation in North Dakota. The violations relate to alleged failures to adequately design, operate, and maintain storage tank vapor control systems, resulting in emissions of volatile organic compounds (''VOC'') and other pollutants to the atmosphere.

The proposed consent decree covers all 20 of XTO's well pads on the Fort Berthold Indian Reservation. The proposed decree requires XTO to perform injunctive relief, including conducting engineering evaluations of the vapor control systems at each of the well pads to ensure that they are adequately sized and designed. XTO must also complete one environmental mitigation project, estimated to cost at least $425,000, and pay a $320,000 civil penalty. Entering into and fully complying with the proposed consent decree would release XTO from past civil liability at the tanks systems as associated vapor control systems for violations of the Fort Berthold FIP relating to VOC emissions from storage tanks.

The publication of this notice opens a period for public comment on the consent decree. Comments should be addressed to the Assistant Attorney General, Environment and Natural Resources Division, and should refer to *United States of America* v. *XTO Energy Inc.,* D.J. Ref. No. 90–5–2–1–11656. All comments must be submitted no later than thirty (30) days after the publication date of this notice. Comments may be submitted either by email or by mail:

To submit comments:	*Send them to:*
By email	*pubcomment-ees.enrd@usdoj.gov.*
By mail	Assistant Attorney General, U.S. DOJ–ENRD, P.O. Box 7611, Washington, DC 20044–7611.

During the public comment period, the consent decree may be examined and downloaded at this Justice Department website: *https://www.justice.gov/enrd/consent-decrees.* We will provide a paper copy of the consent decree upon written request and payment of reproduction costs. Please mail your request and payment to: Consent Decree Library, U.S. DOJ—ENRD, P.O. Box 7611, Washington, DC 20044–7611.

Please enclose a check or money order for $17.00 (25 cents per page

reproduction cost) payable to the United States Treasury.

Robert Brook,

Assistant Section Chief, Environmental Enforcement Section, Environment and Natural Resources Division.

[FR Doc. 2018–06366 Filed 3–28–18; 8:45 am]

BILLING CODE 4410–15–P

DEPARTMENT OF JUSTICE

Notice of Lodging of Proposed Consent Decree Under the Comprehensive Environmental Response, Compensation and Liability Act and The Clean Water Act

On March 22, 2018, the Department of Justice lodged a proposed Consent Decree with the United States District Court for the Western District of Louisiana in the lawsuit entitled *United States, Louisiana Department of Environmental Quality, and Louisiana Department of Wildlife and Fisheries, for the State of Louisiana* v. *CITGO Petroleum Corporation, Occidental Chemical Corporation, OXY USA Inc., and PPG Industries, Inc.,* Civil Action No. 2:18–cv–00402.

The Consent Decree resolves Plaintiffs' claims, as the trustees of natural resources, for injuries to natural resources in connection with the discharge of hazardous substances into Bayou d'Inde in the Calcasieu Estuary located in Calcasieu Parish, Louisiana. Specifically, the United States, on behalf of the National Oceanic and Atmospheric Administration and the U.S. Department of Interior, as federal trustees for natural resources injured by Settlors' disposals of hazardous substances, seek to recover natural resource damages pursuant to Section 107(a) of the Comprehensive Environmental Response, Compensation, and Liability Act (''CERCLA''), 42 U.S.C. 9607(a), and Section 311(f) of the Federal Water Pollution Control Act (''CWA''), 33 U.S.C. 1321(f). The Louisiana Department of Environmental Quality (''LDEQ'') and the Louisiana Department of Wildlife and Fisheries (''LDWF''), for the State of Louisiana, join in this action and also seek to resolve claims under the Louisiana Environmental Quality Act, La. R.S. § 30:2025. The proposed Consent Decree resolves these claims. Under the proposed Consent Decree, Settling Defendants CITGO Petroleum Corporation, Occidental Chemical Corporation, OXY USA Inc., and PPG Industries, Inc. are resolving their liability for natural resource damages alleged in the Complaint and agree to pay jointly the total sum of $11 million from which $3,045,046 will reimburse the federal and state trustees for past assessment costs ($2,981,841.85 for federal trustees and $63,204 for state trustees) and $7,954,954.15 will be deposited into the Bayou d'Inde Area of Concern Site Restoration Account within the NRDAR Fund managed by the United States Department of Interior for use by the trustees to pay for future natural resource restoration actions selected by the trustees. In consideration for the payments to be made by the Settling Defendants, and subject to certain reservations of rights, the United States, LDEQ and LDWF covenant not to sue or take any civil judicial or administrative action against the Settling Defendants to recover for the natural resource damages as defined in the Consent Decree.

The publication of this notice opens a period for public comment on the Consent Decree. Comments should be addressed to the Assistant Attorney General, Environment and Natural Resources Division, and should refer to *United States, Louisiana Department of Environmental Quality, and Louisiana Department of Wildlife and Fisheries, for the State of Louisiana* v. *CITGO Petroleum Corporation, Occidental Chemical Corporation, OXY USA Inc., and PPG Industries, Inc.,* D.J. Ref. No. 90–11–2–1284/3. All comments must be submitted no later than thirty (30) days after the publication date of this notice. Comments may be submitted either by email or by mail:

To submit comments:	*Send them to:*
By email	*pubcomment-ees.enrd@usdoj.gov.*
By mail	Assistant Attorney General, U.S. DOJ–ENRD, P.O. Box 7611, Washington, DC 20044–7611.

During the public comment period, the Consent Decree may be examined and downloaded at this Justice Department website: *https://www.justice.gov/enrd/consent-decrees.* We will provide a paper copy of the Consent Decree upon written request and payment of reproduction costs. Please mail your request and payment to: Consent Decree Library, U.S. DOJ—ENRD, P.O. Box 7611, Washington, DC 20044–7611.

Please enclose a check or money order for $9.75 (25 cents per page reproduction cost) payable to the United States Treasury.

Thomas P. Carroll,

Assistant Section Chief, Environmental Enforcement Section, Environment and Natural Resources Division.

[FR Doc. 2018–06360 Filed 3–28–18; 8:45 am]

BILLING CODE 4410–15–P

DEPARTMENT OF JUSTICE

Notice of Lodging of Proposed Consent Decree Under the Clean Air Act

On March 19, 2018, the Department of Justice lodged a proposed Consent Decree with the United States District Court for the Northern District of Ohio in the lawsuit entitled *United States* v. *Martin Marietta Magnesia Specialties LLC,* Civil Action No. 3:18–cv–00633.

The proposed Consent Decree resolves claims under Clean Air Act (''CAA'') Sections 113(b) and 167, 42 U.S.C. 7413(b) and 7477, against Martin Marietta Magnesia Specialties LLC (''MMMS''), the owner and operator of a lime manufacturing plant located in Woodville, Sandusky County, Ohio. The Complaint asserts claims pursuant to the CAA for violations of the Prevention of Significant Deterioration (''PSD'') provisions of the CAA, 42 U.S.C. 7470–92, Title V of the Act, 42 U.S.C. 7661 *et seq.,* and the National Emission Standards for Hazardous Air Pollutants (''NESHAP'') provisions of the CAA, 42 U.S.C. 7412, and the NESHAP regulations governing lime manufacturing plants, 40 CFR part 63, subparts A and AAAAA (''Lime MACT'').

Under the proposed Consent Decree, and at an estimated cost of approximately $20 million, MMMS will address sulfur dioxide (''SO_2'') and nitrogen oxide (''NO_X'') emissions from the Woodville Facility through the addition of preheaters to Lime Kilns #1 and #2 and address particulate matter (''PM'') emissions by routing emissions from Kiln #1 through a baghouse. Kilns #1 and #2 will also be required to meet specified SO_2 and NO_X emissions limits. Additionally, under the proposed Consent Decree, MMMS will pay an $800,000 civil penalty and perform a vehicle replacement supplemental environmental project valued at $375,000.

The publication of this notice opens a period for public comment on the Consent Decree. Comments should be addressed to the Assistant Attorney General, Environment and Natural Resources Division, and should refer to *United States* v. *Martin Marietta*

Magnesia Specialties, LLC, D.J. Ref. No. 90–5–2–1–10203. All comments must be submitted no later than thirty (30) days after the publication date of this notice. Comments may be submitted either by email or by mail:

To submit comments:	Send them to:
By email	*pubcomment-ees.enrd@usdoj.gov.*
By mail	Assistant Attorney General, U.S. DOJ—ENRD, P.O. Box 7611, Washington, D.C. 20044–7611

During the public comment period, the Consent Decree may be examined and downloaded at this Justice Department website: *https://www.justice.gov/enrd/consent-decrees.* We will provide a paper copy of the Consent Decree upon written request and payment of reproduction costs. Please mail your request and payment to: Consent Decree Library, U.S. DOJ—ENRD, P.O. Box 7611, Washington, DC 20044–7611.

Please enclose a check or money order for $12.50 (25 cents per page reproduction cost) payable to the United States Treasury.

Randall M. Stone,

Acting Assistant Section Chief, Environmental Enforcement Section, Environment and Natural Resources Division.

[FR Doc. 2018–06291 Filed 3–28–18; 8:45 am]

BILLING CODE 4410–15–P

DEPARTMENT OF JUSTICE

Notice of Lodging of Proposed Consent Decree Under the Comprehensive Environmental Response, Compensation and Recovery Act

On March 23, 2018, the Department of Justice lodged a proposed Consent Decree with the United States District Court for the Eastern District of Pennsylvania in the lawsuit entitled *United States* v. *Renaissance Land Associates II, L.P., et al.,* Civil Action No. 18–01205–JD.

The United States filed this lawsuit under the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA). The United States' complaint names two related entities, Renaissance Land Associates II, L.P., and Renaissance Land Associates III, L.P., as defendants. The complaint requests injunctive relief in the form of performing certain remedial actions and recovery of response costs incurred by the United States in connection with Operable Units 1 and 2 of the Crater Resources, Inc. Superfund Site (''Site'') located in Upper Merion Township, Montgomery County, Pennsylvania. Under the Consent Decree, the defendants agree to pay past response costs of $138,800 and pay the United States' interim and future costs related to negotiating the Consent Decree and overseeing the remedial action. The defendants also agree to implement the response action prescribed by EPA for Operable Units 1 and 2, namely, capping the remaining contamination to health-protective standards for residents. In return, the United States agrees not to sue the defendants under sections 106 and 107 of CERCLA.

If the defendants, which are commercial developers, convey their Site property in the future, the Consent Decree binds the defendants' successors to various operations and maintenance and institutional controls obligations. The United States' covenant not to sue the defendants extends to their successors provided that the successors execute a form requiring them to comply with various Consent Decree conditions. The covenant not to sue extends only to contamination that exists at the Site as of the effective date of the Consent Decree.

The publication of this notice opens a period for public comment on the Consent Decree. Comments should be addressed to the Assistant Attorney General, Environment and Natural Resources Division, and should refer to *United States Renaissance Land Associates II, L.P., et al.,* D.J. Ref. No. 90–11–2–1283/4. All comments must be submitted no later than thirty (30) days after publication of this notice. Comments may be submitted either by email or by mail:

To submit comments:	Send them to:
By email	*pubcomment-ees.enrd@usdoj.gov.*
By mail	Assistant Attorney General, U.S. DOJ–ENRD, P.O. Box 7611, Washington, DC 20044–7611.

During the public comment period, the Consent Decree may be examined and downloaded at this Justice Department website: *https://www.justice.gov/enrd/consent-decrees.* Alternatively, we will provide a paper copy of the Consent Decree upon written request and payment of reproduction costs. Please mail your request and payment to: Consent Decree Library, U.S. DOJ–ENRD, P.O. Box 7611, Washington, DC 20044–7611.

Please enclose a check or money order for $194.75 (25 cents per page reproduction cost) payable to the United States Treasury. For a paper copy without the exhibits, the cost is $25.00.

Robert Brook,

Assistant Section Chief, Environmental Enforcement Section, Environment and Natural Resources Division.

[FR Doc. 2018–06338 Filed 3–28–18; 8:45 am]

BILLING CODE 4410–15–P

DEPARTMENT OF LABOR

Employment and Training Administration

Notice of a Change in Status of an Extended Benefit (EB) Period for Alaska

AGENCY: Employment and Training Administration, Department of Labor.

ACTION: Notice.

SUMMARY: This notice announces a change in benefit period eligibility under the EB Program for Alaska.

The following change has occurred since the publication of the last notice regarding the state's EB status:

• Based on data released by the Bureau of Labor Statistics on March 12, 2018, Alaska's 3-month average seasonally adjusted total unemployment rate (TUR) remains above 6.5 percent for the 3-months ending January 2018. However, this rate fails to meet the requirement of being at least 110 percent of the seasonally adjusted TUR for the corresponding period in either of the prior two years. Therefore, the EB period for Alaska will end on April 7, 2018. The state will remain in an ''off'' period for a minimum of 13 weeks.

Information for Claimants

The duration of benefits payable in the EB Program, and the terms and conditions on which they are payable, are governed by the Federal-State Extended Unemployment Compensation Act of 1970, as amended, and the operating instructions issued to the states by the U.S. Department of Labor. In the case of a state ending an EB period, the State Workforce Agency will furnish a written notice to each individual who is currently filing claims for EB of the forthcoming termination of the EB period and its effect on the individual's right to EB (20 CFR 615.13 (c)).

Persons who believe they may be entitled to EB, or who wish to inquire about their rights under the program, should contact their State Workforce Agency.

FOR FURTHER INFORMATION CONTACT: U.S. Department of Labor, Employment and

Training Administration, Office of Unemployment Insurance Room S–4524, Attn: Anatoli Sznoluch, 200 Constitution Avenue NW, Washington, DC 20210, telephone number (202)–693–3176 (this is not a toll-free number) or by email: *Sznoluch.Anatoli@dol.gov.*

Signed in Washington, DC.

Rosemary Lahasky,

Deputy Assistant Secretary for Employment and Training, Department of Labor.

[FR Doc. 2018–06243 Filed 3–28–18; 8:45 am]

BILLING CODE 4510–FT–P

MILLENNIUM CHALLENGE COPORATION

[MCC FR 18–07]

Millennium Challenge Corporation Advisory Council Notice of Open Meeting

AGENCY: Millennium Challenge Corporation.

ACTION: Notice.

SUMMARY: The Millennium Challenge Corporation Advisory Council will hold its spring meeting on April 17 2018. See **SUPPLEMENTARY INFORMATION** for agenda and other information.

DATES: The meeting will take place on April 17, 2018, from 9 a.m. to 2 p.m. EST which includes a working lunch.

ADDRESSES: The meeting will be held at the Millennium Challenge Corporation 1099 14th St. NW, Suite 700 Washington, DC 20005.

FOR FURTHER INFORMATION CONTACT: Beth Roberts at *MCCAdvisoryCouncil@mcc.gov* or 202–521–3600 or visit *https://www.mcc.gov/about/org-unit/advisory-council.*

SUPPLEMENTARY INFORMATION: In accordance with the requirements of the Federal Advisory Committee Act, 5 U.S.C.—App., the Millennium Challenge Corporation (MCC) Advisory Council was established as a discretionary advisory committee on July 14, 2016, to serve MCC in a solely advisory capacity and provide insight regarding innovations in infrastructure, technology and sustainability; perceived risks and opportunities in MCC partner countries; new financing mechanisms for developing country contexts; and shared value approaches. The Advisory Council provides a platform for systematic engagement with the private sector and other external stakeholders and contributes to MCC's mission—to reduce poverty through sustainable, economic growth.

Agenda: During the spring 2018 meeting of the MCC Advisory Council, members will discuss with MCC leadership the best ways to engage the private sector in MCC's on-going work around the world. The Council will also provide advice on ways MCC can leverage its compacts through blended finance approaches, and share their guidance on MCC's threshold program in Kosovo. Guest speaker, Erin Walsh, Assistant Secretary of Commerce for Global Markets and Director General of the U.S. and Foreign Commercial Service will discuss with the Council ongoing coordination between MCC and the U.S. Department of Commerce to maximize private sector engagement in MCC's portfolio.

Public Participation: The meeting will be open to the public. Members of the public may file written statement(s) before or after the meeting. If you plan to attend, please submit your name and affiliation no later than Monday, April 9, to *MCCAdvisoryCouncil@mcc.gov* to be placed on an attendee list.

Jeanne M. Hauch,

VP/General Counsel and Corporate Secretary, Millennium Challenge Corporation.

[FR Doc. 2018–06275 Filed 3–28–18; 8:45 am]

BILLING CODE 9211–03–P

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

[Notice (18–027)]

Notice of Intent To Grant Exclusive Patent License

AGENCY: National Aeronautics and Space Administration.

ACTION: Notice of intent to grant an exclusive patent license.

SUMMARY: NASA hereby gives notice of its intent to grant an exclusive patent license in the United States to practice the invention described and claimed in U.S. Provisional 62/616,479 entitled, ''A Corrected BMI for Improved Assessment of Human Weight-Related Pathology'' to AQ Digital Health, having its principal place of business in Baltimore, MD.

DATES: The prospective exclusive license may be granted unless, no later than April 13, 2018, NASA receives written objections including evidence and argument that establish that the grant of the license would not be consistent with the requirements regarding the licensing of federally owned inventions as set forth in the Bayh-Dole Act and implementing regulations. Competing applications completed and received by NASA no later than April 13, 2018 will also be treated as objections to the grant of the contemplated exclusive license. Objections submitted in response to this notice will not be made available to the public for inspection and, to the extent permitted by law, will not be released under the Freedom of Information Act.

ADDRESSES: Objections relating to the prospective license may be submitted to Patent Counsel, Bryan A. Geurts, Goddard Space Flight Center, 8800 Greenbelt Road M/S 140.1, Greenbelt MD 20771. Phone (301) 286–7351. Facsimile (301) 286–9502.

FOR FURTHER INFORMATION CONTACT: Eric McGill, Innovative Partnerships Program Office, Goddard Space Flight Center, 8800 Greenbelt Road M/S 102.0, Greenbelt, MD 20771. Phone (301) 286–8596.

SUPPLEMENTARY INFORMATION: This notice of intent to grant an exclusive patent license is issued in accordance with 35 U.S.C. 209(e) and 37 CFR 404.7(a)(1)(i). The patent rights in these inventions have been assigned to the United States of America as represented by the Administrator of the National Aeronautics and Space Administration. The prospective exclusive license will comply with the requirements of 35 U.S.C. 209 and 37 CFR 404.7.

Information about other NASA inventions available for licensing can be found online at *http://technology.nasa.gov.*

Mark P. Dvorscak,

Agency Counsel for Intellectual Property.

[FR Doc. 2018–06310 Filed 3–28–18; 8:45 am]

BILLING CODE 7510–13–P

NATIONAL SCIENCE FOUNDATION

Sunshine Act Meetings; National Science Board

The National Science Board's ad hoc Committee on Elections, pursuant to NSF regulations (45 CFR part 614), the National Science Foundation Act, as amended (42 U.S.C. 1862n–5), and the Government in the Sunshine Act (5 U.S.C. 552b), hereby gives notice of the scheduling of a teleconference for the transaction of National Science Board business, as follows:

TIME AND DATE: April 2, 2018 from 10:00–11:00 a.m. EDT.

PLACE: This meeting will be held by teleconference at the National Science Foundation, 2415 Eisenhower Avenue, Alexandria, VA 22314.

STATUS: Closed.

MATTERS TO BE CONSIDERED: Committee Chair's welcome and remarks; discussion of nominations of potential re-appointees; discussion on nominee

list; drafting of election slate(s); and closing remarks.

CONTACT PERSON FOR MORE INFORMATION: Point of contact for this meeting is: Brad Gutierrez, *bgutierr@nsf.gov,* 703–292–7000. Please refer to the National Science Board website *www.nsf.gov/nsb* for additional information. You may find meeting information and any updates (time, place, matters to be considered, or status of meeting) at *https://www.nsf.gov/nsb/meetings/notices.jsp#sunshine.*

Chris Blair,

Executive Assistant to the NSB Office.

[FR Doc. 2018–06457 Filed 3–27–18; 11:15 am]

BILLING CODE 7555–01–P

NATIONAL SCIENCE FOUNDATION

Sunshine Act Meetings; National Science Board

The National Science Board, pursuant to NSF regulations (45 CFR part 614), the National Science Foundation Act, as amended (42 U.S.C. 1862n–5), and the Government in the Sunshine Act (5 U.S.C. 552b), hereby gives notice of the scheduling of a teleconference for the transaction of National Science Board business, as follows:

TIME AND DATE: Open meeting of the Executive Committee of the National Science Board, to be held Monday, April 2, 2018, from 2:30–3:30 p.m. EDT.

PLACE: This meeting will be held by teleconference at the National Science Foundation, 2415 Eisenhower Ave., Alexandria, VA 22314.

STATUS: Open.

MATTERS TO BE CONSIDERED: Committee Chair's Opening Remarks; approval of Executive Committee Minutes of January 29, 2018; approval of Annual Report of the Executive Committee; discuss issues and topics for an agenda of the NSB Meeting scheduled for May 2–3, 2018.

CONTACT PERSON FOR MORE INFORMATION: Point of contact for this meeting is: James Hamos, 2415 Eisenhower Ave., Alexandria, VA 22314. Telephone: (703) 292–8000.

You may find meeting information and updates (time, place, subject matter or status of meeting) at *http://www.nsf.gov/nsb/meetings/notices.jsp#sunshine.*

SUPPLEMENTARY INFORMATION: An audio listening line will be available for the public. Members of the public must contact the Board Office to request the number by sending an email to *nationalsciencebrd@nsf.gov* at least 24 hours prior to the teleconference.

Chris Blair,

Executive Assistant to the NSB Office.

[FR Doc. 2018–06462 Filed 3–27–18; 4:15 pm]

BILLING CODE 7555–01–P

NUCLEAR REGULATORY COMMISSION

[Docket Nos. 52–025 and 52–026; NRC–2008–0252]

Southern Nuclear Operating Company, Inc.; Vogtle Electric Generating Plant, Units 3 and 4; Testing Inspections, Tests, Analyses, and Acceptance Criteria Consolidation

AGENCY: Nuclear Regulatory Commission.

ACTION: Exemption and combined license amendment; issuance.

SUMMARY: The U.S. Nuclear Regulatory Commission (NRC) has issued an exemption to allow a departure from the certification information of Tier 1 of the generic design control document (DCD) and has issued License Amendment Nos. 113 and 112 to Combined Licenses (COL) Nos. NPF–91 and NPF–92, respectively. The COLs were issued to Southern Nuclear Operating Company, Inc. and Georgia Power Company; Oglethorpe Power Corporation; MEAG Power SPVM, LLC; MEAG Power SPVJ, LLC; MEAG Power SPVP, LLC; and the City of Dalton, Georgia (the licensee), for construction and operation of the Vogtle Electric Generating Plant (VEGP), Units 3 and 4, located in Burke County, Georgia.

The granting of the exemption allows the changes to Tier 1 information asked for in the amendment. Because the acceptability of the exemption was determined in part by the acceptability of the amendment, the exemption and amendment are being issued concurrently.

DATES: The exemption and amendment were issued on March 6, 2018.

ADDRESSES: Please refer to Docket ID NRC–2008–0252 when contacting the NRC about the availability of information regarding this document. You may obtain publicly-available information related to this document using any of the following methods:

- *Federal Rulemaking website:* Go to *http://www.regulations.gov* and search for Docket ID NRC–2008–0252. Address questions about NRC dockets to Jennifer Borges telephone: 301–287–9127; email: *Jennifer.Borges@nrc.gov.* For technical questions, contact the individual listed in the **FOR FURTHER INFORMATION CONTACT** section of this document.
- *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 this document. The request for the amendment and exemption was submitted by letter dated November 16, 2017 (ADAMS Accession No. ML17325A562).
- *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.

FOR FURTHER INFORMATION CONTACT: Chandu Patel, Office of New Reactors, U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001; telephone: 301–415–3025; email: *Chandu.Patel@nrc.gov.*

SUPPLEMENTARY INFORMATION:

I. Background

The NRC has granted an exemption from paragraph B of section III, ''Scope and Contents,'' of appendix D, ''Design Certification Rule for the AP1000,'' to part 52 of title 10 of the *Code of Federal Regulations* (10 CFR), and issued License Amendment Nos. 113 and 112 to COL Nos. NPF–91 and NPF–92, respectively, to the licensee. The exemption is required by paragraph A.4 of section VIII, ''Processes for Changes and Departures,'' appendix D, to 10 CFR part 52 to allow the licensee to depart from Tier 1 information. With the requested amendment, the licensee sought proposed changes to COL Appendix C and plant-specific design control document Tier 1 information to simplify and consolidate a number of inspections, tests, analyses, and acceptance criteria (ITAAC) to improve the efficiency of the ITAAC completion and closure process. Part of the justification for granting the exemption was provided by the review of the amendment. Because the exemption is necessary in order to issue the requested license amendment, the NRC granted the exemption and issued the amendment concurrently, rather than in

sequence. This included issuing a combined safety evaluation containing the NRC staff's review of both the exemption request and the license amendment. The exemption met all applicable regulatory criteria set forth in §§ 50.12 and 52.7 of 10 CFR, and section VIII.A.4 of appendix D to 10 CFR part 52. The license amendment was found to be acceptable as well. The combined safety evaluation is available in ADAMS under Accession No. ML18019A862.

Identical exemption documents (except for referenced unit numbers and license numbers) were issued to the licensee for VEGP, Units 3 and 4 (COL Nos. NPF–91 and NPF–92). The exemption documents for VEGP, Units 3 and 4, can be found in ADAMS under Accession Nos. ML18019A856 and ML18019A857, respectively. The exemption is reproduced (with the exception of abbreviated titles and additional citations) in Section II of this document. The amendment documents for COL Nos. NPF–91 and NPF–92 are available in ADAMS under Accession Nos. ML18019A858 and ML18019A860, respectively. A summary of the amendment documents is provided in Section III of this notice.

II. Exemption

Reproduced below is the exemption document issued to VEGP, Units 3 and Unit 4. It makes reference to the combined safety evaluation that provides the reasoning for the findings made by the NRC (and listed under Item 1) in order to grant the exemption:

1. In a letter dated November 16, 2017, the licensee requested from the Commission an exemption to allow departures from Tier 1 information in the certified DCD incorporated by reference in 10 CFR part 52, appendix D, as part of license amendment request (LAR–17–038) regarding testing inspections, tests, analyses, and acceptance criteria consolidation.

For the reasons set forth in Section 3.1 of the NRC staff's safety evaluation (ADAMS Accession No. ML18019A862), the Commission finds that:

A. The exemption is authorized by law.

B. The exemption presents no undue risk to public health and safety.

C. The exemption is consistent with the common defense and security.

D. Special circumstances are present in that the application of the rule in this circumstance is not necessary to serve the underlying purpose of the rule.

E. The special circumstances outweigh any decrease in safety that may result from the reduction in standardization caused by the exemption.

F. The exemption will not result in a significant decrease in the level of safety otherwise provided by the design.

2. Accordingly, the licensee is granted an exemption from the certified DCD Tier 1 information, with corresponding changes to COL Appendix C, as described in the licensee's request dated November 16, 2017. This exemption is related to, and necessary for, the granting of License Amendment No. 113 [for Unit 3, 112 for Unit 4], which is being issued concurrently with this exemption.

3. As explained in Section 5.0 of the NRC staff's safety evaluation, this exemption meets the eligibility criteria for categorical exclusion set forth in 10 CFR 51.22(c)(9). Therefore, pursuant to 10 CFR 51.22(b), no environmental impact statement or environmental assessment needs to be prepared in connection with the issuance of the exemption.

4. This exemption is effective as of the date of its issuance.

III. License Amendment Request

By letter dated November 16, 2017, the licensee requested that the NRC amend the COL Nos. NPF–91 and NPF–92 for VEGP, Units 3 and 4, respectively. The proposed amendment is described in Section I of this notice.

The Commission has determined that the application for amendment complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's rules and regulations. The Commission has made appropriate findings as required by the Act and the Commission's rules and regulations in 10 CFR chapter I, which are set forth in the license amendment.

A notice of consideration of issuance of amendment to facility operating license or COL, as applicable, proposed no significant hazards consideration determination, and opportunity for a hearing in connection with these actions, was published in the **Federal Register** on January 2, 2018 (83 FR 170). No comments were received during the 30-day comment period.

The Commission has determined that these amendments satisfy the criteria for categorical exclusion in accordance with 10 CFR 51.22. Therefore, pursuant to 10 CFR 51.22(b), no environmental impact statement or environmental assessment need be prepared for these amendments.

IV. Conclusion

Using the reasons set forth in the combined safety evaluation, the staff granted the exemptions and issued these amendments on March 6, 2018, as part of a combined package to the licensee (ADAMS Accession No. ML18019A854).

Dated at Rockville, Maryland, this 26th day of March 2018.

For the Nuclear Regulatory Commission.

Jennifer L. Dixon-Herrity,

Chief, Licensing Branch 4, Division of New Reactor Licensing, Office of New Reactors.

[FR Doc. 2018–06386 Filed 3–28–18; 8:45 am]

BILLING CODE 7590–01–P

NUCLEAR REGULATORY COMMISSION

[Docket Nos. 52–025 and 52–026; NRC–2008–0252]

Southern Nuclear Operating Company, Inc.; Vogtle Electric Generating Plant, Units 3 and 4; Reactor Vessel Head Vent Capacity

AGENCY: Nuclear Regulatory Commission.

ACTION: Exemption and combined license amendment; issuance.

SUMMARY: The U.S. Nuclear Regulatory Commission (NRC) is granting an exemption to allow a departure from elements of the certification information of Tier 1 of the generic AP1000 design control document (DCD) and is issuing License Amendment Nos. 114 and 113 to Combined Licenses (COL), NPF–91 and NPF–92, respectively. The COLs were issued to Southern Nuclear Operating Company, and Georgia Power Company, Oglethorpe Power Corporation, MEAG Power SPVM, LLC, MEAG Power SPVJ, LLC, MEAG Power SPVP, LLC, and the City of Dalton, Georgia (collectively referred to as the licensee); for construction and operation of the Vogtle Electric Generating Plant (VEGP) Units 3 and 4, located in Burke County, Georgia.

The granting of the exemption allows the changes to Tier 1 information asked for in the amendment. Because the acceptability of the exemption was determined in part by the acceptability of the amendment, the exemption and amendment are being issued concurrently.

The exemption revises the plant-specific Tier 1 information and corresponding changes to COL Appendix C, and the amendment changes the associated plant-specific DCD Tier 2 material incorporated into the VEGP Updated Final Safety Analysis Report (UFSAR), to update Reactor Coolant System (RCS) requirements for reactor vessel head vent (RVHV) mass flow rate for the VEGP Units 3 and 4.

DATES: The exemption and amendment were issued on March 8, 2018.

ADDRESSES: Please refer to Docket ID NRC–2008–0252 when contacting the NRC about the availability of information regarding this document. You may obtain publicly-available information related to this document using any of the following methods:

- *Federal Rulemaking website:* Go *http://www.regulations.gov* and search for Docket ID NRC–2008–0252. Address questions about NRC dockets to Jennifer Borges; 301–287–9127; email: *Jennifer.Borges@nrc.gov.* For technical questions, contact the individual listed in the **FOR FURTHER INFORMATION CONTACT** section of this document.
- *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 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 this document. The request for the amendment and exemption was designated License Amendment Request (LAR) 17–025 and submitted by letter dated July 28, 2017 (ADAMS Accession No. ML17209A185).
- *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.

FOR FURTHER INFORMATION CONTACT: William (Billy) Gleaves, Office of New Reactors, U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001; telephone: 301–415–5848; email: *Bill.Gleaves@nrc.gov.*

SUPPLEMENTARY INFORMATION:

I. Introduction

The NRC is granting an exemption from paragraph B of section III, ''Scope and Contents,'' of appendix D, ''Design Certification Rule for the AP1000,'' to part 52 of title 10 of the *Code of Federal Regulations* (10 CFR), and issuing License Amendment Nos. 114 and 113 to COLs, NPF–91 and NPF–92, respectively, to the licensee. The exemption is required by paragraph A.4 of section VIII, ''Processes for Changes and Departures,'' appendix D, to 10 CFR part 52 to allow the licensee to depart from Tier 1 information. With the requested amendment, the licensee proposed changes to plant-specific Tier 1 information and corresponding changes to COL Appendix C and associated plant-specific DCD Tier 2 material incorporated into the VEGP UFSAR, by revising information to address the need to update the RCS requirements for RVHV mass flow rate. The exemption met all applicable regulatory criteria set forth in 10 CFR 50.12, 10 CFR 52.7, and section VIII.A.4 of appendix D to 10 CFR part 52. The license amendment met all applicable regulatory criteria and was found to be acceptable as well. The combined safety evaluation is available in ADAMS under Accession No. ML18045A190.

Identical exemption documents (except for referenced unit numbers and license numbers) were issued to the licensee for VEGP Units 3 and 4 (COLs NPF–91 and NPF–92). The exemption documents for VEGP Units 3 and 4 can be found in ADAMS under Accession Nos. ML18045A188 and ML18045A189, respectively. The exemption is reproduced (with the exception of abbreviated titles and additional citations) in Section II of this document. The amendment documents for COLs NPF–91 and NPF–92 are available in ADAMS under Accession Nos. ML18045A186 and ML18045A187, respectively. A summary of the amendment documents is provided in Section III of this document.

II. Exemption

Reproduced below is the exemption document issued to VEGP Units 3 and Unit 4. It makes reference to the combined safety evaluation that provides the reasoning for the findings made by the NRC (and listed under Item 1) in order to grant the exemption:

1. In a letter dated July 28, 2017, Southern Nuclear Operating Company requested from the Nuclear Regulatory Commission (NRC or Commission) an exemption to allow departures from Tier 1 information in the certified DCD incorporated by reference in 10 CFR part 52, appendix D, ''Design Certification Rule for the AP1000 Design,'' as part of license amendment request (LAR) 17–025, ''Reactor Vessel Head Vent Capacity.''

For the reasons set forth in Section 3.1 of the NRC staff's Safety Evaluation, which can be found at ADAMS Accession No. ML18045A190 the Commission finds that:

A. The exemption is authorized by law;

B. the exemption presents no undue risk to public health and safety;

C. the exemption is consistent with the common defense and security;

D. special circumstances are present in that the application of the rule in this circumstance is not necessary to serve the underlying purpose of the rule;

E. the special circumstances outweigh any decrease in safety that may result from the reduction in standardization caused by the exemption; and

F. the exemption will not result in a significant decrease in the level of safety otherwise provided by the design.

2. Accordingly, the licensee is granted an exemption from the certified AP1000 DCD Tier 1 information, allowing changes to the plant-specific DCD Tier 1 information with corresponding changes to Appendix C of the Facility Combined License as described in the request dated July 28, 2017. This exemption is related to, and necessary for, the granting of License Amendment No. 114 [for Unit 3, 113 for Unit 4], which is being issued concurrently.

3. As explained in Section 6.0 of the NRC staff's Safety Evaluation (ADAMS Accession No. ML18045A190), this exemption meets the eligibility criteria for categorical exclusion set forth in 10 CFR 51.22(c)(9). Therefore, pursuant to 10 CFR 51.22(b), no environmental impact statement or environmental assessment needs to be prepared in connection with the issuance of the exemption.

4. This exemption is effective as of the date of its issuance.

III. License Amendment Request

By letter dated July 28, 2017 (ADAMS Accession No. ML17209A185), the licensee requested that the NRC amend the COLs for VEGP, Units 3 and 4, COLs NPF–91 and NPF–92. The proposed amendment is described in Section I of this **Federal Register** notice.

The Commission has determined for these amendments that the application complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's rules and regulations. The Commission has made appropriate findings as required by the Act and the Commission's rules and regulations in 10 CFR chapter I, which are set forth in the license amendment.

A notice of consideration of issuance of amendment to facility operating license or COL, as applicable, proposed no significant hazards consideration determination, and opportunity for a hearing in connection with these actions, was published in the **Federal Register** on September 12, 2017 (82 FR 42844). No comments were received during the 30-day comment period.

The Commission has determined that these amendments satisfy the criteria for categorical exclusion in accordance

with 10 CFR 51.22. Therefore, pursuant to 10 CFR 51.22(b), no environmental impact statement or environmental assessment need be prepared for these amendments.

IV. Conclusion

Using the reasons set forth in the combined safety evaluation, the staff granted the exemption and issued the amendment that the licensee requested by letter dated July 28, 2017 (ADAMS Accession No. ML17209A185).

The exemption and amendment were issued to the licensee on March 8, 2018, as part of a combined package (ADAMS Accession No. ML18045A183).

Dated at Rockville, Maryland, this 23rd day of March 2018.

For the Nuclear Regulatory Commission.

Jennifer L. Dixon-Herrity,

Chief, Licensing Branch 4, Division of New Reactor Licensing, Office of New Reactors.

[FR Doc. 2018–06261 Filed 3–28–18; 8:45 am]

BILLING CODE 7590–01–P

NUCLEAR REGULATORY COMMISSION

[Docket Nos. 52–025 and 52–026; NRC–2008–0252]

Southern Nuclear Operating Company, Inc.; Vogtle Electric Generating Plant, Units 3 and 4; Raceway and Cable Routing

AGENCY: Nuclear Regulatory Commission.

ACTION: Exemption and combined license amendment; issuance.

SUMMARY: The U.S. Nuclear Regulatory Commission (NRC) has issued an exemption to allow a departure from the certification information of Tier 1 of the generic design control document (DCD) and has issued License Amendment Nos. 112 and 111 to Combined License (COL) Nos. NPF–91 and NPF–92, respectively. The COLs were issued to Southern Nuclear Operating Company, Inc. and Georgia Power Company; Oglethorpe Power Corporation; MEAG Power SPVM, LLC; MEAG Power SPVJ, LLC; MEAG Power SPVP, LLC; and the City of Dalton, Georgia (the licensee), for construction and operation of the Vogtle Electric Generating Plant (VEGP), Units 3 and 4, located in Burke County, Georgia.

The granting of the exemption allows the changes to Tier 1 information asked for in the amendment. Because the acceptability of the exemption was determined in part by the acceptability of the amendment, the exemption and amendment are being issued concurrently.

DATES: The exemption and amendment were issued on March 6, 2018.

ADDRESSES: Please refer to Docket ID NRC–2008–0252 when contacting the NRC about the availability of information regarding this document. You may obtain publicly-available information related to this document using any of the following methods:

- *Federal Rulemaking website:* Go to *http://www.regulations.gov* and search for Docket ID NRC–2008–0252. Address questions about NRC dockets to Jennifer Borges telephone: 301–287–9127; email: *Jennifer.Borges@nrc.gov.* For technical questions, contact the individual listed in the **FOR FURTHER INFORMATION CONTACT** section of this document.
- *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 this document. The request for the amendment and exemption was submitted by letter dated October 6, 2017 (ADAMS Accession No. ML17279A084).
- *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.

FOR FURTHER INFORMATION CONTACT: Chandu Patel, Office of New Reactors, U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001; telephone: 301–415–3025; email: *Chandu.Patel@nrc.gov.*

SUPPLEMENTARY INFORMATION:

I. Introduction

The NRC has granted an exemption from paragraph B of section III, ''Scope and Contents,'' of appendix D, ''Design Certification Rule for the AP1000,'' to part 52 of title 10 of the *Code of Federal Regulations* (10 CFR), and issued License Amendment Nos. 112 and 111 to COL Nos. NPF–91 and NPF–92, respectively. The exemption is required by paragraph A.4 of section VIII, ''Processes for Changes and Departures,'' appendix D, to 10 CFR part 52 to allow the licensee to depart from Tier 1 information. With the requested amendment, the licensee sought proposed changes to Updated Final Safety Analysis Report (UFSAR) Tier 2 information and plant-specific Tier 1 information, with corresponding changes to COL Appendix C. Specifically, the changes modify UFSAR Subsection 8.3.2.4 to describe raceway and cable routing criteria and hazard protection, and involves related changes to plant-specific Tier 1 Table 3.3–6, inspections, tests, analyses, and acceptance criteria information, with corresponding changes to the associated COL Appendix C information.

Part of the justification for granting the exemption was provided by the review of the amendment. Because the exemption is necessary in order to issue the requested license amendment, the NRC granted the exemption and issued the amendment concurrently, rather than in sequence. This included issuing a combined safety evaluation containing the NRC staff's review of both the exemption and the license amendment request. The exemption met all applicable regulatory criteria set forth in §§ 50.12 and 52.7 of 10 CFR, and section VIII.A.4 of appendix D to 10 CFR part 52. The license amendment was found to be acceptable as well. The combined safety evaluation is available in ADAMS under Accession No. ML18040B086.

Identical exemption documents (except for referenced unit numbers and license numbers) were issued to the licensee for VEGP, Units 3 and 4 (COL Nos. NPF–91 and NPF–92). The exemption documents for VEGP, Units 3 and 4, can be found in ADAMS under Accession Nos. ML18040B077 and ML18040B079, respectively. The exemption is reproduced (with the exception of abbreviated titles and additional citations) in Section II of this notice. The amendment documents for COL Nos. NPF–91 and NPF–92 are available in ADAMS under Accession Nos. ML18040B080 and ML18040B083, respectively. A summary of the amendment documents is provided in Section III of this notice.

II. Exemption

Reproduced below is the exemption document issued to VEGP, Units 3 and 4. It makes reference to the combined safety evaluation that provides the reasoning for the findings made by the NRC (and listed under Item 1) in order to grant the exemption:

1. In a letter dated October 6, 2017, Southern Nuclear Operating Company requested from the Commission an exemption to allow departures from Tier 1 information in the certified DCD incorporated by reference in 10 CFR part 52, appendix D, as part of the

license amendment request (LAR–17–036) regarding raceway and cable routing.

For the reasons set forth in Section 3.1 of the NRC staff's safety evaluation, the Commission finds that:

A. The exemption is authorized by law.

B. The exemption presents no undue risk to public health and safety.

C. The exemption is consistent with the common defense and security.

D. Special circumstances are present in that the application of the rule in this circumstance is not necessary to serve the underlying purpose of the rule.

E. The special circumstances outweigh any decrease in safety that may result from the reduction in standardization caused by the exemption.

F. The exemption will not result in a significant decrease in the level of safety otherwise provided by the design.

2. Accordingly, the licensee is granted an exemption from the certified DCD Tier 1 information, with corresponding changes to COL Appendix C, as described in the request dated October 6, 2017. This exemption is related to, and necessary for, the granting of License Amendment No. 112 [for Unit 3, 111 for Unit 4], which is being issued concurrently with this exemption.

3. As explained in Section 5.0 of the NRC staff's safety evaluation (ADAMS Accession No. ML18040B086), this exemption meets the eligibility criteria for categorical exclusion set forth in 10 CFR 51.22(c)(9). Therefore, pursuant to 10 CFR 51.22(b), no environmental impact statement or environmental assessment needs to be prepared in connection with the issuance of the exemption.

4. This exemption is effective as of the date of its issuance.

III. License Amendment Request

By letter dated October 6, 2017, the licensee requested that the NRC amend the COL Nos. NPF–91 and NPF–92 for VEGP, Units 3 and 4, respectively. The proposed amendment is described in Section I of this notice.

The Commission has determined that the application for amendment complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's rules and regulations. The Commission has made appropriate findings as required by the Act and the Commission's rules and regulations in 10 CFR chapter I, which are set forth in the license amendment.

A notice of consideration of issuance of amendment to facility operating license or COL, as applicable, proposed no significant hazards consideration determination, and opportunity for a hearing in connection with these actions, was published in the **Federal Register** on November 21, 2017 (82 FR 55411). No comments were received during the 30-day comment period.

The Commission has determined that these amendments satisfy the criteria for categorical exclusion in accordance with 10 CFR 51.22. Therefore, pursuant to 10 CFR 51.22(b), no environmental impact statement or environmental assessment need be prepared for these amendments.

IV. Conclusion

Using the reasons set forth in the combined safety evaluation, the staff granted the exemptions and issued these amendments on March 6, 2018, as part of a combined package to the licensee (ADAMS Accession No. ML18040B074).

Dated at Rockville, Maryland, on March 23, 2018.

For the Nuclear Regulatory Commission.

Jennifer L. Dixon-Herrity,

Chief, Licensing Branch 4, Division of New Reactor Licensing, Office of New Reactors.

[FR Doc. 2018–06374 Filed 3–28–18; 8:45 am]

BILLING CODE 7590–01–P

NUCLEAR REGULATORY COMMISSION

[Docket Nos. 52–025 and 52–026; NRC–2008–0252]

Southern Nuclear Operating Company, Inc.; Vogtle Electric Generating Plant, Units 3 and 4; PXS/ADS Line Resistance Changes

AGENCY: Nuclear Regulatory Commission.

ACTION: Exemption and combined license amendment; issuance.

SUMMARY: The U.S. Nuclear Regulatory Commission (NRC) has issued an exemption to allow a departure from the certification information of Tier 1 of the generic design control document (DCD) and has issued License Amendment Nos. 111 and 110 to Combined License (COL) Nos. NPF–91 and NPF–92, respectively. The COLs were issued to Southern Nuclear Operating Company, Inc. and Georgia Power Company; Oglethorpe Power Corporation; MEAG Power SPVM, LLC; MEAG Power SPVJ, LLC; MEAG Power SPVP, LLC; and the City of Dalton, Georgia (the licensee), for construction and operation of the Vogtle Electric Generating Plant (VEGP), Units 3 and 4, located in Burke County, Georgia.

The granting of the exemption allows the changes to Tier 1 information asked for in the amendment. Because the acceptability of the exemption was determined in part by the acceptability of the amendment, the exemption and amendment are being issued concurrently.

DATES: The exemption and amendment were issued on February 28, 2018.

ADDRESSES: Please refer to Docket ID NRC–2008–0252 when contacting the NRC about the availability of information regarding this document. You may obtain publicly-available information related to this document using any of the following methods:

- *Federal Rulemaking website:* Go to *http://www.regulations.gov* and search for Docket ID NRC–2008–0252. Address questions about NRC dockets to Jennifer Borges telephone: 301–287–9127; email: *Jennifer.Borges@nrc.gov.* For technical questions, contact the individual listed in the **FOR FURTHER INFORMATION CONTACT** section of this document.
- *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 this document. The request for the amendment and exemption was submitted by letter dated March 31, 2017 (ADAMS Accession No. ML17090A209).
- *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.

FOR FURTHER INFORMATION CONTACT: Chandu Patel, Office of New Reactors, U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001; telephone: 301–415–3025; email: *Chandu.Patel@nrc.gov.*

SUPPLEMENTARY INFORMATION:

I. Background

The NRC has granted an exemption from paragraph B of section III, ''Scope and Contents,'' of appendix D, ''Design Certification Rule for the AP1000,'' to part 52 of title 10 of the *Code of Federal Regulations* (10 CFR), and issued License Amendment Nos. 111 and 110 to COL Nos. NPF–91 and NPF–92,

respectively, to the licensee. The exemption is required by paragraph A.4 of section VIII, ''Processes for Changes and Departures,'' appendix D, to 10 CFR part 52 to allow the licensee to depart from Tier 1 information. With the requested amendment, the licensee sought proposed changes to Updated Final Safety Analysis Report (UFSAR) Tier 2 information and plant-specific Tier 1 information, with corresponding changes to COL Appendix C. Specifically, the changes relate to the passive core cooling system (PXS) low pressure injection and fourth-stage automatic depressurization system (ADS) flow resistances. This includes proposed changes to inspections, tests, and acceptance criteria and UFSAR information in various locations.

Part of the justification for granting the exemption was provided by the review of the amendment. Because the exemption is necessary in order to issue the requested license amendment, the NRC granted the exemption and issued the amendment concurrently, rather than in sequence. This included issuing a combined safety evaluation containing the NRC staff's review of both the exemption and the license amendment request. The exemption met all applicable regulatory criteria set forth in §§ 50.12 and 52.7 of 10 CFR, and section VIII.A.4 of appendix D to 10 CFR part 52. The license amendment was found to be acceptable as well. The combined safety evaluation is available in ADAMS under Accession No. ML18026A571.

Identical exemption documents (except for referenced unit numbers and license numbers) were issued to the licensee for VEGP, Units 3 and 4 (COL Nos. NPF–91 and NPF–92). The exemption documents for VEGP, Units 3 and 4, can be found in ADAMS under Accession Nos. ML18026A568 and ML18026A567, respectively. The exemption is reproduced (with the exception of abbreviated titles and additional citations) in Section II of this notice. The amendment documents for COL Nos. NPF–91 and NPF–92 are available in ADAMS under Accession Nos. ML18026A570 and ML18026A569, respectively. A summary of the amendment documents is provided in Section III of this notice.

II. Exemption

Reproduced below is the exemption document issued to VEGP, Units 3 and 4. It makes reference to the combined safety evaluation that provides the reasoning for the findings made by the NRC (and listed under Item 1) in order to grant the exemption:

1. In a letter dated March 31, 2017, Southern Nuclear Operating Company requested from the Commission an exemption to allow departures from Tier 1 information in the certified DCD incorporated by reference in 10 CFR part 52, appendix D, as part of the license amendment request (LAR–17–009) regarding PXS/ADS line resistance changes.''

For the reasons set forth in Section 3.1 of the NRC staff's safety evaluation, the Commission finds that:

A. The exemption is authorized by law.

B. The exemption presents no undue risk to public health and safety.

C. The exemption is consistent with the common defense and security.

D. Special circumstances are present in that the application of the rule in this circumstance is not necessary to serve the underlying purpose of the rule.

E. The special circumstances outweigh any decrease in safety that may result from the reduction in standardization caused by the exemption.

F. The exemption will not result in a significant decrease in the level of safety otherwise provided by the design.

2. Accordingly, the licensee is granted an exemption from the certified DCD Tier 1 information, with corresponding changes to COL Appendix C, as described in the request dated March 31, 2017. This exemption is related to, and necessary for, the granting of License Amendment No. 111 [for Unit 3, 110 for Unit 4], which is being issued concurrently with this exemption.

3. As explained in Section 5.0 of the NRC staff's safety evaluation, this exemption meets the eligibility criteria for categorical exclusion set forth in 10 CFR 51.22(c)(9). Therefore, pursuant to 10 CFR 51.22(b), no environmental impact statement or environmental assessment needs to be prepared in connection with the issuance of the exemption.

4. This exemption is effective as of the date of its issuance.

III. License Amendment Request

By letter dated March 31, 2017, the licensee requested that the NRC amend the COL Nos. NPF–91 and NPF–92 for VEGP, Units 3 and 4. The proposed amendment is described in Section I of this notice.

The Commission has determined that the application for amendment complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's rules and regulations. The Commission has made appropriate findings as required by the Act and the Commission's rules and regulations in 10 CFR chapter I, which are set forth in the license amendment.

A notice of consideration of issuance of amendment to facility operating license or COL, as applicable, proposed no significant hazards consideration determination, and opportunity for a hearing in connection with these actions, was published in the **Federal Register** on June 6, 2017 (82 FR 26128). No comments were received during the 30-day comment period.

The Commission has determined that these amendments satisfy the criteria for categorical exclusion in accordance with 10 CFR 51.22. Therefore, pursuant to 10 CFR 51.22(b), no environmental impact statement or environmental assessment need be prepared for these amendments.

IV. Conclusion

Using the reasons set forth in the combined safety evaluation, the staff granted the exemptions and issued these amendments on March 31, 2017, as part of a combined package to the licensee (ADAMS Accession No. ML18026A565).

Dated at Rockville, Maryland, this 26th day of March 2018.

For the Nuclear Regulatory Commission.

Jennifer L. Dixon-Herrity,

Chief, Licensing Branch 4, Division of New Reactor Licensing, Office of New Reactors.

[FR Doc. 2018–06383 Filed 3–28–18; 8:45 am]

BILLING CODE 7590–01–P

POSTAL REGULATORY COMMISSION

[Docket Nos. MC2018–133 and CP2018–189]

New Postal Products

AGENCY: Postal Regulatory Commission.

ACTION: Notice.

SUMMARY: The Commission is noticing a recent Postal Service filing for the Commission's consideration concerning negotiated service agreements. This notice informs the public of the filing, invites public comment, and takes other administrative steps.

DATES: *Comments are due:* March 30, 2018.

ADDRESSES: Submit comments electronically via the Commission's Filing Online system at *http://www.prc.gov.* Those who cannot submit comments electronically should contact the person identified in the **FOR FURTHER INFORMATION CONTACT** section by telephone for advice on filing alternatives.

FOR FURTHER INFORMATION CONTACT: David A. Trissell, General Counsel, at 202–789–6820.

SUPPLEMENTARY INFORMATION:

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I. Introduction

The Commission gives notice that the Postal Service filed request(s) for the Commission to consider matters related to negotiated service agreement(s). The request(s) may propose the addition or removal of a negotiated service agreement from the market dominant or the competitive product list, or the modification of an existing product currently appearing on the market dominant or the competitive product list.

Section II identifies the docket number(s) associated with each Postal Service request, the title of each Postal Service request, the request's acceptance date, and the authority cited by the Postal Service for each request. For each request, the Commission appoints an officer of the Commission to represent the interests of the general public in the proceeding, pursuant to 39 U.S.C. 505 (Public Representative). Section II also establishes comment deadline(s) pertaining to each request.

The public portions of the Postal Service's request(s) can be accessed via the Commission's website (*http://www.prc.gov*). Non-public portions of the Postal Service's request(s), if any, can be accessed through compliance with the requirements of 39 CFR 3007.40.

The Commission invites comments on whether the Postal Service's request(s) in the captioned docket(s) are consistent with the policies of title 39. For request(s) that the Postal Service states concern market dominant product(s), applicable statutory and regulatory requirements include 39 U.S.C. 3622, 39 U.S.C. 3642, 39 CFR part 3010, and 39 CFR part 3020, subpart B. For request(s) that the Postal Service states concern competitive product(s), applicable statutory and regulatory requirements include 39 U.S.C. 3632, 39 U.S.C. 3633, 39 U.S.C. 3642, 39 CFR part 3015, and 39 CFR part 3020, subpart B. Comment deadline(s) for each request appear in section II.

II. Docketed Proceeding(s)

1. *Docket No(s).:* MC2018–133 and CP2018–189; *Filing Title:* USPS Request to Add First-Class Package Service Contract 92 to Competitive Product List and Notice of Filing Materials Under Seal; *Filing Acceptance Date:* March 22, 2018; *Filing Authority:* 39 U.S.C. 3642 and 39 CFR 3020.30 *et seq.; Public Representative:* Katalin K. Clendenin; *Comments Due:* March 30, 2018.

This Notice will be published in the **Federal Register**.

Stacy L. Ruble,

Secretary.

[FR Doc. 2018–06247 Filed 3–28–18; 8:45 am]

BILLING CODE 7710–FW–P

POSTAL REGULATORY COMMISSION

[Docket Nos. MC2018–134 and CP2018–190]

New Postal Product

AGENCY: Postal Regulatory Commission.

ACTION: Notice.

SUMMARY: The Commission is noticing a recent Postal Service filing for the Commission's consideration concerning negotiated service agreements. This notice informs the public of the filing, invites public comment, and takes other administrative steps.

DATES: *Comments are due:* April 2, 2018.

ADDRESSES: Submit comments electronically via the Commission's Filing Online system at *http://www.prc.gov.* Those who cannot submit comments electronically should contact the person identified in the **FOR FURTHER INFORMATION CONTACT** section by telephone for advice on filing alternatives.

FOR FURTHER INFORMATION CONTACT: David A. Trissell, General Counsel, at 202–789–6820.

SUPPLEMENTARY INFORMATION:

Table of Contents

I. Introduction

The Commission gives notice that the Postal Service filed request(s) for the Commission to consider matters related to negotiated service agreement(s). The request(s) may propose the addition or removal of a negotiated service agreement from the market dominant or the competitive product list, or the modification of an existing product currently appearing on the market dominant or the competitive product list.

Section II identifies the docket number(s) associated with each Postal Service request, the title of each Postal Service request, the request's acceptance date, and the authority cited by the Postal Service for each request. For each request, the Commission appoints an officer of the Commission to represent the interests of the general public in the proceeding, pursuant to 39 U.S.C. 505 (Public Representative). Section II also establishes comment deadline(s) pertaining to each request.

The public portions of the Postal Service's request(s) can be accessed via the Commission's website (*http://www.prc.gov*). Non-public portions of the Postal Service's request(s), if any, can be accessed through compliance with the requirements of 39 CFR 3007.40.

The Commission invites comments on whether the Postal Service's request(s) in the captioned docket(s) are consistent with the policies of title 39. For request(s) that the Postal Service states concern market dominant product(s), applicable statutory and regulatory requirements include 39 U.S.C. 3622, 39 U.S.C. 3642, 39 CFR part 3010, and 39 CFR part 3020, subpart B. For request(s) that the Postal Service states concern competitive product(s), applicable statutory and regulatory requirements include 39 U.S.C. 3632, 39 U.S.C. 3633, 39 U.S.C. 3642, 39 CFR part 3015, and 39 CFR part 3020, subpart B. Comment deadline(s) for each request appear in section II.

II. Docketed Proceeding(s)

1. *Docket No(s).:* MC2018–134 and CP2018–190; *Filing Title:* USPS Request to Add Priority Mail Contract 426 to Competitive Product List and Notice of Filing Materials Under Seal; *Filing Acceptance Date:* March 23, 2018; *Filing Authority:* 39 U.S.C. 3642 and 39 CFR 3020.30 *et seq.; Public Representative:* Katalin K. Clendenin; *Comments Due:* April 2, 2018.

This Notice will be published in the **Federal Register**.

Stacy Ruble,

Secretary.

[FR Doc. 2018–06337 Filed 3–28–18; 8:45 am]

BILLING CODE 7710–FW–P

POSTAL SERVICE

Product Change—Priority Mail Negotiated Service Agreement

AGENCY: Postal Service™.

ACTION: Notice.

SUMMARY: The Postal Service gives notice of filing a request with the Postal Regulatory Commission to add a domestic shipping services contract to the list of Negotiated Service Agreements in the Mail Classification Schedule's Competitive Products List.

DATES: *Date of required notice:* March 29, 2018.

FOR FURTHER INFORMATION CONTACT: Elizabeth Reed, 202–268–3179.

SUPPLEMENTARY INFORMATION: The United States Postal Service® hereby gives notice that, pursuant to 39 U.S.C. 3642 and 3632(b)(3), on March 23, 2018, it filed with the Postal Regulatory Commission a *USPS Request to Add Priority Mail Contract 426 to Competitive Product List.* Documents are available at *www.prc.gov,* Docket Nos. MC2018–134, CP2018–190.

Elizabeth Reed,

Attorney, Corporate and Postal Business Law.

[FR Doc. 2018–06265 Filed 3–28–18; 8:45 am]

BILLING CODE 7710–12–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–82941; File No. SR–CboeBYX–2018–003]

Self-Regulatory Organizations; Cboe BYX Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend Paragraph (c)(5) of Exchange Rule 11.9 Describing the Operation of Minimum Quantity Orders

March 23, 2018.

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 March 16, 2018, Cboe BYX Exchange, Inc. (''BYX'' or the ''Exchange'') filed with the Securities and Exchange Commission (''Commission'') the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. The Exchange has designated this proposal as a ''non-controversial'' proposed rule change pursuant to Section 19(b)(3)(A) of the Act[3] and Rule 19b–4(f)(6)(iii) thereunder,[4] which renders it effective upon filing with the Commission. 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 Exchange filed a proposal to amend paragraph (c)(5) of Exchange Rule 11.9 describing the operation of Minimum Quantity Orders.[5]

The text of the proposed rule change is available at the Exchange's website at *www.markets.cboe.com,* at the principal office of the Exchange, 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 IV below. The Exchange has prepared summaries, set forth in Sections A, B, and C below, of the most significant parts of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

The Exchange proposes to amend paragraph (c)(5) of Exchange Rule 11.9 describing the operation of Minimum Quantity Orders by removing language that provided for the re-pricing of incoming Minimum Quantity Orders to avoid an internally crossed book. As a result of this change, the Exchange proposes to specify within the rule when a Minimum Quantity Order would not be eligible to trade to prevent executions from occurring that may be inconsistent with intra-market price priority or that would cause a non-displayed order to trade ahead of a displayed order.

In sum, a Minimum Quantity Order is a non-displayed order that enables a User[6] to specify a minimum share amount at which the order will execute.[7] A Minimum Quantity Order will not execute unless the volume of contra-side liquidity available to execute against the order meets or exceeds the designated minimum size. By default, a Minimum Quantity Order will execute upon entry against a single order or multiple aggregated orders simultaneously. The Exchange recently amended the operation of Minimum Quantity Orders to permit a User to alternatively specify the order not execute against multiple aggregated orders simultaneously and that the minimum quantity condition be satisfied by each individual order resting on the BYX Book.[8]

The Exchange also recently amended the operation of Minimum Quantity Orders to re-price incoming Minimum Quantity Orders where that order may cross an order posted on the BYX Book.[9] Specifically, where there is insufficient size to satisfy an incoming order's minimum quantity condition and that incoming order, if posted at its limit price, would cross an order(s), whether displayed or non-displayed, resting on the BYX Book, the order with the minimum quantity condition would be re-priced to and ranked at the locking price. This functionality has not yet been implemented[10] and the Exchange now proposes to amend paragraph (c)(5) of Rule 11.9 to remove this re-pricing requirement.

As a result of the above change, the Exchange proposes to amend paragraph (c)(5) of Rule 11.9 to describe when a Minimum Quantity Order will not be eligible to trade to prevent executions from occurring that may be inconsistent with intra-market price priority or would result in a non-displayed order trading ahead of a same-priced, same-side displayed order.[11] The Exchange would not permit a Minimum Quantity Order that crosses other displayed or non-displayed orders on the BYX Book to trade at prices that are worse than the price of such contra-side orders. The Exchange would also not permit a resting Minimum Quantity Order to trade at a price equal to a contra-side displayed order. This proposal is based on recently adopted NYSE Arca, Inc. (''NYSE Arca'') Rule 7.31–E(i)(3)(C).[12]

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] 15 U.S.C. 78s(b)(3)(A).

[4] 17 CFR 240.19b–4(f)(6)(iii).

[5] *See* Exchange Rule 11.9(c)(5) for a complete description of the operation of Minimum Quantity Orders.

[6] The term ''User'' is defined as ''any Member or Sponsored Participant who is authorized to obtain access to the System pursuant to Rule 11.3.'' *See* Exchange Rule 1.5(cc).

[7] The Exchange will only honor a specified minimum quantity on BYX Only Orders that are non-displayed or Immediate-Or-Cancel and will disregard a minimum quantity on any other order. *See* Exchange Rule 11.9(c)(5).

[8] *See* Securities Exchange Act Release No. 81806 (October 3, 2017), 82 FR 47047 (October 10, 2017) (SR–BatsBYX–2017–24). This functionality is pending deployment and the implementation date will be announced via a trading notice.

[9] *Id.*

[10] *See supra* note 8. Exchange Rule 11.9(c)(5) does not require re-pricing where the Minimum Quantity Order is resting on the BYX Book. As such, an internally crossed book may occur where the incoming order is of insufficient size to satisfy the resting order's minimum quantity condition and that incoming order, if posted at its limit price, would cross that order with a minimum quantity condition resting on the BYX Book.

[11] Exchange Rule 11.12(a) states that orders on the BYX Book are ranked and maintained by the Exchange according to price-time priority. Exchange Rule 11.12(a) further prohibits a non-displayed order from trading ahead of a same-side, same-priced displayed order. This proposed rule change adds language to Exchange Rule 11.9(c)(5) to clarify this priority scheme during an internally crossed market.

[12] *See* Securities Exchange Act Release No. 82504 (January 16, 2018), 83 FR 3038 (January 22, 2018) (SR–NYSEArca–2018–01) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend Rule 7.31–E Relating to Mid-Point Liquidity Orders and the Minimum Trade Size Modifier and Rule 7.36–E To Add a Definition of ''Aggressing Order'').

Paragraph (c)(5) of Rule 11.9 would state that a Minimum Quantity Order to buy (sell) that is ranked in the BYX Book will not be eligible to trade: (i) At a price equal to or above (below) any sell (buy) orders that are displayed and that have a ranked price equal to or below (above) the price of such Minimum Quantity Order; or (ii) at a price above (below) any sell (buy) order that is non-displayed and has a ranked price below (above) the price of such Minimum Quantity Order.[13] However, a Minimum Quantity Order that crosses an order on BYX Book may execute at a price less aggressive than its ranked price against an incoming order so long as such execution is consistent with the above restrictions.

The following examples describe the proposed operation of a Minimum Quantity Order during an internally crossed market. This first example addresses intra-market priority amongst a Minimum Quantity Order and other non-displayed orders in an internally crossed market as well as when an execution may occur at prices less aggressive than the resting order's ranked price. Assume the NBBO is $10.10 by $10.16. A non-displayed order to sell 50 shares at $10.12 is resting on the BYX Book (''Order A''). A non-displayed order to sell 25 shares at $10.11 is also resting on the BYX Book (''Order B''). The Exchange receives a Mid-Point Peg [14] order to buy at $10.14 with a minimum quantity condition to execute against a single order of 100 shares (''Order C''). Because Order C's minimum quantity condition cannot be met, Order C will not trade with Orders A or B and will be posted and ranked on the BYX Book at $10.13, the midpoint of the NBBO. The Exchange now has a non-displayed order crossing both non-displayed orders on the BYX Book. If the Exchange then receives a non-displayed order to sell for 100 shares at $10.11 (''Order D''),[15] although Order D would be marketable against Order C at $10.13, it would not trade at $10.13 because it is above the price of all resting sell orders. Order D will instead execute against Order C at $10.11, receiving price improvement relative to the midpoint of the NBBO.

This second example addresses intra-market priority amongst displayed orders, Minimum Quantity Orders and other non-displayed orders. The Exchange notes that the below behavior is not unique to an internally crossed market as the Exchange's priority rule, 11.12(a), currently prohibits non-displayed orders, including Minimum Quantity Orders, from trading ahead of same-priced, same-side displayed orders. Assume the NBBO is $10.00 by $10.04. A non-displayed order to buy 500 shares at $10.00 is resting on the BYX Book (''Order A''). A displayed order to buy 100 shares at $10.00 is then entered and posted to the BYX Book (''Order B''). The Exchange receives a non-displayed order to sell 600 shares at $10.00 with a minimum quantity condition to execute against a single order of 500 shares (''Order C''). Although Order A satisfies Order C's minimum quantity condition and has time priority ahead of Order B, no execution occurs because Order B is a displayed order and has execution priority over Order A, a non-displayed order. Order C does not execute against Order B because Order B does not satisfy Order C's minimum quantity condition. Order C is then posted to the BYX Book at $10.00, non-displayed.

The Exchange also proposes two clarifying changes to paragraph (c)(5) of Exchange Rule 11.9. The rule currently states that a Minimum Quantity Order cedes execution priority when it would lock an order against which it would otherwise execute if it were not for the minimum execution size restriction.[16] The Exchange now proposes to add additional language to the rule to clarify when a resting non-displayed order may cede execution priority to a subsequent arriving same-side order. As amended, paragraph (h) of Rule 11.6 would state that if a resting non-displayed sell (buy) order did not meet the minimum quantity condition of a same-priced resting Minimum Quantity Order to buy (sell), a subsequently arriving sell (buy) order that meets the minimum quantity condition will trade ahead of such resting non-displayed sell (buy) order at that price. For example, assume the NBBO is $10.00 by $10.10 and no orders are resting on the BYX Book. A non-displayed order to buy 700 shares at $10.10 with a minimum quantity condition to execute against a single order of 500 shares is resting on the BYX Book (Order A). A non-displayed order to sell 100 shares at $10.10 is then entered and posted to the BYX Book (Order B). Order B does not execute against Order A because Order B does not satisfy Order A's single minimum quantity condition of 500 shares. As a result, Order B is posted to the BYX Book at $10.10, creating an internally locked book. An order to sell 500 shares at $10.10 is then entered and executes against Order A at $10.10 for 500 shares because the incoming order is of sufficient size to satisfy Order A's minimum quantity condition of 500 shares. This clarification is also based on recently adopted NYSE Arca Rule 7.31–E(i)(3)(E)(ii).[17]

Lastly, the Exchange proposes to clarify that an incoming Minimum Quantity Order would be canceled where, if posted, it would cross the displayed price of an order on the BYX Book.[18] Conversely, an incoming Minimum Quantity Order would be posted to the BYX Book where it would not cross the displayed price of a resting contra-side order. For example, an order to buy at $11.00 with a minimum quantity condition of 500 shares is entered (Order A) and there is a displayed order resting on the BYX Book to sell 200 shares at $10.99 (Order B). Oder A would be cancelled because it crosses the displayed price of Order B and Order B does not contain sufficient size to satisfy Order A's minimum quantity condition of 500 shares. However, should Order A be priced at $10.99, it would not be cancelled and would be posted to the BYX Book, resulting in an internally locked market. Order A would not be executable at that price because it is priced equal to a contra-side displayed order. An internally crossed market may subsequently occur should an order to sell priced more aggressively than Order A be entered but not be of sufficient size to satisfy Order A's minimum quantity condition of 500 shares (*e.g.,* an order to sell 100 shares at $10.98) and posted to the BYX Book.

2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act [19] in general, and furthers the objectives of Section 6(b)(5) of the Act [20] in particular, in that it is designed to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, to remove impediments to and perfect the

[13] A Minimum Quantity Order to buy (sell) may execute at a price above (below) any sell (buy) order that is Non-Displayed and has a ranked price below (above) the price of such Minimum Quantity Order if that Non-Displayed order itself included a minimum quantity condition that prevented it from executing. *See infra* note 16.

[14] *See* Exchange Rule 11.9(c)(9).

[15] On NYSE Arca, Order D will be posted to the NYSE Arca book at $10.11 and not execute against Order C at $10.13. *See supra* note 12.

[16] The Exchange proposes to amend this provision to clarify that a Minimum Quantity Order would cede execution priority when it would also cross an order against which it would otherwise execute if it were not for the minimum execution size restriction.

[17] *Supra note* 12.

[18] A Minimum Quantity Order will be repriced in accordance with Exchange Rule 11.9(g)(4) where it would cross a protected quote displayed on an away market center.

[19] 15 U.S.C. 78f(b).

[20] 15 U.S.C. 78f(b)(5).

mechanism of a free and open market and a national market system and, in general, to protect investors and the public interest. The proposed rule change removes impediments to and perfects the mechanism of a free and open market and a national market system because it would ensure that Minimum Quantity Orders do not trade through displayed orders or violate intra-market price priority. Specifically, the proposed rule change would protect displayed orders by preventing a Minimum Quantity Order from executing where it is locked by a contra-side Displayed order. The proposed rule change protects intra-market price priority by preventing a resting Minimum Quantity Order from executing where it is crossed by either a displayed or non-displayed order on the BYX Book. The proposed clarifications remove impediments to and perfect the mechanism of a free and open market and a national market system because they provide additional specificity regarding the operation of a Minimum Quantity Order, thereby avoiding potential investor confusion. In particular, the Exchange believes it is reasonable for a resting non-displayed order to cede execution priority to a subsequent arriving same-side order where that order is of sufficient size to satisfy a resting contra-side order's minimum quantity condition because doing so facilitates executions in accordance with the terms and conditions of each order. The proposed rule change is also substantially similar to a proposed rule change recently submitted by NYSE Arca for immediate effectiveness and published by the Commission.[21] The only differences between the proposed rule change and that of NYSE Arca is that: (i) NYSE Arca does not cancel a minimum quantity order that would cross a displayed order on the NYSE Arca book; and (ii) NYSE Arca will not execute resting orders at prices less aggressive than their limit prices in crossed markets. The Exchange believes that these differences are immaterial because they are designed to reduce the occurrences of internally crossed markets and facilitate executions that may not otherwise occur. These differences will also continue to ensure that executions occur in accordance with intra-market price priority on the Exchange while accounting for the differences in functionality and order types.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act, as amended. On the contrary, the proposed rule change is not designed to address any competitive issues because it is intended to provide clarity regarding the operation of Minimum Quantity Orders and when such orders are eligible to trade and not trade through displayed orders or violate intra-market price priority.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

No comments were solicited or received on the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Because the foregoing proposed rule change does not: (A) Significantly affect the protection of investors or the public interest; (B) impose any significant burden on competition; and (C) by its terms, become operative for 30 days from the date on which it was filed or such shorter time as the Commission may designate it has become effective pursuant to Section 19(b)(3)(A) of the Act[22] and paragraph (f)(6) of Rule 19b–4 thereunder,[23] the Exchange has designated this rule filing as non-controversial. The Exchange has given the Commission written notice of its intent to file the proposed rule change, along with a brief description and text of the proposed rule change at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission.

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: (1) Necessary or appropriate in the public interest; (2) for the protection of investors; or (3) otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or disapproved.

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–CboeBYX–2018–003 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 SR–CboeBYX–2018–003. 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 website (*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 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. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. 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. All submissions should refer to File Number SR–CboeBYX–2018–003, and should be submitted on or before April 19, 2018.

[21] *See supra* notes 12 and 15.

[22] 15 U.S.C. 78s(b)(3)(A).

[23] 17 CFR 240.19b–4.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[24]

Brent J. Fields,

Secretary.

[FR Doc. 2018–06299 Filed 3–28–18; 8:45 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–82939; File No. SR–NYSEArca–2017–139]

Self-Regulatory Organizations; NYSE Arca, Inc.; Order Instituting Proceedings To Determine Whether To Approve or Disapprove a Proposed Rule Change To List and Trade the Shares of the ProShares Bitcoin ETF and the ProShares Short Bitcoin ETF Under NYSE Arca Rule 8.200–E, Commentary .02

March 23, 2018.

On December 4, 2017, NYSE Arca, Inc. (''NYSE Arca'' or ''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 the shares (''Shares'') of the ProShares Bitcoin ETF and the ProShares Short Bitcoin ETF (each a ''Fund'' and, collectively, ''Funds'') issued by the ProShares Trust II (''Trust'') under NYSE Arca Rule 8.200–E, Commentary .02. The proposed rule change was published for comment in the **Federal Register** on December 26, 2017.[3]

The Commission has received one comment letter on the proposed rule change.[4] On January 30, 2018, pursuant to Section 19(b)(2) of the Act,[5] the Commission designated a longer period within which to approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to disapprove the proposed rule change.[6] This order institutes proceedings under Section 19(b)(2)(B) of the Act[7] to determine whether to approve or disapprove the proposed rule change.

I. Summary of the Proposal[8] and Comments Received

The Exchange proposes to list and trade the Shares under NYSE Arca Rule 8.200–E, Commentary .02, which governs the listing and trading of Trust Issued Receipts on the Exchange.[9] Each Fund will be a series of the Trust, and the Trust and the Funds will be managed and controlled by ProShare Capital Management LLC (''Sponsor''). Brown Brothers Harriman & Co. will be the custodian and administrator for the Trust. SEI Investments Distribution Co. will serve as the distributor of the Shares (''Distributor''). The Trust will offer Shares of the Funds for sale through the Distributor in ''Creation Units.''[10]

According to the Exchange, the ProShares Bitcoin ETF's investment objective will be to seek results (before fees and expenses) that, both for a single day and over time, correspond to the performance of lead month bitcoin futures contracts[11] listed and traded on either the Cboe Futures Exchange (''CFE'') or the Chicago Mercantile Exchange (''CME'') (''Benchmark Futures Contract''). This Fund generally intends to invest substantially all of its assets in the Benchmark Futures Contracts, but may invest in other U.S. exchange listed bitcoin futures contracts, if available (together with Benchmark Futures Contracts, collectively, ''Bitcoin Futures Contracts'').[12]

In addition, the Exchange states that the ProShares Short Bitcoin ETF's investment objective will be to seek results, for a single day, that correspond (before fees and expenses) to the inverse of the daily performance of the Benchmark Futures Contract. This Fund generally intends to invest substantially all of its assets through short positions in Benchmark Futures Contracts, but may invest through short positions in Bitcoin Futures Contracts, if available.[13]

Further, the Exchange states that, in the event position, price, or accountability limits are reached with respect to Bitcoin Futures Contracts, each Fund may invest in listed options on Bitcoin Futures Contracts (should such listed options become available) and OTC swap agreements referencing Bitcoin Futures Contracts (collectively, ''Financial Instruments'').[14]

The Commission has received one comment letter, which expresses concerns about the proposed rule change.[15] The commenter refers to the proposal as a ''house of cards'' and expresses concern that the Funds' attempt to replicate the bitcoin futures markets, which are related to underlying cryptocurrencies that trade on unregulated exchanges, will lead to losses for retail investors, and that the inclusion of an inverse Fund will add to the risk.[16]

II. Proceedings To Determine Whether to Approve or Disapprove SR–NYSEArca–2017–139 and Grounds for Disapproval Under Consideration

The Commission is instituting proceedings pursuant to Section 19(b)(2)(B) of the Act[17] to determine whether the proposed rule change should be approved or disapproved. Institution of such proceedings is appropriate at this time in view of the legal and policy issues raised by the proposed rule change. Institution of proceedings does not indicate that the Commission has reached any conclusions with respect to any of the issues involved. Rather, as described below, the Commission seeks and encourages interested persons to

[24] 17 CFR 200.30–3(a)(12).

[1] 15 U.S.C.78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] *See* Securities Exchange Act Release No. 82350 (Dec. 19, 2017), 82 FR 61100 (Dec. 26, 2017) (''Notice'').

[4] *See* Letter from Abe Kohen, AK Financial Engineering Consultants, LLC (Dec. 27, 2017) (''Kohen Letter''). All comments on the proposed rule change are available on the Commission's website at: *https://www.sec.gov/comments/sr-nysearca-2017-139/nysearca2017139.htm.*

[5] 15 U.S.C. 78s(b)(2).

[6] *See* Securities Exchange Act Release No. 82602 (Jan. 30, 2018), 83 FR 4941 (Feb. 2, 2018). The Commission designated March 26, 2018, as the date by which it should approve, disapprove, or institute proceedings to determine whether to disapprove the proposed rule change.

[7] 15 U.S.C. 78s(b)(2)(B).

[8] The Commission notes that additional information regarding the Trust, the Shares, and the Funds, including investment strategies, calculation of net asset value (''NAV'') and indicative fund value, creation and redemption procedures, and additional background information about bitcoins, the bitcoin network, and bitcoin futures contracts, among other things, can be found in the Notice (*see supra* note 3) and the registration statement filed with the Commission on Form S–1 (File No. 333–220680) under the Securities Act of 1933 (''Registration Statement''), as applicable.

[9] *See* NYSE Arca Rule 8.200–E, Commentary .02. NYSE Arca Rule 8.200–E permits the listing and trading of ''Trust Issued Receipts,'' defined as a security (1) that is used by the trust which holds specific securities deposited with the trust; (2) that, when aggregated in some specified minimum number, may be surrendered to the trust by the beneficial owner to receive the securities; and (3) that pay beneficial owners dividends and other distributions on the deposited securities, if any are declared and paid to the trustee by an issuer of the deposited securities. Commentary .02 applies to Trust Issued Receipts that invest in any combination of investments, including cash; securities; options on securities and indices; futures contracts; options on futures contracts; forward contracts; equity caps, collars, and floors; and swap agreements.

[10] *See* Notice, *supra* note 3, at 61101.

[11] According to the Exchange, lead month futures contracts are the monthly contracts with the earliest expiration date. *See* Notice, *supra* note 3, at 61101, n.6. *See also* Notice and Registration Statement, *supra* notes 3 and 8.

[12] *See* Notice, *supra* note 3, at 61101.

[13] *See id.*

[14] *See id.* at 61102.

[15] *See supra* note 4 and accompanying text.

[16] *See* Kohen Letter, *supra* note 4.

[17] 15 U.S.C. 78s(b)(2)(B).

provide comments on the proposed rule change.

Pursuant to Section 19(b)(2)(B) of the Act,[18] the Commission is providing notice of the grounds for disapproval under consideration. The Commission is instituting proceedings to allow for additional analysis of the proposed rule change's consistency with Section 6(b)(5) of the Act, 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,'' and ''to protect investors and the public interest.'' [19]

III. Procedure: Request for Written Comments

The Commission requests that interested persons provide written submissions of their views, data, and arguments with respect to the issues identified above, as well as any other concerns they may have with the proposal. In particular, the Commission invites the written views of interested persons concerning whether the proposal is consistent with Section 6(b)(5) or any other provision of the Act, or the rules and regulations thereunder. Although there do not appear to be any issues relevant to approval or disapproval that would be facilitated by an oral presentation of views, data, and arguments, the Commission will consider, pursuant to Rule 19b–4, any request for an opportunity to make an oral presentation.[20]

Interested persons are invited to submit written data, views, and arguments regarding whether the proposal should be approved or disapproved by April 19, 2018. Any person who wishes to file a rebuttal to any other person's submission must file that rebuttal by May 3, 2018. The Commission asks that commenters address the sufficiency of the Exchange's statements in support of the proposal, which are set forth in the Notice,[21] in addition to any other comments they may wish to submit about the proposed rule change. In particular, the Commission seeks comment on the following:

1. What are commenters' views on whether the Exchange has sufficiently described how the Sponsor will select the applicable Benchmark Futures Contracts, given that the contracts trading on these two bitcoin futures exchanges have different terms (including different reference prices) and trade at different prices?

2. In its proposal, the Exchange states that each Fund may, in the event that position, price, or accountability limits are reached with respect to Bitcoin Futures Contracts—or if the market for a specific Bitcoin Futures Contract experiences an emergency or disruption—also invest in Financial Instruments, which include listed options on Bitcoin Futures Contracts (should such listed options become available) and OTC swap agreements referencing Bitcoin Futures Contracts. What are commenters' views on the current availability of Financial Instruments for trading? What are commenters' views on the ability of the Funds to invest in Financial Instruments in the event that position, price, or accountability limits are reached with respect to Bitcoin Futures Contracts? What are commenters' views on the ability of the Funds to invest in Financial Instruments if the market for a specific Bitcoin Futures Contract experiences emergencies or disruptions?

3. What are commenters' views on whether the Funds would have the information necessary to adequately value, including fair value, the Bitcoin Futures Contracts and related Financial Instruments when determining an appropriate end-of-day NAV for the Funds, taking into account any volatility, fragmentation, or general lack of regulation of the underlying bitcoin markets?

4. What are commenters' views on the potential impact of manipulation in the underlying bitcoin markets on the Funds' NAV? What are commenters views on the potential effect of such manipulation on the valuation of a Fund's Bitcoin Futures Contracts, which is determined using the last traded price on the primary listing futures exchange (as opposed to the settlement price, closing price, midpoint, or volume weighted average price)? What are commenters' views on the potential effect of such manipulation on the pricing of a Fund's Financial Instruments?

5. What are commenters' views on how the Funds' valuation policies would address the potential for the bitcoin blockchain to diverge into different paths (*i.e.,* a ''fork'')?

6. What are commenters' views on the price differentials and trading volumes across bitcoin trading platforms (including during periods of market stress) and on the extent to which these differing prices may affect the trading of the Bitcoin Futures Contracts and, accordingly, trading in the Shares of the Funds?

7. What are commenters' views on how the substantial margin requirements for Bitcoin Futures Contracts, and the nature of liquidity and volatility in the market for Bitcoin Futures Contracts, might affect the Trust's ability to meet redemption orders? What are commenters' views on whether and how the margin requirements for Bitcoin Futures Contracts, and the nature of liquidity and volatility in the market for Bitcoin Futures Contracts, might affect a Fund's use of available cash to achieve its investment strategy?

8. What are commenters' views on the possibility that the Funds—along with other exchange-traded products with similar investment objectives—could acquire a substantial portion of the market for Bitcoin Futures Contracts or the Financial Instruments? What are commenters' views on whether such a concentration of holdings could affect the Funds' portfolio management, the liquidity of the Funds' respective portfolios, or the pricing of the Bitcoin Futures Contracts or the Financial Instruments?

9. What are commenters' views on possible factors that might impair the ability of the arbitrage mechanism to keep the trading price of the Shares tied to the NAV of each Fund? With respect to the market for Bitcoin Futures Contracts, what are commenters' views on the potential impact on the arbitrage mechanism of the price volatility and the potential for trading halts? What are commenters' views on whether or how these potential impairments of the arbitrage mechanism may affect the Funds' ability to ensure adequate participation by Authorized Participants? What are commenters' views on the potential effects on investors if the arbitrage mechanism is impaired?

10. What are commenters' views on the risks of price manipulation and fraud in the underlying bitcoin trading platforms and how these risks might affect the Bitcoin Futures Contracts market or the Financial Instruments? What are commenters' views on how these risks might affect trading in the Shares of the Funds?

11. What are commenters' views on how an investor may evaluate the price of the Shares in light of the risk of

[18] *Id.*

[19] 15 U.S.C. 78f(b)(5).

[20] Section 19(b)(2) of the Act, as amended by the Securities Act Amendments of 1975, Pub. L. 94–29 (June 4, 1975), grants the Commission flexibility to determine what type of proceeding—either oral or notice and opportunity for written comments—is appropriate for consideration of a particular proposal by a self-regulatory organization. *See* Securities Act Amendments of 1975, Senate Comm. on Banking, Housing & Urban Affairs, S. Rep. No. 75, 94th Cong., 1st Sess. 30 (1975).

[21] *See supra* note 3.

potential price manipulation and fraud in the underlying bitcoin trading platforms and in light of the potentially significant spread between the price of the Bitcoin Futures Contracts and the spot price of bitcoin?

12. What are commenters' views on whether the two bitcoin futures exchanges represent a significant market, *i.e.,* a market of significant size?

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–NYSEArca–2017–139 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 SR–NYSEArca-2017–139. 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 website (*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 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. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. 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. All submissions should refer to File Number SR–NYSEArca-2017–139 and should be submitted on or before April 19, 2018. Rebuttal comments should be submitted by May 3, 2018.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[22]

Brent J. Fields,

Secretary.

[FR Doc. 2018–06297 Filed 3–28–18; 8:45 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–82937; File No. SR–CTA/CQ–2018–01]

Consolidated Tape Association; Notice of Filing and Immediate Effectiveness of the Twenty-Third Charges Amendment to the Second Restatement of the CTA Plan and the Fourteenth Charges Amendment to the Restated CQ Plan

March 23, 2018.

Pursuant to Section 11A of the Securities Exchange Act of 1934 (''Act''),[1] and Rule 608 thereunder,[2] notice is hereby given that on March 5, 2018,[3] the Consolidated Tape Association (''CTA'') Plan participants (''Participants'')[4] filed with the Securities and Exchange Commission (''Commission'') a proposal to amend the Second Restatement of the CTA Plan and the Restated Consolidated Quotation (''CQ'') Plan (''Plans'').[5] The amendment represents the twenty-third Charges Amendment to the CTA Plan and the fourteenth Charges Amendment to the CQ Plan (''Amendments''). The Amendments seek to amend the text of the Plans' fee schedule to adopt changes to the Broker-Dealer Enterprise Maximum Monthly Charge (''Enterprise Cap'') and Per-Quote-Packet Charges.

The Participants are proposing to increase the Enterprise Cap from $686,400 to $1,260,000 for Network A and from $520,000 to $680,000 for Network B. The Participants state that the Enterprise Cap was established to provide incentives to entities to make market data available to large Nonprofessional Subscriber bases. Due to what they describe as ongoing industry consolidation, however, the Participants are proposing to increase the Enterprise Cap in order to account for the sudden and substantial increase of Nonprofessional Subscribers at entities using the Enterprise Cap.

To make the increase of the Enterprise Cap revenue neutral (from an overall Plan perspective) and fee neutral (from an individual entity[6] perspective), the Participants are proposing to decrease the Per-Quote-Packet Charges for those broker-dealers with 500,000 or more Nonprofessional Subscribers. According to the Participants, the increase in fees as a result of the increase of the Enterprise Cap will be offset by a decrease in Per-Quote-Packet Charges for those entities that would be most likely affected by the raising of the cap, *i.e.,* those with a large Nonprofessional Subscriber base.

Pursuant to Rule 608(b)(3) under Regulation NMS,[7] the Participants designate the amendment as establishing or changing a fee or other charge collected on their behalf in connection with access to, or use of, the facilities contemplated by the Plans. As a result, the amendment is effective upon filing with the Commission.

The Commission is publishing this notice to solicit comments from interested persons on the proposed Amendments. Set forth in Sections I and II is the statement of the purpose and summary of the Amendments, along with the information required by Rules 608(a) and 601(a) under the Act, prepared and submitted by the Participants to the Commission.

[22] 17 CFR 200.30–3(a)(57).

[1] 15 U.S.C. 78k–1.

[2] 17 CFR 242.608.

[3] *See* Letter from Emily Kasparov to Brent J. Fields, Secretary, Securities and Exchange Commission, dated March 1, 2018.

[4] The Participants are: Cboe BYX Exchange, Inc.; Cboe BZX Exchange, Inc.; Cboe EDGA Exchange, Inc.; Cboe EDGX Exchange, Inc.; Cboe Exchange, Inc.; Chicago Stock Exchange, Inc.; Financial Industry Regulatory Authority, Inc.; Investors Exchange LLC; Nasdaq BX, Inc.; Nasdaq ISE, LLC; Nasdaq PHLX LLC; The Nasdaq Stock Market LLC; New York Stock Exchange LLC; NYSE Arca, Inc.; NYSE American LLC; and NYSE National, Inc. (collectively, the ''Participants'').

[5] *See* Securities Exchange Act Release Nos. 10787 (May 10, 1974), 39 FR 17799 (May 20, 1974) (declaring the CTA Plan effective); 15009 (July 28, 1978), 43 FR 34851 (August 7, 1978) (temporarily authorizing the CQ Plan); and 16518 (January 22, 1980), 45 FR 6521 (January 28, 1980) (permanently authorizing the CQ Plan). The most recent restatement of both Plans was in 1995. The CTA Plan, pursuant to which markets collect and disseminate last sale price information for non-NASDAQ listed securities, is a ''transaction reporting plan'' under Rule 601 under the Act, 17 CFR 242.601, and a ''national market system plan'' under Rule 608 under the Act, 17 CFR 242.608. The CQ Plan, pursuant to which markets collect and disseminate bid/ask quotation information for listed securities, is a national market system plan.

[6] As described below, the Plan does not require an entity that is registered as a broker-dealer under the Act to pay more than the Enterprise Cap for any month for the aggregate amount of (a) a network's Device charges for devices used for its Internal Distribution plus (b) that network's Device and Per-Quote-Packet charges payable in respect of services that it provides to Nonprofessional Subscribers that are brokerage account customers of the broker-dealer.

[7] 17 CFR 242.608(b)(3)(i).

I. Rule 608(a)

A. Purpose of the Amendments

1. Background

Broker-Dealer Enterprise Maximum Monthly Charge

The Plans require an entity that is registered as a broker-dealer under the Act to pay no more than the Enterprise Cap for any month for the aggregate amount of (a) a network's Device charges for devices used for its Internal Distribution plus (b) that network's Device and Per-Quote-Packet charges payable in respect of services that it provides to Nonprofessional Subscribers that are brokerage account customers of the broker-dealer. In 2013, the Participants set the amount of the Enterprise Cap to $686,400 for Network A and $520,000 for Network B.[8]

In the 2013 Filing, the Participants changed the mechanism for increasing the Enterprise Cap. The Enterprise Cap was previously increased based on the percentage increase in the annual composite share volume for the preceding calendar year, subject to an annual maximum increase of five percent. In 2013, the Participants permitted such annual increases in the monthly Enterprise Cap as to which they agreed by a majority vote, subject to a maximum increase in any calendar year of four percent. At that time, the Participants believed that this provision permitted an annual increase by a two-thirds vote of the Participants without requiring a corresponding rule filing with the Securities and Exchange Commission. Nevertheless, the Participants have not increased the Enterprise Cap since this change was adopted in 2013.[9] This filing proposes to remove that provision.

Per Quote Packet Charges

As an alternative to monthly Professional Subscriber and Nonprofessional Subscriber fees, a vendor may respond to end-user queries for quote and trade information and pay a fee for each such response. The Participants first established the Per-Quote-Packet Charges in 1991 as a pilot at $0.005 per query.[10] In 1999, a pilot implementing a three-tiered rate structure was introduced, which was eventually replaced with a one-tier rate at $0.005 per query.[11] In 2014, the Participants increased the fee to $0.0075 per query to offset the revenue loss resulting from decreases in the Professional Subscriber device fee.[12]

2. Amendment to Enterprise Cap

The Participants are proposing to increase the Enterprise Cap from $686,400 to $1,260,000 for Network A and from $520,000 to $680,000 for Network B. As a result of industry consolidation, the Nonprofessional Subscriber base for entities subject to the cap may suddenly increase, and where before two entities may have slightly benefited from the Enterprise Cap, a combined entity could find a substantial decrease in fees by using the Enterprise Cap. Consequently, the increase of the Enterprise Cap is designed to maintain the status quo and should not, in conjunction with the Per-Quote-Packet Charges change described below, result in an increase of revenue to the Plans or fees for any particular entity.[13]

Additionally, the Participants are proposing to remove a provision related to an annual increase of the Enterprise Cap after a two-thirds vote of the Participants. In the 2013 Filing, the Participants amended the mechanism by which the Enterprise Cap would increase, from an automatic increase based on volume to an affirmative vote requirement by the Participants.

Since 2013, the Enterprise Cap has not been increased using this mechanism, and the Participants believe that any future changes to the Enterprise Cap should be submitted via a filing with the Securities and Exchange Commission and subject to public comment. Consequently, the Participants are proposing to delete this particular provision.

3. Per-Quote-Packet Charges Change to Remain Revenue Neutral

Because of the increase in the Enterprise Cap, there could be broker-dealers looking to use the Enterprise Cap that, without a corresponding offset, could face an increase in fees. To offset a potential fee increase, the Participants are proposing a decrease in the Per-Quote-Packet Charges where a broker-dealer has 500,000 or more Nonprofessional Subscribers. For such entities, the Per-Quote-Packet Charges would be decreased from $.0075 to $.0025. By implementing a tiered structure for Per-Quote-Packet Charges, the proposal is designed to provide an offset to those firms most likely affected by the Enterprise Cap increase (*i.e.,* those with a large Nonprofessional Subscriber base).

Additionally, the proposal will align Network A and Network B with a similar tiered structure being proposed for Network C.

B. Governing or Constituent Documents

Not applicable.

C. Implementation of the Amendments

Pursuant to Rule 608(b)(3)(i) under Regulation NMS, the Participants have designated the proposed amendment as establishing or changing fees and are submitting the amendment for immediate effectiveness.

D. Development and Implementation Phases

See Item C above.

E. Analysis of Impact on Competition

The proposed amendments do not impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The proposed increase in the Enterprise Cap is designed to account for industry consolidation.

Without this adjustment, the Plans' revenue will suddenly decrease due to a broker-dealer increasing its Nonprofessional Subscriber base through a merger with another broker-dealer. As detailed further below, while the Enterprise Cap is being increased, the Plans' revenue and fees collected from affected entities will be maintained at their current levels. Any potential fee increase for broker-dealers taking advantage of the Enterprise Cap will be offset by a decrease in the Per-Quote-Packet Charges for broker-dealers with large Nonprofessional Subscriber bases. The combination of the Enterprise Cap increase and the Per-Quote-Packet Charges decrease will ensure that the fee changes proposed herein remain revenue neutral.

The Participants therefore believe that the proposed fee changes are carefully calibrated to maintain the status quo and, as a result, do not impose any burden on competition that is not necessary or appropriate.

F. Written Understanding or Agreements relating To Interpretation of, or Participation in, Plan

Not applicable.

G. Approval by Sponsors in Accordance With Plan

Section XII (b)(iii) of the CTA Plan provides that ''[a]ny addition of any

[8] *See* Securities Exchange Act Release No. 70010 (Jul. 19, 2013), 78 FR 44984 (Jul. 25, 2013) (''2013 Filing'').

[9] As described below, the Participants believe that this provision should be deleted and that any changes to the Enterprise Cap should be submitted to the Commission for review and public comment.

[10] *See* Securities Exchange Act Release No. 39235 (Oct. 14, 1997), 62 FR 54886 (Oct. 22, 1997).

[11] *See* Securities Exchange Act Release No. 41977 (Oct. 5, 1999), 64 FR 55503 (Oct. 13, 1999).

[12] *See* Securities Exchange Act Release No. 73278 (Oct. 1, 2014), 79 FR 60536 (Oct. 7, 2014).

[13] The Participants note that a very small number of entities take advantage of the Enterprise Cap.

charge to . . . the charges set forth in *Exhibit E* . . . shall be effected by an amendment to this CTA Plan . . . that is approved by affirmative vote of not less than two-thirds of all of the then voting members of CTA. Any such amendment shall be executed on behalf of each Participant that appointed a voting member of CTA who approves such amendment and shall be filed with the SEC.'' Further, Section IX(b)(iii) of the CQ Plan provides that ''additions, deletions, or modifications to any charges under this CQ Plan shall be effected by an amendment . . . that is approved by affirmative vote of two-thirds of all the members of the Operating Committee.''

The Participants have executed this Amendment and represent not less than two-thirds of all of the parties to the Plans. That satisfies the Plans' Participant-approval requirements.

H. Description of Operation of Facility Contemplated by the Proposed Amendments

Not applicable.

I. Terms and Conditions of Access

Not applicable.

J. Method of Determination and Imposition, and Amount of, Fees and Charges

The Participants are proposing to increase the Enterprise Cap by an amount to ensure that industry consolidation would not result in a sudden decrease in Plan revenue, thereby avoiding any single entity from getting a disproportionate benefit from the Enterprise Cap. The Participants propose to decrease the Per-Quote-Packet Charges for broker-dealers with a large Nonprofessional Subscriber base. The amount of the proposed decrease is specifically tailored to ensure that the increase in fees as a result of raising the Enterprise Cap would be offset and that the proposed amendment would remain revenue neutral.

Because the Participants have data showing the current benefit of the Enterprise Cap and the number of queries of those potentially affected by the change in the Enterprise Cap, the Participants were able to calibrate the Per-Quote-Packet Charges in order to make the changes proposed herein revenue neutral. As previously stated, the proposed change will not only maintain the status quo on an overall Plan revenue basis, but also maintain the status quo with respect to the fees charged to individual entities.

The proposed fee changes were distributed to and discussed with members of the Plans' Advisory Committee, and were discussed and voted on during the General Session of the Operating Committee in the presence of the Advisory Committee.

K. Method and Frequency of Processor Evaluation

Not applicable.

L. Dispute Resolution

Not applicable.

II. Rule 601(a)

A. Equity Securities for which Transaction Reports Shall be Required by the Plan

Not applicable.

B. Reporting Requirements

Not applicable.

C. Manner of Collecting, Processing, Sequencing, Making Available and Disseminating Last Sale Information

Not applicable.

D. Manner of Consolidation

Not applicable.

E. Standards and Methods Ensuring Promptness, Accuracy and Completeness of Transaction Reports

Not applicable.

F. Rules and Procedures Addressed to Fraudulent or Manipulative Dissemination

Not applicable.

G. Terms of Access to Transaction Reports

Not applicable.

H. Identification of Marketplace of Execution

Not applicable.

III. Solicitation of Comments

The Commission seeks comment on the Amendments. In particular, the Commission seeks comment on the following: (1) Is the anticipated impact on revenue to the Plans consistent with the Participants' representations; (2) is the anticipated impact on costs to consumers of market data, including broker-dealers and their non-professional customers, consistent with the Participants' representations; (3) is there supporting data to illustrate that the proposed changes are ''revenue neutral'' as asserted by the Participants; (4) could the fee changes have a disproportionate impact on particular data recipients; (5) what, if any, supporting data could inform whether the changes would maintain the status quo and therefore do not impose any burden on competition that is not necessary or appropriate as asserted by the Participants; and (6) whether the impact of potential industry consolidation on the revenue of the Plans is consistent with the representations of the Participants? Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed Amendments are 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–CTA/CQ–2018–01 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–CTA/CQ–2018–01. 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 website (*http://www.sec.gov/rules/sro.shtml*). Copies of the submission, all subsequent amendments, all written statements with respect to the Amendments that are filed with the Commission, and all written communications relating to the Amendments 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 website viewing and printing in the Commission's Public Reference Room on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of the Amendments also will be available for inspection and copying at the principal office of the CTA.

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. All submissions should refer to File Number SR–CTA/CQ–2018–01 and should be submitted on or before April 19, 2018.

By the Commission.

Brent J. Fields,

Secretary.

[FR Doc. 2018–06266 Filed 3–28–18; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–82938; File No. S7–24–89]

Joint Industry Plan; Notice of Filing and Immediate Effectiveness of the Forty-Second Amendment to the Joint Self-Regulatory Organization Plan Governing the Collection, Consolidation and Dissemination of Quotation and Transaction Information for Nasdaq-Listed Securities Traded on Exchanges on an Unlisted Trading Privileges Basis

March 23, 2018.

Pursuant to Section 11A of the Securities Exchange Act of 1934 (''Act''),[1] and Rule 608 thereunder,[2] notice is hereby given that on March 5, 2018, the Participants [3] in the Joint Self-Regulatory Organization Plan Governing the Collection, Consolidation and Dissemination of Quotation and Transaction Information for Nasdaq-Listed Securities Traded on Exchanges on an Unlisted Trading Privileges Basis (''NASDAQ/UTP Plan'' or ''Plan'') filed with the Securities and Exchange Commission (''Commission'') a proposal to amend the NASDAQ/UTP Plan.[4] The amendment is the 42nd amendment to the NASDAQ/UTP Plan (''Amendment'').[5] The Amendment proposes to amend the text of the fee schedule of the Plan to adopt changes to the Nonprofessional Subscriber Enterprise Cap and Per Query Fees.

The Participants are proposing to increase the Nonprofessional Subscriber Enterprise Cap (''Enterprise Cap'') from $648,000 to $1,260,000. The Participants state that the Enterprise Cap was established to provide incentives to entities to make market data available to large Nonprofessional Subscriber bases. Due to what they describe as ongoing industry consolidation, however, the Participants are proposing to increase the Enterprise Cap in order to account for the sudden and substantial increase of Nonprofessional Subscribers at entities using the Enterprise Cap.

To make the increase of the Enterprise Cap revenue neutral (from an overall Plan perspective) and fee neutral (from an individual entity [6] perspective), the Participants are proposing to decrease the Per Query Fees for those broker-dealers with 500,000 or more Nonprofessional Subscribers. According to the Participants, the increase in fees as a result of the increase of the Enterprise Cap will be offset by a decrease in Per Query Fees for those entities that would most likely be affected by the raising of the cap, *i.e.,* those with a large Nonprofessional Subscriber base.

Pursuant to Rule 608(b)(3)(i) under Regulation NMS,[7] the Participants designate the Amendment as establishing or changing a fee or other charge collected on behalf of the Participants in connection with access to, or use of, any facility contemplated by the Nasdaq/UTP Plan. As a result, the Amendment is effective upon filing with the Commission.

The Commission is publishing this notice to solicit comments from interested persons on the Amendment. Set forth in Sections I and II is the statement of the purpose and summary of the Amendment, along with the information required by Rules 608(a) and 601(a) under the Act, prepared and submitted by the Participants to the Commission.

I. Rule 608(a)

A. Purpose of the Amendment

1. Background

Nonprofessional Subscriber Enterprise Cap

The Plan requires an entity that is registered as a broker-dealer under the Act to pay no more than the Enterprise Cap for any month for each entitlement system offering UTP Level 1 Service to Nonprofessional Subscribers. The Enterprise Cap equals the aggregate amount of fees payable for distribution of UTP Level 1 Service to Nonprofessional Subscribers that are brokerage account customers of the broker-dealer. The Participants adopted the Enterprise Cap in 2010 and set it at $600,000 per month. In 2014, the Participants increased the amount of the Enterprise Cap to $624,000.[8]

In the 2014 Filing, the Participants changed the mechanism for increasing the Enterprise Cap. The Enterprise Cap was previously increased based on the percentage increase in the annual composite share volume for the preceding calendar year, subject to an annual maximum increase of five percent. In 2014, the Participants permitted such annual increases in the monthly Enterprise Cap as to which they agreed by a majority vote, subject to a maximum increase in any calendar year of four percent. At that time, the Participants believed that this provision permitted an annual increase by a two-thirds vote of the Participants without requiring a corresponding rule filing with the Securities and Exchange Commission. Nevertheless, the Participants have not increased the Enterprise Cap since this change was adopted in 2014.[9] This filing proposes to remove that provision.

Per Query Fee

As an alternative to monthly Professional Subscriber and Nonprofessional Subscriber fees, a vendor may respond to end-user queries for quote and trade information and pay a fee for each such response. The Participants first established Per Query Fees in 1992 as a pilot at $0.015 per query.[10] In 1995, it was noted that the UTP Per Query Fees were three times that of the Network A and Network B counterparts. Subsequently, the UTP Per Query Fees was [sic] made a permanent part of the fee schedule and was lowered to $0.01 per query to be more in line with Networks A and B. In April 1999, a pilot at a reduced rate of $.005 per query was filed and in April 2001, it was approved as the permanent fee

[1] 15 U.S.C. 78k–1.

[2] 17 CFR 242.608.

[3] The Participants are: Cboe BYX Exchange, Inc.; Cboe BZX Exchange, Inc.; Cboe EDGA Exchange, Inc.; Cboe EDGX Exchange, Inc.; Cboe Exchange, Inc.; Chicago Stock Exchange, Inc.; Financial Industry Regulatory Authority, Inc.; Investors Exchange LLC; Nasdaq BX, Inc.; Nasdaq ISE, LLC; Nasdaq PHLX LLC; The Nasdaq Stock Market LLC; New York Stock Exchange LLC; NYSE Arca, Inc.; NYSE American LLC; and NYSE National, Inc. (collectively, the ''Participants'').

[4] The Plan governs the collection, processing, and dissemination on a consolidated basis of quotation information and transaction reports in Eligible Securities for its Participants. This consolidated information informs investors of the current quotation and recent trade prices of Nasdaq securities. It enables investors to ascertain from one data source the current prices in all the markets trading Nasdaq securities. The Plan serves as the required transaction reporting plan for its Participants, which is a prerequisite for their trading Eligible Securities. *See* Securities Exchange Act Release No. 55647 (April 19, 2007), 72 FR 20891 (April 26, 2007).

[5] *See* Letter from Emily Kasparov to Brent J. Fields, Secretary, Commission, dated March 1, 2018.

[6] As described below, the Plan does not require an entity that is registered as a broker-dealer under the Act to pay more than the Enterprise Cap for any month for each entitlement system offering UTP Level 1 Service to Nonprofessional Subscribers.

[7] 17 CFR 242.608(b)(3)(i).

[8] *See* Securities Exchange Act Release No. 70953 (Nov. 27, 2013), 78 FR 72932 (Dec. 4, 2013) (effective Jan. 1, 2014) (''2014 Filing'').

[9] As described below, the Participants believe that this provision should be deleted and that any changes to the Enterprise Cap should be submitted to the Commission for review and public comment.

[10] *See* Securities Exchange Act Release No. 73279 (Oct. 1, 2014), 79 FR 60522 (Oct. 7, 2014) (describing the history of the Per Query Fees).

structure. In 2014, the Participants increased the fee to $0.0075 per query to offset the revenue loss resulting from decreases in the Professional Subscriber device fee.

2. Amendment to Enterprise Cap

The Participants are proposing to increase the Enterprise Cap from $624,000 to $1,260,000. As a result of industry consolidation, the Nonprofessional Subscriber base for entities subject to the cap may suddenly increase, and where before two entities may have slightly benefited from the Enterprise Cap, a combined entity could find a substantial decrease in fees by using the Enterprise Cap. Consequently, the increase of the Enterprise Cap is designed to maintain the status quo and should not, in conjunction with the Per Query fee change described below, result in an increase of revenue to the Plan or fees for any particular entity.[11]

Additionally, the Participants are proposing to remove a provision related to an annual increase of the Enterprise Cap after a two-thirds vote of the Participants. In the 2014 Filing, the Participants amended the mechanism by which the Enterprise Cap would increase, from an automatic increase based on volume to an affirmative vote requirement by the Participants. Since 2014, the Enterprise Cap has not been increased using this mechanism, and the Participants believe that any future changes to the Enterprise Cap should be submitted via a filing with the Securities and Exchange Commission and subject to public comment. Consequently, the Participants are proposing to delete this particular provision.

3. Per Query Fee Change to Remain Revenue Neutral

Because of the increase in the Enterprise Cap, there is a small subset of broker-dealers that use the Enterprise Cap that, without a corresponding offset, could face an increase in fees. To offset this potential fee increase, the Participants are proposing a decrease in the Per Query fee for Nonprofessional Subscribers where a broker-dealer has 500,000 or more Nonprofessional Subscribers. For such entities, the Per Query fee for Non-Professional Subscribers would be decreased from $.0075 to $.0025; the Per Query fee for Professional Subscribers would remain at the $.0075 rate. By implementing a tiered structure for Per Query fees, the proposal is designed to provide an offset to those firms most likely affected by the Enterprise Cap increase (*i.e.,* those with a large Nonprofessional Subscriber base).

Additionally, the proposal will align Network C with a similar tiered structure being proposed for Network A and Network B.

B. Governing or Constituent Documents

Not applicable.

C. Implementation of the Amendment

Pursuant to Rule 608(b)(3)(i) under Regulation NMS, the Participants have designated the proposed amendment as establishing or changing fees and are submitting the amendment for immediate effectiveness.

D. Development and Implementation Phases

See Item I.C. above.

E. Analysis of Impact on Competition

The proposed amendments do not impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Securities Exchange Act of 1934. The proposed increase in the Enterprise Cap is designed to account for industry consolidation. Without this adjustment, the Plan's revenue will suddenly decrease due to a broker-dealer increasing its Nonprofessional Subscriber base through a merger with another broker-dealer. As detailed further below, while the Enterprise Cap is being increased, the Plan's revenue and fees collected from entities will be maintained at their current levels. The potential fee increase for broker-dealers taking advantage of the Enterprise Cap will be offset by a decrease in the Per Query fee for broker-dealers with large Nonprofessional Subscriber bases. This offset will ensure that the fee changes proposed herein remain revenue neutral.

The Participants therefore believe that the proposed fee changes are carefully calibrated to maintain the status quo and, as a result, do not impose any burden on competition that is not necessary or appropriate.

F. Written Understanding or Agreements Relating to Interpretation of, or articipation in, Plan

Not applicable.

G. Approval by Sponsors in Accordance With Plan

In accordance with Section IV(C)(2) of the Plan, more than two-thirds of the Participants have approved the fee change proposed herein.

H. Description of Operation of Facility Contemplated by the Proposed Amendment

Not applicable.

I. Terms and Conditions of Access

Not applicable.

J. Method of Determination and Imposition, and Amount of, Fees and Charges

The Participants are proposing to increase the Enterprise Cap by an amount to ensure that industry consolidation would not result in a sudden decrease in Plan revenue, thereby avoiding any single entity from getting a disproportionate benefit from the Enterprise Cap. The Participants propose to decrease the Per Query fee for Nonprofessional Subscribers for broker- dealers with a large Nonprofessional Subscriber base. The amount of the proposed decrease is specifically tailored to ensure that the increase in fees as a result of raising the Enterprise Cap would be offset and that the proposed amendment would remain revenue neutral.

Because the Participants have data showing the current benefit of the Enterprise Cap and the number of queries of those potentially affected by the change in the Enterprise Cap, the Participants were able to calibrate the Per Query fee in order to make the changes proposed herein revenue neutral. As previously stated, the proposed change will not only maintain the status quo on an overall Plan revenue basis, but also maintain the status quo with respect to the fees charged to individual entities.

The proposed fee changes were distributed to and discussed with members of the Plan's Advisory Committee, and were discussed and voted on during the General Session of the Operating Committee in the presence of the Advisory Committee.

K. Method and Frequency of Processor Evaluation

Not applicable.

L. Dispute Resolution

Not applicable.

II. Rule 601(a)

A. Equity Securities for Which Transaction Reports Shall be Required by the Plan

Not applicable.

B. Reporting Requirements

Not applicable.

[11] The Participants note that a very small number of entities take advantage of the Enterprise Cap.

C. Manner of Collecting, Processing, Sequencing, Making Available and Disseminating Last Sale Information

Not applicable.

D. Manner of Consolidation

Not applicable.

E. Standards and Methods Ensuring Promptness, Accuracy and Completeness of Transaction Reports

Not applicable.

F. Rules and Procedures Addressed to Fraudulent or Manipulative Dissemination

Not applicable.

G. Terms of Access to Transaction Reports

Not applicable.

H. Identification of Marketplace of Execution

Not applicable.

III. Solicitation of Comments

The Commission seeks comment on the Amendments. In particular, the Commission seeks comment on the following: (1) Is the anticipated impact on revenue to the Plans consistent with the Participants' representations; (2) is the anticipated impact on costs to consumers of market data, including broker-dealers and their non-professional customers, consistent with the Participants' representations; (3) is there supporting data to illustrate that the proposed changes are ''revenue neutral'' as asserted by the Participants; (4) could the fee changes have a disproportionate impact on particular data recipients; (5) what, if any, supporting data could inform whether the changes would maintain the status quo and therefore do not impose any burden on competition that is not necessary or appropriate as asserted by the Participants; and (6) whether the impact of potential industry consolidation on the revenue of the Plans is consistent with the representations of the Participants? Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed 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 S7–24–89 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 File No. S7–24–89. 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 website (*http://www.sec.gov/rules/sro.shtml*). Copies of the submission, all written statements with respect to the proposed Amendment that are filed with the Commission, and all written communications relating to the proposed 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 website viewing and printing in the Commission's Public Reference Room on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of the Amendment also will be available for website viewing and printing at the principal office of the Plan. 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. All submissions should refer to File Number S7–24–89 and should be submitted on or before April 19, 2018.

By the Commission.

Brent J. Fields,

Secretary.

[FR Doc. 2018–06267 Filed 3–28–18; 8:45 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–82944; File No. SR–CboeEDGA–2018–005]

Self-Regulatory Organizations; CboeEDGA Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend Paragraph (h) of Exchange Rule 11.6 Describing the Operation of Orders With a Minimum Execution Quantity Instruction

March 23, 2018.

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 March 16, 2018, Cboe EDGA Exchange, Inc. (the ''Exchange'' or ''EDGA'') filed with the Securities and Exchange Commission (''Commission'') the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. The Exchange has designated this proposal as a ''non-controversial'' proposed rule change pursuant to Section 19(b)(3)(A) of the Act[3] and Rule 19b–4(f)(6)(iii) thereunder,[4] which renders it effective upon filing with the Commission. 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 Exchange filed a proposal to amend paragraph (h) of Exchange Rule 11.6 describing the operation of orders with a Minimum Execution Quantity[5] instruction.

The text of the proposed rule change is available at the Exchange's website at *www.markets.cboe.com,* at the principal office of the Exchange, 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 IV below. The Exchange has prepared summaries, set forth in Sections A, B, and C below, of the most significant parts of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

The Exchange proposes to amend paragraph (h) of Exchange Rule 11.6 describing the operation of orders with a Minimum Execution Quantity instruction by removing language that provided for the re-pricing of incoming

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] 15 U.S.C. 78s(b)(3)(A).

[4] 17 CFR 240.19b–4(f)(6)(iii).

[5] *See* Exchange Rule 11.6(h) for a complete description of the operation of the Minimum Execution Quantity order instruction.

orders with a Minimum Execution Quantity instruction to avoid an internally crossed book. As a result of this change, the Exchange proposes to specify within the rule when an order with a Minimum Execution Quantity instruction would not be eligible to trade to prevent executions from occurring that may be inconsistent with intra-market price priority or that would cause a Non-Displayed [6] order to trade ahead of a Displayed [7] order.

In sum, a Minimum Execution Quantity is a non-displayed order that enables a User [8] to specify a minimum share amount at which the order will execute.[9] An order with a Minimum Execution Quantity will not execute unless the volume of contra-side liquidity available to execute against the order meets or exceeds the designated minimum size. By default, an order with a Minimum Execution Quantity instruction will execute upon entry against a single order or multiple aggregated orders simultaneously. The Exchange recently amended the operation of the Minimum Execution Quantity instruction to permit a User to alternatively specify the order not execute against multiple aggregated orders simultaneously and that the minimum quantity condition be satisfied by each individual order resting on the EDGA Book.[10]

The Exchange also recently amended the operation of the Minimum Execution Quantity instruction to re-price incoming orders with the Minimum Execution Quantity instruction where that order may cross an order posted on the EDGA Book.[11] Specifically, where there is insufficient size to satisfy an incoming order's minimum quantity condition and that incoming order, if posted at its limit price, would cross an order(s), whether displayed or non-displayed, resting on the EDGA Book, the order with the minimum quantity condition would be re-priced to and ranked at the Locking Price.[12] This functionality has not yet been implemented [13] and the Exchange now proposes to amend paragraph (h) of Rule 11.6 to remove this re-pricing requirement.

As a result of the above change, the Exchange proposes to amend paragraph (h) of Rule 11.6 to describe when an order with a Minimum Execution Quantity instruction will not be eligible to trade to prevent executions from occurring that may be inconsistent with intra-market price priority or would result in a Non-Displayed order trading ahead of a same-priced, same-side Displayed order.[14] The Exchange would not permit an order with a Minimum Execution Quantity instruction that crosses other Displayed or Non-Displayed orders on the EDGA Book to trade at prices that are worse than the price of such contra-side orders. The Exchange would also not permit a resting order with a Minimum Execution Quantity instruction to trade at a price equal to a contra-side Displayed order. This proposal is based on recently adopted NYSE Arca, Inc. (''NYSE Arca'') Rule 7.31–E(i)(3)(C).[15]

Paragraph (h) of Rule 11.6 would state that an order to buy (sell) with a Minimum Execution Quantity instruction that is ranked in the EDGA Book will not be eligible to trade: (i) At a price equal to or above (below) any sell (buy) orders that are Displayed and that have a ranked price equal to or below (above) the price of such order with a Minimum Execution Quantity instruction; or (ii) at a price above (below) any sell (buy) order that is Non-Displayed and has a ranked price below (above) the price of such order with a Minimum Execution Quantity instruction.[16] However, an order with a Minimum Execution Quantity instruction that crosses an order on EDGA Book may execute at a price less aggressive than its ranked price against an incoming order so long as such execution is consistent with the above restrictions.

The following examples describe the proposed operation of an order with a Minimum Execution Quantity during an internally crossed market. This first example addresses intra-market priority amongst an order with a Minimum Execution Quantity and other Non-Displayed orders in an internally crossed market as well as when an execution may occur at prices less aggressive than the resting order's ranked price. Assume the NBBO is $10.10 by $10.16. A Non-Displayed order to sell 50 shares at $10.12 is resting on the EDGA Book (''Order A''). A Non-Displayed order to sell 25 shares at $10.11 is also resting on the EDGA Book (''Order B''). The Exchange receives a MidPoint Peg [17] order to buy at $10.14 with a minimum quantity condition to execute against a single order of 100 shares (''Order C''). Because Order C's minimum quantity condition cannot be met, Order C will not trade with Orders A or B and will be posted and ranked on the EDGA Book at $10.13, the midpoint of the NBBO. The Exchange now has a Non-Displayed order crossing both Non-Displayed orders on the EDGA Book. If the Exchange then receives a Non-Displayed order to sell for 100 shares at $10.11 (''Order D''),[18] although Order D would be marketable against Order C at $10.13, it would not trade at $10.13 because it is above the price of all resting sell orders. Order D will instead execute against Order C at $10.11, receiving price improvement relative to the midpoint of the NBBO.

This second example addresses intra-market priority amongst Displayed orders, Non-Displayed orders with a Minimum Execution Quantity and other Non-Displayed orders. The Exchange notes that the below behavior is not

[6] *See also* Exchange Rule 11.6(c)(2) for a definition of the Non-Displayed instruction.

[7] *See* Exchange Rule 11.6(c)(1) for a definition of the Displayed instruction.

[8] The term ''User'' is defined as ''any Member or Sponsored Participant who is authorized to obtain access to the System pursuant to Rule 11.3.'' *See* Exchange Rule 1.5(ee).

[9] A Minimum Execution Quantity instruction may only be added to an order with a Non-Displayed instruction or a Time-in-Force of Immediate-or-Cancel. *See* Exchange Rule 11.6(h).

[10] *See* Securities Exchange Act Release No. 81859 (October 12, 2017), 82 FR 48545 (October 18, 2017) (SR-BatsEDGA–2017–26). This functionality is pending deployment and the implementation date will be announced via a trading notice.

[11] *Id.*

[12] ''Locking Price'' is defined as ''[t]he price at which an order to buy (sell), that if displayed by the System on the EDGA Book, either upon entry into the System, or upon return to the System after being routed away, would be a Locking Quotation.'' *See* Exchange Rule 11.6(f).

[13] *See supra* note 10. Exchange Rule 11.6(h) does not require re-pricing where the order with a Minimum Execution Quantity is resting on the EDGA Book. As such, an internally crossed book may occur where the incoming order is of insufficient size to satisfy the resting order's minimum quantity condition and that incoming order, if posted at its limit price, would cross that order with a minimum quantity condition resting on the EDGA Book.

[14] Exchange Rule 11.9(a) states that orders on the EDGA Book are ranked and maintained by the Exchange according to price-time priority. Exchange Rule 11.9(a) further prohibits a Non-Displayed order from trading ahead of a same-side, same-priced Displayed order. This proposed rule change adds language to Exchange Rule 11.6(h) to clarify this priority scheme during an internally crossed market.

[15] *See* Securities Exchange Act Release No. 82504 (January 16, 2018), 83 FR 3038 (January 22, 2018) (SR–NYSEArca-2018–01) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend Rule 7.31–E Relating to Mid-Point Liquidity Orders and the Minimum Trade Size Modifier and Rule 7.36–E To Add a Definition of ''Aggressing Order'').

[16] An order with a Minimum Execution Quantity instruction to buy (sell) may execute at a price above (below) any sell (buy) order that is Non-Displayed and has a ranked price below (above) the price of such order with a Minimum Execution Quantity instruction if that Non-Displayed order itself included a Minimum Execution Quantity instruction that prevented it from executing. *See infra* note 19.

[17] *See* Exchange Rule 11.8(d)(2).

[18] On NYSE Arca, Order D will be posted to the NYSE Arca book at $10.11 and not execute against Order C at $10.13. *See supra* note 15.

unique to an internally crossed market as the Exchange's priority rule, 11.9(a), currently prohibits Non-Displayed orders, including Non-Displayed orders with a Minimum Execution Quantity, from trading ahead of same-priced, same-side Displayed orders. Assume the NBBO is $10.00 by $10.04. A Non-Displayed order to buy 500 shares at $10.00 is resting on the EDGA Book (''Order A''). A Displayed order to buy 100 shares at $10.00 is then entered and posted to the EDGA Book (''Order B''). The Exchange receives a Non-Displayed order to sell 600 shares at $10.00 with a minimum quantity condition to execute against a single order of 500 shares (''Order C''). Although Order A satisfies Order C's minimum quantity condition and has time priority ahead of Order B, no execution occurs because Order B is a Displayed order and has execution priority over Order A, a Non-Displayed order. Order C does not execute against Order B because Order B does not satisfy Order C's minimum quantity condition. Order C is then posted to the EDGA Book at $10.00, non-displayed.

The Exchange also proposes two clarifying changes to paragraph (h) of Exchange Rule 11.6. The rule currently states that an order with the Minimum Execution Quantity instruction cedes execution priority when it would lock an order against which it would otherwise execute if it were not for the minimum execution size restriction.[19] The Exchange now proposes to add additional language to the rule to clarify when a resting Non-Displayed order may cede execution priority to a subsequent arriving same-side order. As amended, paragraph (h) of Rule 11.6 would state that if a resting Non-Displayed sell (buy) order did not meet the minimum quantity condition of a same-priced resting order to buy (sell) with a Minimum Execution Quantity instruction, a subsequently arriving sell (buy) order that meets the minimum quantity condition will trade ahead of such resting Non-Displayed sell (buy) order at that price. For example, assume the NBBO is $10.00 by $10.10 and no orders are resting on the EDGA Book. A Non-Displayed order to buy 700 shares at $10.10 with a minimum quantity condition to execute against a single order of 500 shares is resting on the EDGA Book (Order A). A Non-Displayed order to sell 100 shares at $10.10 is then entered and posted to the EDGA Book (Order B). Order B does not execute against Order A because Order B does not satisfy Order A's single minimum quantity condition of 500 shares. As a result, Order B is posted to the EDGA Book at $10.10, creating an internally locked book. An order to sell 500 shares at $10.10 is then entered and executes against Order A at $10.10 for 500 shares because the incoming order is of sufficient size to satisfy Order A's minimum quantity condition of 500 shares. This clarification is also based on recently adopted NYSE Arca Rule 7.31–E(i)(3)(E)(ii).[20]

Lastly, the Exchange proposes to clarify that an incoming order with a Minimum Execution Quantity would be canceled where, if posted, it would cross the displayed price of an order on the EDGA Book.[21] Conversely, an incoming order with a Minimum Execution Quantity instruction would be posted to the EDGA Book where it would not cross the displayed price of a resting contra-side order. For example, an order to buy at $11.00 with a minimum quantity condition of 500 shares is entered (Order A) and there is a Displayed order resting on the EDGA Book to sell 200 shares at $10.99 (Order B). Order A would be cancelled because it crosses the displayed price of Order B and Order B does not contain sufficient size to satisfy Order A's minimum quantity condition of 500 shares. However, should Order A be priced at $10.99, it would not be cancelled and would be posted to the EDGA Book, resulting in an internally locked market. Order A would not be executable at that price because it is priced equal to a contra-side Displayed order. An internally crossed market may subsequently occur should an order to sell priced more aggressively than Order A be entered but not be of sufficient size to satisfy Order A's minimum quantity condition of 500 shares (*e.g.,* an order to sell 100 shares at $10.98) and posted to the EDGA Book.

2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act[22] in general, and furthers the objectives of Section 6(b)(5) of the Act[23] in particular, in that it is designed to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in 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. The proposed rule change removes impediments to and perfects the mechanism of a free and open market and a national market system because it would ensure that orders with a Minimum Quantity instruction do not trade through Displayed orders or violate intra-market price priority. Specifically, the proposed rule change would protect Displayed orders by preventing an order with a Minimum Execution Quantity instruction from executing where it is locked by a contra-side Displayed order. The proposed rule change protects intra-market price priority by preventing a resting order with a Minimum Execution Quantity instruction from executing where it is crossed by either a Displayed or Non-Displayed order on the EDGA Book. The proposed clarifications remove impediments to and perfect the mechanism of a free and open market and a national market system because they provide additional specificity regarding the operation of an order with a Minimum Execution Quantity instruction, thereby avoiding potential investor confusion. In particular, the Exchange believes it is reasonable for a resting Non-Displayed order to cede execution priority to a subsequent arriving same-side order where that order is of sufficient size to satisfy a resting contra-side order's minimum quantity condition because doing so facilitates executions in accordance with the terms and conditions of each order. The proposed rule change is also substantially similar to a proposed rule change recently submitted by NYSE Arca for immediate effectiveness and published by the Commission.[24] The only differences between the proposed rule change and that of NYSE Arca is that: (i) NYSE Arca does not cancel a minimum quantity order that would cross a displayed order on the NYSE Arca book; and (ii) NYSE Arca will not execute resting orders at prices less aggressive than their limit prices in crossed markets. The Exchange believes that these differences are immaterial because they are designed to reduce the occurrences of internally crossed markets and facilitate executions that may not otherwise occur. These differences will also continue to ensure that executions occur in accordance with intra-market price priority on the Exchange while

[19] The Exchange proposes to amend this provision to clarify that an order with a Minimum Execution Quantity instruction would cede execution priority when it would also cross an order against which it would otherwise execute if it were not for the minimum execution size restriction.

[20] *Supra note* 15.

[21] An order with a Minimum Execution Quantity will be repriced in accordance with Exchange Rule 11.6(l)(3) where it would cross a protected quote displayed on an away market center.

[22] 15 U.S.C. 78f(b).

[23] 15 U.S.C. 78f(b)(5).

[24] *See supra* notes 15 and 18.

accounting for the differences in functionality and order types.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act, as amended. On the contrary, the proposed rule change is not designed to address any competitive issues because it is intended to provide clarity regarding the operation of orders with a Minimum Quantity instruction and when such orders are eligible to trade and not trade through Displayed orders or violate intra-market price priority.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

No comments were solicited or received on the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Because the foregoing proposed rule change does not: (A) Significantly affect the protection of investors or the public interest; (B) impose any significant burden on competition; and (C) by its terms, become operative for 30 days from the date on which it was filed or such shorter time as the Commission may designate it has become effective pursuant to Section 19(b)(3)(A) of the Act[25] and paragraph (f)(6) of Rule 19b–4 thereunder,[26] the Exchange has designated this rule filing as non-controversial. The Exchange has given the Commission written notice of its intent to file the proposed rule change, along with a brief description and text of the proposed rule change at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission.

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: (1) Necessary or appropriate in the public interest; (2) for the protection of investors; or (3) otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or disapproved.

[25] 15 U.S.C. 78s(b)(3)(A).

[26] 17 CFR 240.19b–4.

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–CboeEDGA–2018–005 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 SR–CboeEDGA–2018–005. 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 website (*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 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. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. 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. All submissions should refer to File Number SR–CboeEDGA–2018–005, and should be submitted on or before April 19, 2018.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[27]

Brent J. Fields,

Secretary.

[FR Doc. 2018–06302 Filed 3–28–18; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–82940; File No. SR–NASDAQ–2018–019]

Self-Regulatory Organizations; The Nasdaq Stock Market LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend the Exchange's Transaction Fees at Chapter XV, Section 2, Which Governs the Pricing for Nasdaq Participants Using The Nasdaq Options Market

March 23, 2018.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act''),[1] and Rule 19b–4 thereunder,[2] notice is hereby given that on March 13, 2018, The Nasdaq Stock Market LLC (''Nasdaq'' or ''Exchange'') filed with the Securities and Exchange Commission (''Commission'') the proposed rule change as described in Items I, II, and III 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.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to amend the Exchange's transaction fees at Chapter XV, Section 2, which governs the pricing for Nasdaq Participants using The Nasdaq Options Market (''NOM''), Nasdaq's facility for executing and routing standardized equity and index options.

The text of the proposed rule change is available on the Exchange's website at *http://nasdaq.cchwallstreet.com/,* at the principal office of the Exchange, 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

[27] 17 CFR 200.30–3(a)(12).

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

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 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

The purpose of the proposed rule change is to amend NOM pricing at Chapter XV, Section 2 to modify the NOM Market Maker,[3] Customer[4] and Professional[5] Rebates to Add Liquidity in Penny and Non-Penny Pilot Options. The Exchange also proposes to increase the Customer and Professional Fee for Removing Liquidity in SPY Options. Each change is discussed below.

NOM Market Maker Rebate to Add Liquidity in Penny Pilot Options

The Exchange proposes to amend the Tier 6 NOM Market Maker Rebate to Add Liquidity in Penny Pilot Options by modifying the criteria to qualify for this tier and by increasing the rebate amount. Today, the Exchange has a six tier rebate structure for paying the NOM Market Maker Rebate to Add Liquidity in Penny Pilot Options as follows:

Monthly volume	Rebate to add liquidity
Tier 1: Participant adds NOM Market Maker liquidity in Penny Pilot Options and/or Non-Penny Pilot Options of up to 0.10% of total industry customer equity and ETF option average daily volume ("ADV") contracts per day in a month.	$0.20.
Tier 2: Participant adds NOM Market Maker liquidity in Penny Pilot Options and/or Non-Penny Pilot Options above 0.10% to 0.25% of total industry customer equity and ETF option ADV contracts per day in a month.	$0.25.
Tier 3: Participant adds NOM Market Maker liquidity in Penny Pilot Options and/or Non-Penny Pilot Options above 0.25% to 0.60% of total industry customer equity and ETF option ADV contracts per day in a month.	$0.30 or $0.40 in the following symbols AAPL, QQQ, IWM, SPY and VXX.
Tier 4: Participant adds NOM Market Maker liquidity in Penny Pilot Options and/or Non-Penny Pilot Options of above 0.60% to 0.90% of total industry customer equity and ETF option ADV contracts per day in a month.	$0.32 or $0.40 in the following symbols AAPL, QQQ, IWM, VXX and SPY.
Tier 5: Participant adds NOM Market Maker liquidity in Penny Pilot Options and/or Non-Penny Pilot Options of above 0.30% of total industry customer equity and ETF option ADV contracts per day in a month and qualifies for the Tier 7 or Tier 8 Customer and/or Professional Rebate to Add Liquidity in Penny Pilot Options.	$0.40.
Tier 6: Participant adds NOM Market Maker liquidity in Penny Pilot Options and/or Non-Penny Pilot Options above 0.80% of total industry customer equity and ETF option ADV contracts per day in a month and qualifies for the Tier 7 or Tier 8 Customer and/or Professional Rebate to Add Liquidity in Penny Pilot Options or Participant adds NOM Market Maker liquidity in Penny Pilot Options and/or Non-Penny Pilot Options above 0.90% of total industry customer equity and ETF option ADV contracts per day in a month.	$0.42.

The Exchange proposes to amend the criteria to qualify for Tier 6, which currently offers two alternative methods of qualifying for the $0.42 per contract rebate in that tier. The first method is a two-pronged requirement that the Participant (i) add NOM Market Maker liquidity in Penny Pilot Options and/or Non-Penny Pilot Options above 0.80% of total industry customer equity and ETF option average daily volume (''ADV'') contracts per day in a month and (ii) qualifies for the Tier 7 or Tier 8 Customer and/or Professional Rebate to Add Liquidity in Penny Pilot Options. The alternative is a requirement that the Participant add NOM Market Maker liquidity in Penny Pilot Options and/or Non-Penny Pilot Options above 0.90% of total industry customer equity and ETF option ADV contracts per day in a month. The Exchange is proposing to eliminate the first method, and to amend the alternative by increasing the 0.90% total industry customer equity and ETF option ADV threshold to 0.95% and adding two new requirements to qualify for the Tier 6 rebate. As such, the proposed Tier 6 criteria will have three prongs and require that the Participant (i) add NOM Market Maker liquidity in Penny Pilot Options and/or Non-Penny Pilot Options above 0.95% of total industry customer equity and ETF option ADV contracts per day in a month, (ii) execute Total Volume of 250,000 or more contracts per day in a month, of which 30,000 or more contracts per day in a month must be removing liquidity, and (iii) add Firm,[6] Broker-Dealer[7] and Non-NOM Market Maker[8] liquidity in Non-Penny Pilot Options of 10,000 or more contracts per day in a month. ''Total Volume'' will have the same meaning as the definition currently in note b of Section 2(1), specifically as Customer, Professional, Firm, Broker-Dealer, Non-NOM Market Maker and NOM Market Maker volume in Penny Pilot Options and/or Non-Penny Pilot Options which either adds or removes liquidity on NOM. Lastly, the Exchange proposes to increase the

[3] The term ''NOM Market Maker'' or (''M'') is a Participant that has registered as a Market Maker on NOM pursuant to Chapter VII, Section 2, and must also remain in good standing pursuant to Chapter VII, Section 4. In order to receive NOM Market Maker pricing in all securities, the Participant must be registered as a NOM Market Maker in at least one security.

[4] The term ''Customer'' or (''C'') applies to any transaction that is identified by a Participant for clearing in the Customer range at The Options Clearing Corporation (''OCC'') which is not for the account of broker or dealer or for the account of a ''Professional'' (as that term is defined in Chapter I, Section 1(a)(48)).

[5] The term ''Professional'' or (''P'') means any person or entity that (i) is not a broker or dealer in securities, and (ii) places more than 390 orders in listed options per day on average during a calendar month for its own beneficial account(s) pursuant to Chapter I, Section 1(a)(48). All Professional orders shall be appropriately marked by Participants.

[6] The term ''Firm'' or (''F'') applies to any transaction that is identified by a Participant for clearing in the Firm range at OCC.

[7] The term ''Broker-Dealer'' or (''B'') applies to any transaction which is not subject to any of the other transaction fees applicable within a particular category.

[8] The term ''Non-NOM Market Maker'' or (''O'') is a registered market maker on another options exchange that is not a NOM Market Maker. A Non-NOM Market Maker must append the proper Non-NOM Market Maker designation to orders routed to NOM.

current Tier 6 rebate amount from $0.42 to $0.48 per contract.

NOM Market Maker Rebate To Add Liquidity in Non-Penny Pilot Options

The Exchange proposes to create an alternative method for Participants to earn a rebate for adding NOM Market Maker liquidity in Non-Penny Pilot Options. Today, the Exchange charges Participants a $0.35 per contract NOM Market Maker Fee for Adding Liquidity in Non-Penny Pilot Options. To encourage Participants to add NOM Market Maker liquidity in Non-Penny Pilot Options, the Exchange currently offers incentives to reduce this fee or earn a rebate, provided the Participants meet the volume-based requirements in note ''5,'' Section 2(1). Specifically, Participants who add NOM Market Maker liquidity in Non-Penny Pilot Options of 7,500 to 9,999 ADV contracts per day in a month would be assessed a $0.00 per contract Non- Penny Options Fee for Adding Liquidity in that month. In addition, Participants that add NOM Market Maker liquidity in Non-Penny Pilot Options of 10,000 or more ADV contracts per day in a month would receive a $0.30 per contract Non-Penny Rebate to Add Liquidity for that month instead of paying the Non-Penny Fee for Adding Liquidity.

The Exchange now proposes an additional rebate in new note ''6'' for NOM Market Makers that add liquidity in Non-Penny Pilot Options. Specifically, Participants that qualify for the proposed Tier 6 NOM Market Maker Rebate to Add Liquidity in Penny Pilot Options, as discussed above, will receive a $0.86 per contract NOM Market Maker Rebate to Add Liquidity in Non-Penny Pilot Options. Participants that qualify for a note ''5'' incentive will receive the greater of the note ''5'' or note ''6'' incentive.

Customer and Professional Rebate To Add Liquidity in Penny Pilot Options

The Exchange proposes a number of changes to the Rebates to Add Customer and Professional Liquidity in Penny Pilot Options set forth in Section 2(1). First, the Exchange is proposing to modify the eight tier rebate structure to a six tier rebate structure. The Exchange currently pays a volume-based tiered Customer and Professional Rebate to Add Liquidity in Penny Pilot Options as follows:

Monthly volume	Rebate to add liquidity
Tier 1: Participant adds Customer, Professional, Firm, Non-NOM Market Maker and/or Broker-Dealer liquidity in Penny Pilot Options and/or Non-Penny Pilot Options of up to 0.10% of total industry customer equity and ETF option average daily volume (''ADV'') contracts per day in a month	$0.20
Tier 2: Participant adds Customer, Professional, Firm, Non-NOM Market Maker and/or Broker-Dealer liquidity in Penny Pilot Options and/or Non-Penny Pilot Options above 0.10% to 0.20% of total industry customer equity and ETF option ADV contracts per day in a month	0.25
Tier 3: Participant adds Customer, Professional, Firm, Non-NOM Market Maker and/or Broker-Dealer liquidity in Penny Pilot Options and/or Non-Penny Pilot Options above 0.20% to 0.30% of total industry customer equity and ETF option ADV contracts per day in a month	0.42
Tier 4: Participant adds Customer, Professional, Firm, Non-NOM Market Maker and/or Broker-Dealer liquidity in Penny Pilot Options and/or Non-Penny Pilot Options above 0.30% to 0.40% of total industry customer equity and ETF option ADV contracts per day in a month	0.43
Tier 5: Participant adds Customer, Professional, Firm, Non-NOM Market Maker and/or Broker-Dealer liquidity in Penny Pilot Options and/or Non-Penny Pilot Options above 0.40% to 0.75% of total industry customer equity and ETF option ADV contracts per day in a month	0.45
Tier 6: Participant has Total Volume of 100,000 or more contracts per day in a month, of which 25,000 or more contracts per day in a month must be Customer and/or Professional liquidity in Penny Pilot Options	0.45
Tier 7: Participant has Total Volume of 150,000 or more contracts per day in a month, of which 50,000 or more contracts per day in a month must be Customer and/or Professional liquidity in Penny Pilot Options	0.47
Tier 8: Participant adds Customer, Professional, Firm, Non-NOM Market Maker and/or Broker-Dealer liquidity in Penny Pilot Options and/or Non-Penny Pilot Options above 0.75% or more of total industry customer equity and ETF option ADV contracts per day in a month, or Participant adds: (1) Customer and/or Professional liquidity in Penny Pilot Options and/or Non-Penny Pilot Options of 0.20% or more of total industry customer equity and ETF option ADV contracts per day in a month, and (2) has added liquidity in all securities through one or more of its Nasdaq Market Center MPIDs that represent 1.00% or more of Consolidated Volume in a month or qualifies for MARS (defined below)	0.48

For purposes of Tiers 6 and 7, ''Total Volume'' is defined as Customer, Professional, Firm, Broker-Dealer, Non-NOM Market Maker and NOM Market Maker volume in Penny Pilot Options and/or Non-Penny Pilot Options which either adds or removes liquidity on NOM. The Exchange now proposes to eliminate Tiers 6 and 7, and renumber current Tier 8 as Tier 6. The Exchange will also make a number of related clean-up changes to remove all references in Chapter XV to current Tier 6 or Tier 7, and renumber all references to Tier 8 to Tier 6. In particular, the proposed clean-ups are in notes ''1,'' ''d,'' ''e'' and ''f'' in Section 2(1), in the Tier 5 NOM Market Maker Rebate to Add Liquidity in Penny Pilot Options in Section 2(1), and in the qualifier for the additional $0.09 per contract rebate applicable to the Market Access and Routing Subsidy Payment tiers in Section 2(6). Further, the Exchange would delete the portion of note ''b'' that states ''For purposes of Tiers 6 and 7'' and relocate the remaining rule text that contains the definition of ''Total Volume'' to a new corresponding note to the proposed Tier 6 NOM Market Maker Rebate to Add Liquidity in Penny Pilot Options. As discussed above, the second prong of the proposed Tier 6 rebate will contain a Total Volume qualifier.

Further, the Exchange proposes to decrease the Customer and Professional Rebate to Add Liquidity in Penny Pilot Options set forth in note ''e'' of Section 2(1). Today, a Participant may receive a $0.53 per contract Rebate to Add Liquidity in Penny Pilot Options as Customer or Professional if that Participant transacts in all securities through one or more of its Nasdaq Market Center MPIDs that represent 3.00% or more of Consolidated Volume [9] in the same month on The Nasdaq Stock Market. Participants that qualify for this rebate would not be eligible for any other Customer and Professional rebates in Tiers 1 through 8, or other rebate incentives for Customer and Professional order flow in Chapter XV, Section 2(1) of NOM

[9] Consolidated Volume would be determined as set forth in Nasdaq Rule 7018(a).

Rules.[10] The Exchange now proposes to decrease this note ''e'' incentive from $0.53 to $0.52 per contract for Customers and Professionals transacting in Penny Pilot Options.

Customer and Professional Fee for Removing Liquidity in SPY Options

The Exchange currently charges NOM Participants a Penny Pilot Options Fee for Removing Customer or Professional Liquidity that is $0.50 per contract, excluding SPY. For NOM Participants that remove Customer or Professional liquidity in SPY, this fee is reduced to $0.48 per contract.[11] The Exchange now proposes to amend this fee so that the Penny Pilot Options Fee for Removing Customer or Professional Liquidity in SPY will be increased from $0.48 to $0.49 per contract.

2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,[12] in general, and furthers the objectives of Sections 6(b)(4) and 6(b)(5) of the Act,[13] in particular, in that it provides for the equitable allocation of reasonable dues, fees and other charges among members and issuers and other persons using any facility, and is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

NOM Market Maker Rebate To Add Liquidity in Penny Pilot Options

The Exchange believes that the proposed changes to the criteria to qualify for the Tier 6 NOM Market Maker Rebate to Add Liquidity in Penny Pilot Options and the proposed increase in the rebate amount from $0.42 to $0.48 per contract are reasonable, equitable and not unfairly discriminatory.

As discussed above, the Exchange is proposing to eliminate the first method to qualify for Tier 6, and amend the alternative method by increasing the total industry customer equity and ETF option ADV threshold from 0.90% to 0.95% and adding two new volume-based requirements to qualify for Tier 6. Accordingly, the proposed three-pronged criteria to qualify for Tier 6 will require that Participants (1) add NOM Market Maker liquidity in Penny Pilot Options and/or Non-Penny Pilot Options above 0.95% of total industry customer equity and ETF option ADV contracts per day in a month, (2) execute Total Volume of 250,000 or more contracts per day in a month, of which 30,000 or more contracts per day in a month must be removing liquidity, and (3) add Firm, Broker-Dealer and Non-NOM Market Maker liquidity in Non-Penny Pilot Options of 10,000 or more contracts per day in a month. The Exchange notes that the proposed $0.48 per contract Tier 6 rebate will be the highest available NOM Market Maker Rebate to Add Liquidity in Penny Pilot Options. The Exchange believes that the proposed $0.48 per contract Tier 6 rebate is reasonable because it will require three components to be met by Participants in order to qualify for that rebate. These requirements require more volume to be submitted on NOM than the current highest rebate (*i.e.,* the current Tier 6 NOM Market Maker Rebate to Add Liquidity in Penny Pilot Options) requires today.

The Exchange believes that the first prong (add NOM Market Maker liquidity in Penny Pilot Options and/or Non-Penny Pilot Options above 0.95% of total industry customer equity and ETF option ADV contracts per day in a month) is reasonable because the Exchange already allows Participants to earn rebates today based on percentages of total industry customer equity and ETF option ADV. While the percentage threshold has increased from 0.90% to 0.95%, the Exchange is offering to pay a rebate of $0.48 per contract, the highest rebate, for Participants that meet this higher threshold. The second prong (execute Total Volume of 250,000 or more contracts per day in a month, of which 30,000 or more contracts per day in a month must be removing liquidity) is reasonable because the Exchange already allows Participants to obtain rebates today based on Total Volume, and requiring a certain amount of the Total Volume to consist of volume that removes liquidity will attract both liquidity providers and removers to NOM. The third prong (add Firm, Broker-Dealer and Non-NOM Market Maker liquidity in Non-Penny Pilot Options of 10,000 or more contracts per day in a month) is reasonable because the Exchange is incentivizing Participants to send Non-Penny Pilot Firm, Broker-Dealer and Non-NOM Market Maker order flow to NOM. Overall, the Exchange believes that the proposed Tier 6 rebate will continue to encourage Participants to send additional order flow to NOM in either Penny or Non-Penny Pilot Options to qualify for the higher Tier 6 rebate. All market participants benefit from the increased order interaction when more order flow is available on NOM.

The Exchange believes that the proposed Tier 6 NOM Market Maker Rebate to Add Liquidity in Penny Pilot Options is equitable and not unfairly discriminatory because all similarly-situated Participants are equally capable of qualifying for the proposed rebate, and the rebate will be uniformly paid to all qualifying Participants. Further, the Exchange believes that it is equitable and not unfairly discriminatory to only offer this rebate to Participants that transact as NOM Marker Makers because NOM Market Makers, unlike other market participants, add value through continuous quoting[14] and the commitment of capital. In addition, encouraging NOM Market Makers to add greater liquidity benefits all Participants in the quality of order interaction. The Exchange believes it is equitable and not unfairly discriminatory to offer only NOM Market Makers the opportunity to earn the Tier 6 rebate described above because of the obligations borne by these market participants, as noted herein.

NOM Market Maker Rebate To Add Liquidity in Non-Penny Pilot Options

The Exchange believes that the proposed $0.86 per contract NOM Market Maker Rebate to Add Liquidity in Non-Penny Pilot Options offered to Participants if they qualify for the Tier 6 NOM Market Maker Rebate to Add Liquidity in Penny Pilot Options is reasonable, equitable and not unfairly discriminatory. The Exchange notes that the proposed $0.86 per contract rebate set forth in new note ''6'' will be the highest available incentive provided to Participants that add NOM Market Maker liquidity in Non-Penny Pilot Options.[15] The Exchange believes that

[10] In calculating total volume, the Exchange will add the NOM Participant's total volume transacted on the NASDAQ Stock Market in a given month across its Nasdaq Market Center MPIDs, and will divide this number by the total industry Consolidated Volume.

[11] *See* Chapter XV, Section 2(1), note 3. Firms, Non-NOM Market Makers, NOM Market Makers and Broker-Dealers are assessed a $0.50 per contract Penny Pilot Options Fee for Removing Liquidity in SPY, similar to other Penny Pilot Options.

[12] 15 U.S.C. 78f(b).

[13] 15 U.S.C. 78f(b)(4) and (5).

[14] Pursuant to Chapter VII (Market Participants), Section 5 (Obligations of Market Makers), in registering as a market maker, an Options Participant commits himself to various obligations. Transactions of a Market Maker in its market making capacity must constitute a course of dealings reasonably calculated to contribute to the maintenance of a fair and orderly market, and Market Makers should not make bids or offers or enter into transactions that are inconsistent with such course of dealings. Further, all Market Makers are designated as specialists on NOM for all purposes under the Act or rules thereunder. *See* Chapter VII, Section 5.

[15] Today, the Exchange offers Participants a reduced fee of $0.00 or a rebate of $0.30, provided the Participant meets the volume qualifications in note 5 of Section 2(1). Specifically, Participants that add NOM Market Maker liquidity in Non-Penny Pilot Options of 7,500 to 9,999 ADV contracts per day in a month would be assessed a $0.00 per contract Non-Penny Options Fee for Adding

the proposed incentive of $0.86 per contract is reasonable because it will require Participants to meet the stringent volume requirements set forth in the Tier 6 Penny Pilot Options Rebate to Add NOM Market Maker Liquidity, as described above. The incentives currently offered to Participants that add NOM Market Maker liquidity in Non-Penny Pilot Options as set forth in note ''5'' have significantly lower volume-based qualification requirements than the requirements for the Tier 6 Penny Pilot Options Rebate.[16]

Further, the new note ''6'' incentive is intended to encourage Participants who transact as NOM Market Makers to continue to send more order flow to the Exchange in either Penny or Non-Penny Pilot Options in order to qualify for the proposed Tier 6 Penny Pilot Rebate to Add NOM Market Maker Liquidity to earn the additional $0.86 Non-Penny Rebate to Add NOM Market Maker Liquidity. All market participants benefit from the increased order interaction when more order flow is available on NOM. The Exchange also believes that it is reasonable to offer Participants that qualify for a note ''5'' incentive the greater of the current note ''5'' or new note ''6'' incentive because the Participant will be able to receive the greater of the two rebates with this proposal.

The Exchange believes that the proposed NOM Market Maker Rebate to Add Liquidity in Non-Penny Pilot Options is equitable and not unfairly discriminatory because all similarly-situated Participants are equally capable of qualifying for the proposed rebates, and the rebate will be uniformly paid to all qualifying Participants. Further, the Exchange believes that offering only Participants that transact as NOM Market Makers the opportunity to qualify for the proposed $0.86 per contract Rebate to Add Liquidity in Non-Penny Pilot Options is equitable and not unfairly discriminatory for the same reasons discussed above for the proposed Tier 6 Penny Pilot Options Rebate to Add NOM Market Maker Liquidity. It should also be noted that while the proposed $0.86 per contract rebate will be the highest available incentive provided to Participants that add NOM Market Maker liquidity in Non-Penny Pilot Options, the Exchange currently offers eligible Participants that transact as Customers and/or Professionals rebates up to $1.05 per contract for adding liquidity in Non-Penny Pilot Options.[17] Accordingly, the Exchange believes the $0.86 per contract rebate proposed to be offered to Participants that transact as NOM Market Makers is equitable and not unfairly discriminatory because the proposed incentive is within the range of rebates currently offered to all Participants that transact on NOM and add liquidity in Non-Penny Pilot Options.

Customer and Professional Rebate To Add Liquidity in Penny Pilot Options

The Exchange believes that its proposal to modify the eight tier rebate structure to a six tier rebate structure by deleting the current Tier 6 and Tier 7 Customer and Professional Rebates to Add Liquidity, which currently contain Total Volume qualification requirements, is reasonable, equitable and not unfairly discriminatory. Participants will still have the opportunity to qualify for the other tiered Customer and Professional Rebates to Add Liquidity in Penny Pilot Options, which will remain unchanged, as well as the other incentives currently provided to Participants that add Customer and Professional liquidity in Penny Pilot Options.[18]

Further, the Exchange believes it is reasonable, equitable and not unfairly discriminatory to make the related clean-up changes to remove all references in Chapter XV to current Tier 6 or Tier 7, renumber all references to Tier 8 to Tier 6, and relocate the definition of ''Total Volume'' in note ''b'' to a new corresponding note to the proposed Tier 6 NOM Market Maker Rebate to Add Liquidity in Penny Pilot Options. The proposed changes will make NOM's pricing schedule easier to read and eliminate any potential confusion to the benefit of members and investors.

In addition, the proposed change to note ''e'' in Section 2(1) to decrease the Customer and Professional Rebate to Add Liquidity in Penny Pilot Options provided to eligible Participants that transact 3.00% or more in Consolidated Volume on The Nasdaq Stock Market from $0.53 to $0.52 per contract is reasonable because the proposed change is a modest reduction, and the Exchange believes that its rebate program will continue to incentivize Participants to transact greater volume on The Nasdaq Stock Market in order to qualify for a higher rebate on NOM.

The Exchange also believes that the proposed reduction in the note ''e'' incentive as discussed above is equitable and not unfairly discriminatory because any Participant that qualifies for this rebate will be uniformly paid the $0.52 per contract incentive for Penny Pilot Options. The requirements for earning this rebate will be applied uniformly to all market participants. Furthermore, the Exchange believes that it is equitable and not unfairly discriminatory to only offer the proposed $0.52 per contract incentive in note ''e'' to eligible Participants that add Customer and Professional liquidity in Penny Pilot Options. Customer liquidity benefits all market participants by providing more trading opportunities, which attracts market makers. An increase in the activity of these market participants in turn facilitates tighter spreads, which may cause an additional corresponding increase in order flow from other market participants. The Exchange believes that offering a lower fee to Professionals is similarly beneficial, as the lower fees may cause market participants to select NOM as a venue to send Professional order flow, increasing competition among the exchanges. As with Customer liquidity, the Exchange believes that increased Professional order flow should benefit other market participants.

Customer and Professional Fee for Removing Liquidity in SPY Options

The proposal to amend note 3 of Chapter XV, Section 2(1) to increase the Penny Pilot Options Fee for Removing Customer or Professional Liquidity in SPY from $0.48 to $0.49 per contract is reasonable and equitable because the proposed fee remains lower for SPY as compared to other Penny Pilot Options. The Exchange believes that the lower fee of $0.49 per contract in SPY, as compared to $0.50 per contract in other Penny Pilot Options, will continue to incentivize Participants to send Customer and Professional order flow in SPY.[19] The Exchange notes that the proposed pricing for the reduced SPY fee in note 3 remains competitive with another options exchange.[20]

Liquidity in that month. In addition, Participants that add NOM Market Maker liquidity in Non-Penny Pilot Options of 10,000 or more ADV contracts per day in a month would receive a $0.30 per contract Non-Penny Rebate to Add Liquidity for that month instead of paying the Non-Penny Fee for Adding Liquidity.

[16] *See* note 15 above.

[17] Participants must meet the requirements in note ''f'' of Section 2(1) in order to qualify for this $1.05 per contract incentive.

[18] In addition to the tiered rebates, the Exchange currently offers eligible Participants that add Customer and Professional liquidity in Penny Pilot Options rebate incentives that go up to $0.55 per contract if the Participant meets the relevant requirements. *See* Chapter XV, Section 2(1), notes ''c''—''f.''

[19] SPY options are the largest volume Penny Pilot Options traded on the Exchange.

[20] CBOE C2 Exchange (''C2'') charges public customers a $0.49 per contract taker fee and professional customers a $0.50 per contract taker

Continued

The Exchange does not believe that only offering this lower fee to Participants that remove Customer and Professional liquidity in SPY is inequitable and unfairly discriminatory. Customer liquidity benefits all market participants by providing more trading opportunities, which attracts market makers. An increase in the activity of these market participants in turn facilitates tighter spreads, which may cause an additional corresponding increase in order flow from other market participants. The Exchange believes that offering a lower fee to Professionals is similarly beneficial, as the lower fees may cause market participants to select NOM as a venue to send Professional order flow, increasing competition among the exchanges. As with Customer liquidity, the Exchange believes that increased Professional order flow should benefit other market participants.

B. Self-Regulatory Organization's Statement on Burden on Competition

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. All of the proposed changes to the NOM Market Maker, Customer and Professional Rebates to Add Liquidity in Penny and Non-Penny Pilot Options, as well as the Customer and Professional Fee for Removing Liquidity in SPY Options, are designed to attract additional order flow to NOM, and the Exchange believes that its pricing remains attractive to market participants. The Exchange operates in a highly competitive market in which market participants can readily favor competing venues if they deem fee levels at a particular venue to be excessive, or rebate opportunities available at other venues to be more favorable. In such an environment, the Exchange must continually adjust its fees to remain competitive. Because competitors are free to modify their own fees in response, and because market participants may readily adjust their order routing practices, the Exchange believes that the degree to which fee changes in this market may impose any burden on competition is extremely limited.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

No written comments were either solicited or received.

fee, both in all penny classes except RUT. *See* C2 Fees Schedule, Section 1.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)(ii) of the Act.[21]

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: (i) Necessary or appropriate in the public interest; (ii) for the protection of investors; or (iii) otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or disapproved.

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–NASDAQ–2018–019 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 SR–NASDAQ–2018–019. 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 website (*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 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. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. 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. All submissions should refer to File Number SR–NASDAQ–2018–019, and should be submitted on or before April 19, 2018.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[22]

Brent J. Fields,

Secretary.

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[21] 15 U.S.C. 78s(b)(3)(A)(ii).

[22] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–82936; File No. SR–CBOE–2018–008]

Self-Regulatory Organizations; Cboe Exchange, Inc.; Notice of Designation of a Longer Period for Commission Action on a Proposed Rule Change Relating to Flexibly Structured Options

March 23, 2018.

On January 19, 2018, Cboe Exchange, Inc. (''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 amend the Exchange's rules relating to the fungibility of Flexible Exchange Options (''FLEX Options'') with Non-FLEX Options that have identical terms to, among other things, include FLEX Options on quarterly expirations, short term expirations, weekly expirations and end-of-month expirations. The proposed rule change was published for comment in the **Federal Register** on February 8, 2018.[3] The Commission has received no comments on the proposed rule change.

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

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] *See* Securities Exchange Act Release No. 82622 (Feb. 2, 2018), 83 FR 5668 (Feb. 8, 2018) (''Notice'').

[4] 15 U.S.C. 78s(b)(2).

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 approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether the proposed rule change should be approved or disapproved. The 45th day after publication of the notice for this proposed rule change is March 25, 2018. The Commission is extending this 45-day time period.

The Commission finds that it is appropriate to designate a longer period within which to take action on the proposed rule change so that the Commission has sufficient time to consider the proposed rule change. Accordingly, the Commission, pursuant to Section 19(b)(2) of the Act,[5] designates May 9, 2018, as the date by which the Commission should approve or disapprove or institute proceedings to determine whether to disapprove the proposed rule change (File Number SR–CBOE–2018–008).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[6]

Brent J. Fields,

Secretary.

[FR Doc. 2018–06296 Filed 3–28–18; 8:45 am]

BILLING CODE 8011–01–P

[5] *Id.*

[6] 17 CFR 200.30–3(a)(31).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–82945; File No. SR–NYSE–2017–36]

Self-Regulatory Organizations; New York Stock Exchange LLC; Notice of Filing of Amendment No. 1 and Order Granting Accelerated Approval of a Proposed Rule Change, as Modified by Amendment No. 1, To Adopt New Equity Trading Rules To Trade Securities Pursuant to Unlisted Trading Privileges, Including Orders and Modifiers, Order Ranking and Display, and Order Execution and Routing on Pillar, the Exchange's New Trading Technology Platform

March 26, 2018.

I. Introduction

On July 28, 2017, New York Stock Exchange LLC (''NYSE'' or ''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 adopt new equity trading rules to allow the Exchange to trade securities pursuant to unlisted trading privileges (''UTP Securities'') [3] on Pillar, the Exchange's new trading technology platform. The proposed rule change was published for comment in the **Federal Register** on August 9, 2017.[4] On September 18, 2017, the Commission designated a longer period within which to approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether the proposed rule change should be disapproved.[5] On November 7, 2017, the Commission instituted proceedings under Section 19(b)(2)(B) of the Act [6] to determine whether to approve or disapprove the proposed rule change.[7] On February 1, 2018, the Commission designated a longer period for Commission action on the proceedings to determine whether to approve or disapprove the proposed rule change.[8] The Commission received one comment letter on the proposal.[9] On February 23, 2018, the Exchange filed Amendment No. 1 to the proposed rule change, which replaces and supersedes the proposed rule change in its entirety.[10] The Commission is publishing notice of the filing of Amendment No. 1 to interested persons, and is approving the proposed rule change, as modified by Amendment No. 1, on an accelerated basis.

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] NYSE Rules define ''UTP Security'' as a security that is listed on a national securities exchange other than the Exchange and that trades on the Exchange pursuant to unlisted trading privileges. *See* NYSE Rule 1.1(ii).

[4] *See* Securities Exchange Act Release No. 81310 (Aug. 3, 2017), 82 FR 37257 (Aug. 9, 2017).

[5] *See* Securities Exchange Act Release No. 81641 (Sept. 18, 2017), 82 FR 44483 (Sept. 22, 2017).

[6] 15 U.S.C. 78s(b)(2)(B).

[7] *See* Securities Exchange Act Release No. 82028 (Nov. 7, 2017), 82 FR 52757 (Nov. 14, 2017) (''Order Instituting Proceedings'').

[8] *See* Securities Exchange Act Release No. 82613 (Feb. 1, 2018), 83 FR 5499 (Feb. 7, 2018).

[9] *See* Letter from Joanne Moffic-Silver, Executive Vice President, General Counsel, and Corporate Secretary, Cboe Global Markets, Inc., to Brent J. Fields, Secretary, Commission (Feb. 1, 2018) (''Cboe Letter'').

[10] In Amendment No. 1, among other changes, the Exchange proposes to: (i) Respond to the Commission's concerns in the Order Instituting Proceedings relating to offering a separate parity allocation for floor brokers by (a) setting forth additional requirements for floor broker orders to be eligible for a separate parity allocation, (b) proposing to permit floor brokers to engage in floor-based point-of-sale trading and crossing transactions in UTP Securities, and (c) providing additional justification for providing floor brokers with parity; (ii) amend the definition of Aggressing Order to include that a resting order may become an Aggressing Order if its working price change, the best protected bid or offer (''PBBO'') or the national best bid or offer (''NBBO'') is updated, there are changes to other orders on the Exchange Book, or when processing inbound messages; (iii) amend the rules relating to the Mid-Point Liquidity (''MPL'') Order and the Minimum Trade Size (''MTS'') Modifier to reflect those of NYSE Arca and NYSE American and proposes additional rules setting forth how orders with an MTS Modifier would trade in a parity allocation model; (iv) change the list of rules that are not applicable to Pillar; (v) amend proposed NYSE Rules 7.37 and 7.46 to refer to an order with an MTS as an order with an ''MTS Modifier;'' (vi) change cross-references to NYSE Arca's rules to reflect the merger of NYSE Arca and NYSE Arca Equities, and (vii) reflect the renaming of NYSE MKT to NYSE American. Amendment No. 1 is available at *https://www.sec.gov/comments/sr-nyse-2017-36/nyse201736-3137940-161948.pdf*).

[11] *See* Trader Update dated January 29, 2015, available here: *www.nyse.com/pillar.*

[12] In connection with the NYSE Arca implementation of Pillar, NYSE Arca filed four rule proposals relating to Pillar. *See* Securities Exchange Act Release Nos. 74951 (May 13, 2015), 80 FR 28721 (May 19, 2015) (Notice) and 75494 (July 20, 2015), 80 FR 44170 (July 24, 2015) (SR–NYSEArca–2015–38) (Approval Order of NYSE Arca Pillar I Filing, adopting rules for Trading Sessions, Order Ranking and Display, and Order Execution); Securities Exchange Act Release Nos. 75497 (July 21, 2015), 80 FR 45022 (July 28, 2015) (Notice) and 76267 (October 26, 2015), 80 FR 66951 (October 30, 2015) (SR–NYSEArca–2015–56) (Approval Order of NYSE Arca Pillar II Filing, adopting rules for Orders and Modifiers and the Retail Liquidity Program); Securities Exchange Act Release Nos. 75467 (July 16, 2015), 80 FR 43515 (July 22, 2015) (Notice) and 76198 (October 20, 2015), 80 FR 65274 (October 26, 2015) (SR–NYSEArca–2015–58) (Approval Order of

Continued

II. Exchange's Description of the Proposed Rule Change, as Modified by Amendment No. 1

In its filing with the Commission, the self-regulatory organization 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 those statements may be examined at the places specified in Item V below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant parts of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and the Statutory Basis for, the Proposed Rule Change

1. Purpose

On January 29, 2015, the Exchange announced the implementation of Pillar, which is an integrated trading technology platform designed to use a single specification for connecting to the equities and options markets operated by the Exchange and its affiliates, NYSE Arca, Inc. (''NYSE Arca'') and NYSE American LLC (''NYSE American'').[11] NYSE Arca's cash equities market was the first trading system to migrate to Pillar.[12] NYSE American's cash equities

market transitioned to Pillar on July 24, 2017.[13]

Overview

The NYSE serves a unique role in the U.S. market as the only cash equities exchange that still has an active Trading Floor.[14] Member organizations that operate a Floor broker business play a vital role in that model, through participation in auctions and point-of-sale trading with other members on the Floor. Under Exchange rules, member organizations that operate a Floor broker business are eligible for parity allocations for liquidity-providing orders that are entered on the Floor.[15] Because Floor brokers operate an agency-only business, such parity allocations always accrue to their customers. All other national securities exchanges use a price-time allocation methodology. On an exchange with price-time allocation, the order resting on the book that arrived first will be executed in full before other orders at that same price are executed. In this way, a price-time allocation creates incentives for market participants to invest in technology and use the fastest telecommunication lines. While the Exchange does not contend there is anything wrong with price-time allocation, it believes that a parity allocation model serves as a choice to investors that are not driven by speed and that value the service an agency Floor broker can provide in managing order flow. The Exchange currently offers this choice for trading in its listed securities and is proposing to offer investors that same choice in other NMS securities.

Currently, the Exchange only trades securities listed on the Exchange. With Pillar, the Exchange proposes to expand its offering and introduce trading of UTP Securities.[16] Because trading in UTP Securities on the Exchange is designed to complement and be an extension of the current trading services it offers, customer orders in both Exchange-listed securities and UTP Securities entered by Floor brokers while on the Floor would have consistent allocation behavior. Accordingly, the Exchange proposes that trading in UTP Securities would be subject to a parity allocation model that is similar to the existing allocation model for Exchange-listed securities, with modifications described below.

Unlike the trading of listed securities on the Exchange, the Exchange would not conduct any auctions in UTP Securities.[17] Even though DMMs would not be assigned to UTP Securities, the Exchange proposes to offer point-of-sale trading of UTP Securities for Floor brokers on the Trading Floor for crossing transactions. Accordingly, member organizations that operate Floor broker operations would be able to represent their customers' orders in UTP Securities under both current rules relating to manual transactions on the Trading Floor and proposed rules relating to trading on the Pillar trading platform. As with listed securities, member organizations approved as Supplemental Liquidity Providers would be eligible to be assigned UTP Securities.[18]

Member organizations trading UTP Securities would continue to be required to comply with Section 11(a)(1) of the Act, 15 U.S.C. 78k(a)(1), and any applicable exceptions thereto as are currently applicable to trading on the Exchange. As described below, trading by Floor brokers on the Trading Floor at the point of sale for UTP Securities, also referred to as ''manual trading'' or ''manual transactions,'' would continue to be subject to current rules relating to such trading. In addition, all trading by Floor brokers in UTP Securities (whether manual or electronic transactions) on the Exchange would continue to be subject to rules that are unique to Floor brokers, including Rules 95 (Discretionary Transactions), 122 (Orders with More than One Broker), 123 (Record of Orders), and paragraphs (d)–(j) of Rule 134 and related Supplementary Material (requirement for Floor brokers to maintain an error account).

With the exception of specified point-of-sale trading for Floor brokers, trading in UTP Securities would be subject to the Pillar Platform Rules, as set forth in Rules 1P–13P.[19] With this proposed rule change, the Exchange proposes changes to Rule 7P Equities Trading that would govern such trading in UTP Securities. The proposed rules are based in part on the rules of NYSE Arca and NYSE American, with the following substantive differences:

- Consistent with the Exchange's current allocation model, trading in UTP Securities on the Exchange would be a parity allocation model with a setter priority allocation for the participant that sets the BBO.[20]
- The Exchange would not offer a Retail Liquidity Program and related order types (Retail Orders and Retail Price Improvement Orders) for UTP Securities.

NYSE Arca Pillar III Filing, adopting rules for Trading Halts, Short Sales, Limit Up-Limit Down, and Odd Lots and Mixed Lots); and Securities Exchange Act Release Nos. 76085 (October 6, 2015), 80 FR 61513 (October 13, 2015) (Notice) and 76869 (January 11, 2016), 81 FR 2276 (January 15, 2016) (Approval Order of NYSE Arca Pillar IV Filing, adopting rules for Auctions). NYSE Arca Equities, Inc., which was a wholly-owned corporation of NYSE Arca, has been merged with and into NYSE Arca and as a result, certain former NYSE Arca Equities rules are now the rules of NYSE Arca using the same rule number but with an additional suffix of ''-E'' added to each rule. *See* Securities Exchange Act Release No. 81419 (August 17, 2017), 82 FR 40044 (August 23, 2017) (SR–NYSEArca–2017–40) (Approval Order).

[13] In connection with the NYSE American implementation of Pillar, NYSE American filed several rule changes. *See* Securities Exchange Act Release Nos. 79242 (November 4, 2016), 81 FR 79081 (November 10, 2016) (SR–NYSEMKT–2016–97) (Notice and Filing of Immediate Effectiveness of Proposed Rule Change of framework rules); 81038 (June 28, 2017), 82 FR 31118 (July 5, 2017) (SR–NYSEMKT–2016–103) (Approval Order) (the ''ETP Listing Rules Filing''); 80590 (May 4, 2017), 82 FR 21843 (May 10, 2017) (Approval Order) (NYSE MKT rules governing automated trading); 80577 (May 2, 2017), 82 FR 21446 (May 8, 2017) (SR–NYSEMKT–2017–04) (Approval Order) (NYSE MKT rules governing market makers); 80700 (May 16, 2017), 82 FR 23381 (May 22, 2017) (SR–NYSEMKT–2017–05) (Approval Order) (NYSE MKT rules governing delay mechanism). NYSE American was previously known as NYSE MKT LLC. *See* Securities Exchange Act Release No. 80748 (May 23, 2017), 82 FR 24764, 24765 (SR–NYSEMKT–2017–20) (Notice of filing and immediate effectiveness of proposed rule change to change the name of NYSE MKT to NYSE American).

[14] The term ''Floor'' means the trading Floor of the Exchange and the premises immediately adjacent thereto, such as the various entrances and lobbies of the 11 Wall Street, 18 New Street, 8 Broad Street, 12 Broad Street and 18 Broad Street Buildings, and also means the telephone facilities available in these locations. *See* Rule 6. The term ''Trading Floor'' means the restricted-access physical areas designated by the Exchange for the trading of securities, commonly known as the ''Main Room'' and the ''Buttonwood Room,'' but does not include (i) the areas in the ''Buttonwood Room'' designated by the Exchange where NYSE American-listed options are traded, which, for the purposes of the Exchange's Rules, shall be referred to as the ''NYSE American Options Trading Floor'' or (ii) the physical area within fully enclosed telephone booths located in 18 Broad Street at the Southeast wall of the Trading Floor. *See* Rule 6A.

[15] *See* NYSE Rules 70 and 72.

[16] The term ''UTP Security'' means a security that is listed on a national securities exchange other than the Exchange and that trades on the Exchange pursuant to unlisted trading privileges. *See* Rule 1.1(ii). The Exchange has authority to extend unlisted trading privileges to any security that is an NMS Stock that is listed on another national securities exchange or with respect to which unlisted trading privileges may otherwise be extended in accordance with Section 12(f) of the Act. *See* Rule 5.1(a)(1).

[17] The Exchange will continue to trade NYSE-listed securities on its current trading platform without any changes. The Exchange will transition trading in NYSE-listed securities to Pillar at a separate date, which will be the subject of separate proposed rule changes.

[18] *See* Rule 107B, which the Exchange is proposing to amend, *see infra.*

[19] *See* Securities Exchange Act Release Nos. 76803 (December 30, 2015), 81 FR 536 (January 6, 2016) (SR–NYSE–2015–67) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change) (''Framework Filing''); and 80214 (March 10, 2017), 82 FR 14050 (March 16, 2017) (SR–NYSE–2016–44) (Approval Order) (''ETP Listing Rules Filing''). *See also* SR–NYSE–2017–35.

[20] The term ''BBO'' means the best bid or offer on the Exchange. *See* Rule 1.1(h).

• The Exchange would not conduct auctions in UTP Securities.

• The Exchange would offer two trading sessions, with the Early Trading Session beginning at 7:00 a.m. Eastern Time.

• The Exchange is not proposing to offer the full suite of order instructions and modifiers that are available on NYSE Arca and NYSE American.

Subject to rule approvals, the Exchange will announce the implementation of trading UTP Securities on the Pillar trading system by Trader Update, which the Exchange anticipates will be in the second quarter of 2018.

Applicability of Current Rules on Trading UTP Securities on Pillar

Once trading in UTP Securities on the Pillar trading platform begins, specified current Exchange trading rules would not be applicable for trading UTP Securities. As described in more detail below, for each current rule that would not be applicable for trading on the Pillar trading platform, the Exchange proposes to state in a preamble to such rule that ''this rule is not applicable to trading UTP Securities on the Pillar trading platform.'' Current Exchange rules governing equities trading that do not have this preamble will govern Exchange operations on Pillar.[21]

The Exchange proposes that current rules governing Floor-based crossing transactions would be applicable to trading in UTP Securities. As with crossing transactions for Exchange-listed securities, any such cross transactions must meet the requirements of current Rule 76. However, unlike trading in Exchange-listed securities, because UTP Securities would not be assigned to a trading post with a DMM, the trading crowd for such trading, *i.e.,* the point of sale, would be a physical location on the Trading Floor designated by the Exchange and staffed by an Exchange employee.

Because the Exchange proposes to provide for Floor crossing transactions in UTP Securities, Rules 74, 75, and 76, which relate to crossing transactions on the Floor and ancillary Floor-based requirements, would be applicable to trading UTP Securities. At this time, the Exchange would not make available for UTP Securities the cross function described in Supplementary Material .10 to Rule 76. Accordingly, the Exchange proposes to add a preamble to Rule 76 that would provide that Supplementary Material .10 to that Rule would not be applicable to trading UTP Securities on the Pillar trading platform.

The Exchange also proposes to amend the existing preambles to Rules 128A, 128B, 130, 131, 132, and 135[22] to reflect that crossing transactions pursuant to Rule 76 would be subject to existing Exchange rules relating to publication of Floor-based transactions, corrections to the Tape, and clearing. The amended preambles to these rules would provide that ''except for manual transactions pursuant to Rule 76,'' such rules would not be applicable to trading UTP Securities on the Pillar trading platform.

Finally, the Exchange proposes to amend the preamble to Rule 134, which currently provides that such rule is not applicable to trading UTP Securities on the Pillar trading platform. Rule 134(a)–(c) relates to clearing of Floor-based transactions, and would be applicable to any manual transactions pursuant to Rule 76 in UTP Securities. Rule 134(d)–(j) separately requires a Floor broker to maintain an error account. Because Floor brokers would continue to be subject to Section 11(a)(1) of the Act for all trading in UTP Securities, the Exchange proposes that current Rules 134(d)–(j) would be applicable to all Floor broker trading of UTP Securities on the Exchange. To effect these two changes, the Exchange proposes that the preamble to Rule 134 would be amended to provide that: ''Except for manual transactions pursuant to Rule 76, paragraphs (a)–(c) of this Rule are not applicable to trading UTP Securities on the Pillar trading platform.''

Proposed Rule Changes

As noted above, with the exception of crossing transactions pursuant to Rule 76 and related rules, the Exchange proposes rules that would be applicable to trading UTP Securities on Pillar that are based on the rules of NYSE Arca and NYSE American. As a global matter, the Exchange proposes non-substantive differences as compared to the NYSE Arca rules to use the terms ''Exchange'' instead of the terms ''NYSE Arca Marketplace'' or ''NYSE Arca'' and to use the terms ''mean'' or ''have meaning'' instead of the terms ''shall mean'' or ''shall have the meaning.'' In addition, the Exchange will use the term ''member organization,'' which is defined in Rule 2, instead of the terms ''ETP Holder'' or ''User.''[23]

As previously established in the Framework Filing, Section 1 of Rule 7P sets forth the General Provisions relating to trading on the Pillar trading platform and Section 3 of Rule 7P sets forth Exchange Trading on the Pillar trading platform. In this filing, the Exchange proposes new Rules 7.10, 7.11, and 7.16 and to amend Rule 7.18 for Section 1 of Rule 7P and new Rules 7.31, 7.34, 7.36, 7.37, and 7.38 for Section 3 of Rule 7P. In addition, the Exchange proposes new Section 5 of Rule 7P to establish rules for the Plan to Implement a Tick Size Pilot Program, and proposes new Rule 7.46 in that section.

Below, the Exchange first describes proposed Rules 7.36 and 7.37, as these rules would establish the Exchange's Pillar rules governing order ranking and display and order execution and routing. Next, the Exchange describes proposed Rule 7.31, which would establish the orders and modifiers available for trading UTP Securities on Pillar. Finally, the Exchange describes proposed Rules 7.10, 7.11, 7.16, 7.34, 7.38, and 7.46 and amendments to Rule 7.18.

Proposed Rule 7.36

Proposed Rule 7.36 (Order Ranking and Display) would establish how orders in UTP Securities would be ranked and displayed on the Pillar trading platform. As described above, the Exchange proposes to extend its current allocation model to trading UTP Securities on Pillar, including the concept of ''setter interest,'' which the Exchange would define in proposed Rule 7.36 as ''Setter Priority.'' Except for the addition of Setter Priority, the Exchange proposes to use Pillar functionality for determining how orders would be ranked and displayed. Accordingly, proposed Rule 7.36 is based in part on NYSE Arca Rule 7.36–E and NYSE American Rule 7.36E, with substantive differences as described below.

Proposed Rule 7.36(a)–(g)

Proposed Rules 7.36(a)–(g) would establish rules defining terms that would be used in Rule 7P—Equities Trading and that describe the display and ranking of orders on the Exchange, including ranking based on price, priority category, and time. The proposed rule text is based on NYSE Arca Rule 7.36–E(a)–(g) and NYSE American Rule 7.36E(a)–(g) with the following substantive differences:

• Proposed Rule 7.36(a)(5) would add a definition of the term ''Participant,'' which is based on how the term ''individual participant'' is defined in current Rule 72(c)(ii), with non-

[21] *See* Securities Exchange Act Release No. 81225 (July 27, 2017), 82 FR 36033 (August 2, 2017) (SR–NYSE–2017–35) (Notice of filing to amend certain Exchange rules to add a preamble that such rules would not be applicable to trading UTP Securities on the Pillar trading platform).

[22] *See id.*

[23] Because these non-substantive differences would be applied throughout the proposed rules, the Exchange will not note these differences separately for each proposed rule.

substantive differences. The Exchange proposes that the term ''Participant'' would mean for purposes of parity allocation, a Floor broker trading license (each, a ''Floor Broker Participant'') or orders collectively represented in the Exchange Book that have not been entered by a Floor Broker Participant (''Book Participant'').[24] The Exchange proposes to use the term ''Floor broker trading license'' rather than ''each single Floor broker'' because pursuant to Rule 300 a trading license is required to effect transactions on the Floor of the Exchange or any facility thereof and a member organization designates natural persons to effect transactions on the Floor on its behalf. Accordingly, reference to a ''Floor broker trading license'' makes clear that the Floor broker participant is at the trading license level, rather than at the member organization level. The Exchange also proposes to use the term ''Exchange Book,'' which is a defined term, rather than referring more generally to ''Exchange systems.''

As described in greater detail below, the Exchange proposes that its existing parity allocation model would be available for all securities that trade on the Exchange. Because there would not be a DMM assigned to any UTP Securities, orders represented by individual Floor Brokers and the Book Participant would be eligible for a parity allocation for UTP Securities.

Because trading in UTP Securities is intended to be an extension of the Exchange's current Floor-based trading model, the Exchange proposes that Floor Broker Participant allocations for UTP Securities would be available only to Floor brokers that also engage in a Floor broker business in Exchange-listed securities. As further proposed, an order entered by a Floor broker would be eligible to be included in the Floor Broker Participant only if: (A) Such order is entered by a Floor broker while on the Trading Floor, which is an existing requirement; [25] and (B) such order is not entered for the account of the member organization, the account of an associated person, or an account with respect to which the member, member organization, or an associated person exercises investment discretion, unless such order is entered pursuant to Rule 134(d)–(j), *i.e.,* the order is entered via the Floor broker's error account.

• Proposed Rule 7.36(a)(6) would add the definition of ''Aggressing Order'' to mean a buy (sell) order that is or becomes marketable against sell (buy) interest on the Exchange Book and that a resting order may become an Aggressing Order if its working price changes, if the PBBO or NBBO is updated, because of changes to other orders on the Exchange Book, or when processing inbound messages.[26] This proposed term would be used in proposed Rule 7.37, described below.

• Because all displayed Limit Orders would be displayed on an anonymous basis, the Exchange does not propose to include text based on the first clause of NYSE Arca Rule 7.36–E(b)(2) in proposed Rule 7.36(b)(2).

• Proposed Rule 7.36(c) regarding ranking would not include reference to price-time priority, as the Exchange's allocation model would not always be a price-time priority allocation, as described below. As further described below, the Exchange would rank orders consistent with proposed Rule 7.36(c).

• Proposed Rule 7.36(e) would establish three priority categories: Priority 1—Market Orders, Priority 2—Display Orders, and Priority 3—Non-Display Orders. The Exchange would not offer any additional priority categories for trading of UTP Securities.

In addition to these substantive differences, the Exchange proposes a non-substantive clarifying difference for proposed Rule 7.36(f)(1)(B) to add ''[o]ther than as provided for in Rule 7.38(b)(2),'' to make clear that the way in which a working time is assigned to an order that is partially routed to an Away Market and returns to the Exchange is addressed in both proposed Rule 7.36(f)(1)(B) and proposed Rule 7.38(b)(2). The Exchange also proposes non-substantive differences to proposed Rule 7.36(f)(2) and (3) to streamline the rule text.

Proposed Rule 7.36(h)—Setter Priority

Proposed Rule 7.36(h) would establish how Setter Priority would be assigned to an order and is based in part on current Rules 72(a) and (b). Rule 72(a)(ii) provides that when a bid or offer, including pegging interest is established as the only displayable bid or offer made at a particular price and such bid or offer is the only displayable interest when such price is or becomes the Exchange BBO (the ''setting interest''), such setting interest is entitled to priority for allocation of executions at that price as described in Rule 72. The rule further provides that:

• Odd-lot orders, including aggregated odd-lot orders that are displayable, are not eligible to be setting interest. (Rule 72(a)(ii)(A))

• If, at the time displayable interest of a round lot or greater becomes the Exchange BBO, there is other displayable interest of a round lot or greater, including aggregated odd-lot orders that are equal to or greater than a round lot, at the price that becomes the Exchange BBO, no interest is considered to be a setting interest, and, therefore, there is no priority established. (Rule 72(a)(ii)(B))

• If, at the time displayable interest of a round lot or greater becomes the Exchange BBO, there is other displayable interest the sum of which is less than a round lot, at the price that becomes the Exchange BBO, the displayable interest of a round lot or greater will be considered the only displayable bid or offer at that price point and is therefore established as the setting interest entitled to priority for allocation of executions at that price as described in this rule. (Rule 72(a)(ii)(C))

• If executions decrement the setting interest to an odd-lot size, a round lot or partial round lot order that joins such remaining odd-lot size order is not eligible to be the setting interest. (Rule 72(a)(ii)(D))

• If, as a result of cancellation, interest is or becomes the single displayable interest of a round lot or greater at the Exchange BBO, it becomes the setting interest. (Rule 72(a)(ii)(E))

• Only the portion of setting interest that is or has been published in the Exchange BBO is entitled to priority allocation of an execution. That portion of setting interest that is designated as reserve interest and therefore not displayed at the Exchange BBO (or not displayable if it becomes the Exchange BBO) is not eligible for priority allocation of an execution irrespective of the price of such reserve interest or the time it is accepted into Exchange systems. However, if, following an

[24] As defined in Rule 1.1(a), the term ''Exchange Book'' refers to the Exchange's electronic file of orders, which contains all orders entered on the Exchange. Accordingly, all orders entered by Floor brokers in UTP Securities are included in the Exchange Book. The Exchange proposes to use the term ''Book Participant'' as continuity from its current rules, which refer to the Book Participant. *See* Rule 72(c)(ii).

[25] Rule 70(a)(i) requires a Floor broker to be in the ''Crowd'' in order to enter e-Quotes, which are eligible for a parity allocation. Rule 70.30 defines the term ''Crowd'' as the rooms on the Exchange Floor that contain active posts/panels where Floor brokers are able to conduct business and a Floor broker is considered to be in the Crowd if he or she is physically present in one of these room. Rule 6A defines the term ''Trading Floor'' to mean the restricted-access physical areas designated by the Exchange for the trading of securities, commonly known as the ''Main Room'' and the ''Buttonwood Room.'' The terms ''Crowd'' and ''Trading Floor'' therefore refer to the same physical location.

[26] NYSE Arca and NYSE American have recently amended their rules to add this definition of ''Aggressing Order.'' *See* Securities Exchange Act Release Nos. 82447 (January 5, 2018), 83 FR 1442 (January 11, 2018) (SR–NYSEAmer–2017–40) and 82504 (January 16, 2018), 83 FR 3038 (January 22, 2018) (SR–NYSEArca–2018–02) [sic].

execution of part or all of setting interest, such setting interest is replenished from any reserve interest, the replenished volume of such setting interest shall be entitled to priority if the setting interest is still the only interest at the Exchange BBO. (Rule 72(a)(ii)(F))

• If interest becomes the Exchange BBO, it will be considered the setting interest even if pegging interest, Limit Orders designated ALO, or sell short orders during a Short Sale Period under Rule 440B(e) are re-priced and displayed at the same price as such interest, and it will retain its priority even if subsequently joined at that price by re-priced interest. (Rule 72(a)(ii)(G))

Rule 72(b)(i) provides that once priority is established by setting interest, such setting interest retains that priority for any execution at that price when that price is at the Exchange BBO and if executions decrement the setting interest to an odd-lot size, such remaining portion of the setting interest retains its priority for any execution at that price when that price is the Exchange BBO. Rule 72(b)(ii) further provides that for any execution of setting interest that occurs when the price of the setting interest is not the Exchange BBO, the setting interest does not have priority and is executed on parity. Finally, Rule 73(b)(ii) provides that priority of setting interest will not be retained after the close of trading on the Exchange or following the resumption of trading in a security after a trading halt in such security has been invoked pursuant to Rule 123D or following the resumption of trading after a trading halt invoked pursuant to the provisions of Rule 80B. In addition, priority of the setting interest is not retained on any portion of the priority interest that is routed to an away market and is returned unexecuted unless such priority interest is greater than a round lot and the only other interest at the price point is odd-lot orders, the sum of which is less than a round lot.

Proposed Rule 7.36(h) would use Pillar terminology to establish ''Setter Priority,'' which would function similarly to setting interest under Rule 72. The Exchange proposes the following substantive differences to how Setter Priority would be assigned and retained on Pillar:

• To be eligible for Setter Priority, an order would have to establish not only the BBO, but also either join an Away Market NBBO or establish the NBBO. The Exchange believes that requiring an order to either join or establish an NBBO before it is eligible for Setter Priority would encourage the display of aggressive liquidity on the Exchange.

• A resting order would not be eligible to be assigned Setter Priority simply because it is the only interest at that price when it becomes the BBO (either because of a cancellation of other interest at that price or because a resting order that is priced worse than the BBO becomes the BBO). The Exchange believes that the benefit of Setter Priority should be for orders that are aggressively seeking to improve the BBO, rather than for passive orders that become the BBO.

• The replenished portion of a Reserve Order would not be eligible for Setter Priority. The Exchange believes that Setter Priority should be assigned to interest willing to be displayed, and because the reserve interest would not be displayed on arrival, it would not be eligible for Setter Priority.

• Orders that are routed and returned unexecuted would be eligible for Setter Priority consistent with the proposed rules regarding the working time assigned to the returned quantity of an order. As described in greater detail below, if such orders meet the requirements to be eligible for Setter Priority, *e.g.,* establish the BBO and either join or establish the NBBO, they would be evaluated for Setter Priority.

Proposed Rule 7.36(h) would provide that Setter Priority would be assigned to an order ranked Priority 2—Display Orders with a display quantity of at least a round lot if such order (i) establishes a new BBO and (ii) either establishes a new NBBO or joins an Away Market NBBO. The rule would further provide that only one order is eligible for Setter Priority at each price. This proposed rule text is based in part on Rule 72(a)(ii), 72(a)(ii)(A), 72(a)(ii)(B), 72(a)(ii)(C), subject to the substantive differences described above.[27]

Proposed Rule 7.36(h)(1) would set forth when an order would be evaluated for Setter Priority. As noted above, the Exchange proposes a substantive difference from current Rule 72(a)(ii) in that a resting order would not be eligible to be assigned Setter Priority simply because it is the only interest at that price when it becomes the BBO.

• Proposed Rule 7.36(h)(1)(A) would provide that an order would be evaluated for Setter Priority on arrival, which would include when any portion of an order that has routed returns unexecuted and is added to the Exchange Book. Pursuant to proposed Rule 7.37(a)(1), described below, an order that is routed on arrival to an Away Market would not be assigned a working time. Proposed Rule 7.36(f) provides that an order would not be assigned a working time until it is placed on the Exchange Book. As such, an order that has returned after routing would be processed similarly to a newly arriving order. Therefore, the Exchange believes that an order should be evaluated for Setter Priority when it returns from an Away Market unexecuted in the same way as evaluating an order for Setter Priority on arrival.

When evaluating Setter Priority for an order that has returned from an Away Market unexecuted, the Exchange would assess whether such order meets the requirements of proposed Rule 7.36(h), which is based in part on the second sentence of Rule 72(b)(iii). The Exchange proposes that for Pillar, an order that was routed to an Away Market and returned unexecuted would be evaluated for Setter Priority based on how a working time would be assigned to the returned quantity of the routed order, as described in proposed Rules 7.16(f)(5)(H), 7.36(f)(1)(A) and (B), and 7.38(b)(2).

○ Proposed Rule 7.16(f)(5)(H) provides that if a Short Sale Price Test, as defined in that rule, is triggered after an order has routed, any returned quantity of the order and the order it joins on the Exchange Book would be adjusted to a Permitted Price.[28] In such case, the returned quantity and the resting quantity that would be re-priced to a Permitted Price would be a single order and the Exchange would evaluate such order for Setter Priority. If such order would set a new BO and either join or establish a new NBO, it would be assigned Setter Priority. For example, if the Exchange receives a sell short order of 200 shares ranked Priority 2—Display Orders, routes 100 shares (''A'') of such order and adds 100 shares (''B'') of such order to the Exchange Book, ''B'' would be displayed at the price of the sell short order. If an Away Market NBB locks the price of ''B'' and then a Short Sale Price Test is triggered, ''B'' would remain displayed at the price of the NBB.[29] If subsequently, ''A'' returns unexecuted, pursuant to proposed Rule

[27] Because of the proposed substantive differences, the Exchange is not proposing rules based on current Rules 72(a)(ii)(D) and (E). In addition, when an order is considered displayed on Pillar would be addressed in proposed Rule 7.36(b)(1). Accordingly, the Exchange is not proposing rule text based on Rule 72(a)(i).

[28] Pursuant to proposed Rule 7.16(f)(5)(A), described below, during a Short Sale Period, as defined in that rule, short sale orders with a working price and/or a display price equal to or lower than the NBB will have the working price and/or display price adjusted one minimum price increment above the current NBB, which is the ''Permitted Price.''

[29] *See* proposed Rule 7.16(f)(6).

7.16(f)(5)(H), ''A'' and ''B'' would be considered a single order and would be re-priced to a Permitted Price, at which point the order would be evaluated for Setter Priority.

○ Proposed Rule 7.36(f)(1)(A) provides that an order that is fully routed to an Away Market would not be assigned a working time unless and until any unexecuted portion of the order returns to the Exchange Book. As proposed, if the Exchange routes an entire order and a portion returns unexecuted, the Exchange would evaluate the returned quantity for Setter Priority as if it were a newly arriving order. For example, if less than a round lot returns unexecuted, the returned quantity would not be eligible for Setter Priority. If at least a round lot returns unexecuted, establishes a new BBO, and either joins or establishes the NBBO, it would be eligible for Setter Priority.

○ Proposed Rule 7.36(f)(1)(B) provides that (except as provided for in proposed Rule 7.38(b)(2)), if an order is partially routed to an Away Market on arrival, the portion that is not routed would be assigned a working time and any portion of the order returning unexecuted would be assigned the same working time as any remaining portion of the original order resting on the Exchange Book and would be considered the same order as the resting order. In such case, if the resting portion of the order has Setter Priority, the returned portion would also have Setter Priority.

For example, if the Exchange receives a 200 share order ranked Priority 2—Display Orders, routes 100 shares (''C'') of such order and adds 100 shares (''D'') of such order to the Exchange Book, which establishes the BBO and joined the NBBO, ''D'' would be assigned Setter Priority. If ''D'' is partially executed and decremented to 50 shares and another order ''E'' for 100 shares joins ''D'' at its price, pursuant to proposed Rules 7.36(h)(2)(A) and (B), described below, ''D'' would retain Setter Priority. If ''C'' returns unexecuted, it would join the working time of ''D'' pursuant to proposed Rule 7.36(f)(1)(B), ''C'' and ''D'' would be considered a single order, and ''C'' would therefore also receive Setter Priority.

○ Proposed Rule 7.38(b)(2) provides that for an order that is partially routed to an Away Market on arrival, if any returned quantity of such order joins resting odd-lot quantity of the original order and the returned and resting quantity, either alone or together with other odd-lot orders, would be displayed as a new BBO, both the returned and resting quantity would be assigned a new working time. In such case, the returned quantity and the resting odd-lot quantity together would be a single order and would be evaluated for Setter Priority.

For example, if the Exchange receives an order for 100 shares, routes 50 shares (''E'') of such order and the remaining 50 shares (''F'') of such order are added to the Exchange Book, pursuant to proposed Rule 7.36(f)(1)(B), ''F'' would be assigned a working time when it is added to the Exchange Book. If ''E'' returns unexecuted, and ''E'' and ''F'' together would establish a new BBO at that price, pursuant to proposed Rule 7.38(b)(2), ''F'' would be assigned a new working time to join the working time of ''E,'' and ''E'' and ''F'' would be considered a single order. If the returned quantity together with the resting quantity establishes the BBO pursuant to proposed Rule 7.38(b)(2), the order would be eligible to be evaluated for Setter Priority.

• Proposed Rule 7.36(h)(1)(B) would provide that an order would be evaluated for Setter Priority when it becomes eligible to trade for the first time upon transitioning to a new trading session. When an order becomes eligible to trade upon a trading session transition, it is treated as if it were a newly arriving order. Accordingly, the Exchange believes it would be consistent with its proposal to evaluate arriving orders for Setter Priority to also evaluate orders that become eligible to trade upon a trading session transition for Setter Priority. For example, pursuant to proposed Rule 7.34(c)(1), described below, the Exchange would accept Primary Pegged Orders during the Early Trading Session, however, such orders would not be eligible to trade until the Core Trading Session begins. In such case, a Primary Pegged Order would be evaluated for Setter Priority when it becomes eligible to trade in the Core Trading Session.

Proposed Rule 7.36(h)(2) would establish when an order retains its Setter Priority, as follows:

• If it is decremented to any size because it has either traded or been partially cancelled (proposed Rule 7.36(h)(2)(A)). This proposed rule is based on Rule 72(b)(i), with non-substantive differences to use Pillar terminology.

• if it is joined at that price by a resting order that is re-priced and assigned a display price equal to the display price of the order with Setter Priority (proposed Rule 7.36(h)(2)(B)). This proposed rule is based on Rule 72(a)(ii)(G), with non-substantive differences to use Pillar terminology.

• if the BBO or NBBO changes (proposed Rule 7.36(h)(2)(C)). This proposed rule, together with proposed Rule 7.37(b)(1)(B), described below, is based on Rule 72(b)(ii), with non-substantive differences to use Pillar terminology. Specifically, once an order has been assigned Setter Priority, it has that status so long as it is on the Exchange Book, subject to proposed Rule 7.36(h)(3), described below, regardless of the BBO or NBBO. However, as described in proposed Rule 7.37(b)(1)(B), it would only be eligible for a Setter Priority allocation if it is executed when it is the BBO.

• if the order marking changes from (A) sell to sell short, (B) sell to sell short exempt, (C) sell short to sell, (D) sell short to sell short exempt, (E) sell short exempt to sell, and (F) sell short exempt to sell short (proposed Rule 7.36(h)(2)(D)). This proposed rule text is consistent with proposed Rule 7.36(f)(4) because if an order retains its working time, the Exchange believes it should also retain its Setter Priority status.

• when transitioning from one trading session to another (proposed Rule 7.36(h)(2)(E)). This text would be new because, with Pillar, the Exchange would be introducing an Early Trading Session. The Exchange believes that if an order entered during the Early Trading Session is assigned Setter Priority, it should retain that status in the Core Trading Session.

Proposed Rule 7.36(h)(3) would establish when an order would lose Setter Priority, as follows:

• If trading in the security is halted, suspended, or paused (proposed Rule 7.36(h)(3)(A)). This proposed rule is based on the first sentence of current Rule 72(b)(iii), with non-substantive differences to use Pillar terminology. In addition, because all orders expire at the end of the trading day, the Exchange believes that the current rule text providing that setting interest would not be retained after the close of trading on the Exchange would not be necessary for Pillar.

• if such order is assigned a new display price (proposed Rule 7.36(h)(3)(B)). The Exchange believes that if an order has Setter Priority at a price, and then is assigned a new display price, it should not retain the Setter Priority status that was associated with its original display price.

• if such order is less than a round lot and is assigned a new working time pursuant to proposed Rule 7.38(b)(2). As discussed above, pursuant to proposed Rule 7.38(b)(2) the resting odd-lot portion of an order would be assigned a new working time if the returned quantity of that order, together with the

resting portion, would establish a new BBO. In such case, if the resting quantity had Setter Priority status, it would lose that status, and would be re-evaluated for Setter Priority at its new working time.

For example, if the Exchange receives an order for 200 shares ranked Priority 2—Display Orders, routes 100 shares (''G'') of such order, and the remaining 100 shares (''H'') of such order are added to the Exchange Book and assigned Setter Priority, ''H'' would retain Setter Priority even if it is partially executed and the remaining portion of ''H'' is less than a round lot. If ''G'' returns unexecuted and ''G'' and ''H'' together would establish a new BBO at that price, pursuant to proposed Rule 7.38(b)(2), ''H'' would be assigned a new working time to join the working time of ''G,'' and ''G'' and ''H'' would be considered a single order. When ''H'' is assigned a new working time, it would lose its Setter Priority status. Even though ''G'' and ''H'' would establish the BBO, if that order does not also join or establish an NBBO, it would not be assigned Setter Priority. In this scenario, ''H'' would have lost its Setter Priority. The Exchange believes it is appropriate to re-evaluate such order for Setter Priority because it is being assigned a new working time together with the returned quantity of the order.

Proposed Rule 7.36(h)(4) would establish when Setter Priority is not available, as follows:

• For any portion of an order that is ranked Priority 3—Non-Display Orders (proposed Rule 7.36(h)(4)(A)). This proposed rule text is based on the second sentence of Rule 72(a)(ii)(F), with non-substantive differences to use Pillar terminology.

• when the reserve quantity replenishes the display quantity of a Reserve Order (proposed Rule 7.36(h)(4)(B)). This proposed rule text would be new and would be a substantive difference, described above, as compared to the third sentence of Rule 72(a)(ii)(F).

Because proposed Rule 7.36 would address the display and working time of orders and Setter Priority, the Exchange proposes that Rules 72(a), (b), and (c)(xii) would not be applicable to trading UTP Securities on the Pillar trading platform.

Proposed Rule 7.37

Proposed Rule 7.37 (Order Execution and Routing) would establish rules governing order execution and routing on the Pillar trading platform. As described above, the Exchange proposes to retain its parity allocation model, which the Exchange would set forth in proposed Rule 7.37(b). Except for the addition of parity allocation, the Exchange proposes to use Pillar functionality for determining how orders would be executed and routed. Accordingly, the proposed rule is based in part on NYSE Arca Rule 7.37–E and NYSE American Rule 7.37E, with substantive differences as described below.

Proposed Rules 7.37(a), (c)–(g)

Proposed Rules 7.37(a) and paragraphs (c)–(d) would establish rules regarding order execution, routing, use of data feeds, locking or crossing quotations in NMS Stocks, and exceptions to the Order Protection Rule. The proposed rule text is based on NYSE Arca Rule 7.37–E(a)–(f) and NYSE American Rule 7.37E(a)–(f) with the following substantive differences: [30]

• Proposed Rule 7.37(a) would use the proposed new term ''Aggressing Order'' rather than the term ''incoming marketable order'' to refer to orders that would be matched for execution. In addition, because the Exchange would not use a price-time priority allocation for all orders, the Exchange proposes to specify that orders would be matched for execution as provided for in proposed Rule 7.37(b).

• As discussed below, the Exchange would not offer all order types that are available on NYSE Arca and NYSE American. Accordingly, proposed Rule 7.37(a)(4) would not include a reference to Inside Limit Orders.

• Similar to NYSE American, because the Exchange would not be taking in data feeds from broker-dealers or routing to Away Markets that are not displaying protected quotations, the Exchange proposes that proposed Rule 7.37 would not include rule text from paragraph (b)(3) of NYSE Arca Rule 7.37–E, which specifies that an ETP Holder can opt out of routing to Away Markets that are not displaying a protected quotation, *i.e.,* broker dealers, or paragraph (d)(1) of NYSE Arca Rule 7.37–E, which specifies that NYSE Arca receives data feeds directly from broker dealers.

• As discussed in greater detail below, because the Exchange would not offer all orders available on NYSE Arca and NYSE American, including orders based on NYSE Arca Rule 7.31–E(f) that are orders with specific routing instructions, the Exchange proposes that proposed Rules 7.37(c)(5) and (c)(7)(B) would not include reference to orders that are designated to route to the primary listing market. Similarly, the Exchange would not include rule text based on NYSE Arca Rule 7.37–E(b)(7)(C) and NYSE American Rule 7.37E(b)(7)(C).

• The Exchange proposes a non-substantive difference to update the chart in proposed Rule 7.37(e) to reflect the amended names of market centers.

Proposed Rule 7.37(b)—Allocation

Proposed Rule 7.37(b) would set forth how an Aggressing Order would be allocated against contra-side orders and is based in part on current Rule 72(c). The Exchange proposes that its existing parity allocation model, modified as described below, would be applicable to UTP Securities. Like the Exchange's existing parity allocation model for NYSE-listed securities, the proposed parity allocation model for UTP Securities would provide customers with choices. The Exchange's parity allocation model provides customers that do not have latency sensitive strategies or who value intermediation by a trusted agent with an alternative to the price-time priority model offered by other exchanges: Such customers can use a Floor broker and be allocated trades based on parity, as described below. Those customers with latency sensitive strategies or who prefer un-intermediated access can choose to send orders electronically and would be allocated trades as part of the Book Participant. Irrespective of whether the customer chooses to use a Floor broker or enter their interest electronically via the Book Participant, a customer assigned Setter Priority by setting the BBO would receive the first 15% of an allocation.

While there would be no DMMs assigned to UTP Securities, as noted above, the Exchange would require that for an order to be eligible to be included in the Floor Broker Participant, such order must be entered by a Floor broker while on the Trading Floor and only if such Floor broker also engages in a Floor broker business in Exchange-listed securities. In addition, to be eligible to be included in the Floor Broker Participant, orders must be entered on an agency basis (unless trading out of the Floor broker's error account pursuant to Rule 134). As a result, in contrast to off-Floor agency broker-dealers, Floor brokers would not be permitted to trade for their own accounts while on the Trading Floor, including principal trading on behalf of customers. The result of any allocation to an individual Floor broker would therefore always accrue to the customer. In addition, when trading UTP

[30] Because proposed Rule 7.37(b) would establish parity allocation, proposed Rule 7.37(c)–(g) would be based on NYSE Arca Rules 7.37–E(b)–(f) and NYSE American Rules 7.37E(b)–(f).

Securities, Floor brokers would continue to be subject to current rules that are applicable only to Floor brokers, including Rules 95, 122, 123, and paragraphs (d)–(j) of Rule 134.

The Exchange proposes to use Pillar terminology to describe allocations and proposes the following substantive differences to how allocations are processed under Rule 72(c):

• Mid-point Liquidity Orders (''MPL'') with a Minimum Trade Size (''MTS''), which are not currently available on the Exchange, would be allocated based on MTS size (smallest to largest) and time.

• The Exchange would maintain separate allocation wheels on each side of the market for displayed and non-displayed orders at each price. Currently, the Exchange maintains a single allocation wheel for each security.[31]

• An allocation to a Floor Broker Participant would be allocated to orders represented by that Floor Broker on parity.

• If resting orders on one side of the Exchange Book are repriced such that they become marketable against orders on the other side of the Exchange Book, they would trade as Aggressing Orders based on their ranking pursuant to proposed Rule 7.36(c).

• If resting orders on both side of the Exchange Book are repriced such that they become marketable against each other, *e.g.,* a crossed PBBO becomes uncrossed and orders priced based on the PBBO are repriced, the Exchange would determine which order is the Aggressing Order based on its ranking pursuant to Rule 7.36(c).

• Because there would not be any DMMs assigned to UTP Securities, the proposed rule would not reference DMM allocations.

Proposed Rule 7.37(b)(1) would set forth that at each price, an Aggressing Order would be allocated against contra-side orders as follows:

• Proposed Rule 7.37(b)(1)(A) would provide that orders ranked Priority 1—Market Orders would trade first based on time. This proposed rule is based on the first sentence of Rule 72(c)(i) with non-substantive differences to use Pillar terminology.

• Proposed Rule 7.37(b)(1)(B) would provide that next, an order with Setter Priority that has a display price and working price equal to the BBO would receive 15% of the remaining quantity of the Aggressing Order, rounded up to the next round lot size or the remaining displayed quantity of the order with Setter Priority, whichever is lower. The rule would further provide that an order with Setter Priority is eligible for allocation under proposed Rule 7.37(b)(1)(B) if the BBO is no longer the same as the NBBO. This proposed rule text is based on Rules 72(b)(ii) and 72(c)(iii) with non-substantive differences to use Pillar terminology. Although the Exchange is using different rule text, the quantity of an Aggressing Order that would be allocated to an order with Setter Priority would be the same under both current rules and the proposed Pillar rule.

• Proposed Rule 7.37(b)(1)(C) would provide that next, orders ranked Priority 2—Displayed Orders would be allocated on parity by Participant and that any remaining quantity of an order with Setter Priority would be eligible to participate in this parity allocation, consistent with the allocation wheel position of the Participant that entered the order with Setter Priority. This proposed rule text is based on Rules 72(c)(i), (iv), (vi), and (ix) with non-substantive differences to use Pillar terminology.

• Proposed Rule 7.37(b)(1)(D) would provide that next, orders ranked Priority 3—Non-Display Orders, other than MPL Orders with an MTS, would be allocated on parity by Participant. This proposed rule text is based on Rules 72(c)(i), (iv), (vi), and (ix) with non-substantive differences to use Pillar terminology and a substantive difference not to include MPL Orders with an MTS in the parity allocation of resting non-displayed orders.

• Proposed Rule 7.37(b)(1)(E) would provide that MPL Orders with an MTS would be allocated based on MTS size (smallest to largest) and time. Because MPL Orders with an MTS would be a new offering on the Exchange, this proposed rule text is new. With an MTS instruction, an [sic] member organization is instructing the Exchange that it does not want an execution of its order if the MTS cannot be met. Accordingly, an MPL Order with an MTS is willing to be skipped if such instruction cannot be met. The Exchange proposes to separate MPL Orders with an MTS from the parity allocation of Priority 3—Non-Display Orders because with a parity allocation, an MTS instruction would not be guaranteed. In order to honor the MTS instruction of the resting MPL Order, the Exchange proposes to allocate these orders after all other Priority 3—Non-Display Orders have been allocated on parity. The Exchange believes that this proposed allocation priority would be consistent with the MTS instruction in that such orders are willing to be skipped in order to have the MTS met.

Proposed Rule 7.37(b)(2) would establish the allocation wheel for parity allocations. The proposed rule would be new for Pillar and would establish that at each price on each side of the market, the Exchange would maintain an ''allocation wheel'' of Participants with orders ranked Priority 2—Display Orders and a separate allocation wheel of Participants with orders ranked Priority 3—Non-Display Orders. The rule further describes how the position of an order on an allocation wheel would be determined, as follows:

• Proposed Rule 7.37(b)(2)(A) would provide that the Participant that enters the first order in a priority category at a price would establish the first position on the applicable allocation wheel for that price. The rule would further provide that if an allocation wheel no longer has any orders at a price, the next Participant to enter an order at that price would establish a new allocation wheel. This proposed rule is based in part on the first sentence of Rule 72(c)(viii)(A), with both non-substantive differences to use Pillar terminology and substantive differences because the Exchange would maintain separate allocation wheels at each price point, rather than a single allocation wheel for a security. Accordingly, an allocation wheel at a price point could be re-established throughout the trading day.

• Proposed Rule 7.37(b)(2)(B) would provide that additional Participants would be added to an allocation wheel based on time of entry of the first order entered by a Participant. This proposed rule is based in part on the second sentence of Rule 72(c)(viii)(A) with non-substantive differences to use Pillar terminology.

• Proposed Rule 7.37(b)(2)(C) would provide that once a Participant has established a position on an allocation wheel at a price, any additional orders from that Participant at the same price would join that position on an allocation wheel. This proposed rule uses Pillar terminology to describe current functionality.

• Proposed Rule 7.37(b)(2)(D) would provide that if an order receives a new working time or is cancelled and replaced at the same working price, a Participant that entered such order would be moved to the last position on an allocation wheel if, that Participant has no other orders at that price. This proposed rule is based in part on the last sentence of Rule 72(c)(viii)(A) with non-substantive differences to use Pillar terminology.

• Proposed Rule 7.37(b)(2)(E) would provide that a Participant would be removed from an allocation wheel if (i) all orders from that Participant at that

[31] *See* Rule 72(c)(viii)(A).

price are executed or cancelled in full, (ii) the working price of an order changes and that Participant has no other orders at that price, or (iii) the priority category of the order changes and that Participant has no other orders at that price. This proposed rule would be new functionality associated with the substantive difference of having separate allocation wheels at each price point.

• Proposed Rule 7.37(b)(2)(F) would provide that if multiple orders are assigned new working prices at the same time, the Participants representing those orders would be added to an allocation wheel at the new working price in time sequence relative to one another. This proposed rule would be new functionality associated with the substantive difference of having separate allocation wheels at each price point.

Proposed Rule 7.37(b)(3) would set forth the parity pointer associated with the allocation wheel. As proposed, if there is more than one Participant on an allocation wheel, the Exchange would maintain a ''pointer'' that would identify which Participant would be next to be evaluated for a parity allocation and that the Participant with the pointer would be considered the first position. This proposed rule is based in part on the Parity Example 1 described in Rule 72(c)(viii)(A) and Rule 72(c)(viii)(B), with non-substantive differences to use Pillar terminology. The rule would further provide that the Setter Priority allocation described in proposed Rule 7.37(b)(1)(B) would not move the pointer, which is based on the second sentence of Rule 72(c)(iv) with non-substantive differences to use Pillar terminology.

Proposed Rule 7.37(b)(4) would set forth how an Aggressing Order would be allocated on parity. As proposed, an Aggressing Order would be allocated by round lots. The Participant with the pointer would be allocated a round lot and then the pointer would advance to the next Participant. The pointer would continue to advance on an allocation wheel until the Aggressing Order is fully allocated or all Participants in that priority category are exhausted. This proposed rule is based on Rule 72(c)(viii), sub-paragraphs (A)–(C) of that Rule, and Parity Examples 1 through 4, with non-substantive differences to use Pillar terminology. Rather than include examples in the proposed rule, the Exchange believes that the Pillar terminology streamlines the description of parity allocations in a manner that obviates the need for examples, as follows:

• Proposed Rule 7.37(b)(4)(A) would provide that not all Participants on an allocation wheel would be guaranteed to receive an allocation. The size of an allocation to a Participant would be based on which Participant had the pointer at the beginning of the allocation, the size of the Aggressing Order, the number of Participants in the allocation, and the size of the orders entered by Participants. The Exchange believes that this proposed rule makes clear that while the parity allocation seeks to evenly allocate an Aggressing Order, an even allocation may not be feasible and would be dependent on multiple variables.

For example, if there are three Participants on an allocation wheel, ''A,'' ''B,'' and ''C,'' each representing 200 shares and ''A'' has the pointer, an Aggressing Order of 450 shares would be allocated as follows: ''A'' would be allocated 100 shares, ''B'' would be allocated 100 shares, ''C'' would be allocated 100 shares, ''A'' would be allocated 100 shares, and ''B'' would be allocated 50 shares. In this example, an uneven allocation would result because the Aggressing Order cannot be evenly divided by round lots among the Participants and the allocation sizes would be dependent on which Participant has the pointer at the beginning of the allocation. Accordingly, ''A'' would be allocated a total of 200 shares, ''B'' would be allocated a total of 150 shares, and ''C'' would be allocated a total of 100 shares.

• Proposed Rule 7.37(b)(4)(B) would provide that if the last Participant to receive an allocation is allocated an odd lot, the pointer would stay with that Participant. The Exchange proposes that the pointer would advance only after a round-lot allocation. If the last allocation is an odd-lot, the pointer would stay with that Participant. For example, continuing with the example above where ''B'' received an allocation of 150 shares because the last allocation was 50 shares, the pointer would remain with ''B'' for the next allocation at that price. By contrast, if the last Participant receives a round-lot allocation of an Aggressing Order, the pointer would advance to the next Participant for the next allocation at that price.

• Proposed Rule 7.37(b)(4)(C) would provide that if the Aggressing Order is an odd lot, the Participant with the pointer would be allocated the full quantity of the order, unless that Participant does not have an order that could satisfy the Aggressing Order in full, in which case, the pointer would move to the next Participant on an allocation wheel. This proposed rule uses Pillar terminology to describe how an odd-lot sized Aggressing Order would be allocated.

• Proposed Rule 7.37(b)(4)(D) would provide that a Participant that has an order or orders equaling less than a round lot would be eligible for a parity allocation up to the size of the order(s) represented by that Participant. This proposed rule is based in part on Rule 72(c)(viii)(B) with non-substantive differences to use Pillar terminology.

Proposed Rule 7.37(b)(5) would provide that an allocation to the Book Participant would be allocated to orders that comprise the Book Participant by working time. This proposed rule is based on the second sentence of Rule 72(c)(ii) with non-substantive differences to use Pillar terminology.

Proposed Rule 7.37(b)(6) would provide that an allocation to a Floor Broker Participant, which would be defined as a ''Floor Broker Allocation,'' would be allocated to orders with unique working times that comprise the Floor Broker Participant, which would be defined as ''Floor Broker Orders,'' on parity. In other words, any allocation to an individual Floor Broker Participant at a price would be further allocated among multiple orders that may be represented by that Floor broker. The proposed reference to ''unique working times'' would refer to orders that have multiple working times. For example, pursuant to proposed Rule 7.31(d)(1)(B), each time a Reserve Order is replenished from reserve interest, a new working time would be assigned to the replenished quantity of the Reserve Order, while the reserve interest would retain the working time of original order entry. As a result, the display quantity of a Reserve Order may be represented by multiple orders with unique working times representing each replenishment. For purposes of the Floor Broker Allocation, each quantity with a unique working time would be considered a separate order.

As further proposed, the parity allocation within a Floor Broker Allocation would be processed as described in proposed Rule 7.37(b)(2)–(4) with the Floor Broker Allocation processed as the ''Aggressing Order'' and each Floor Broker Order processed as a ''Participant.'' Because a Floor Broker Participant may represent multiple orders, the Exchange believes that allocating the Floor Broker Allocation on parity would be consistent with the Exchange's allocation model, which provides for a parity allocation to Floor brokers. For example, if an Aggressing Order is allocated 200 shares to Floor Broker Participant ''X,'' which would be the Floor Broker Allocation, and ''X''

represents three Floor Broker Orders, ''A,'' ''B,'' and ''C'' for 100 shares each at a price and the parity pointer is on ''B,'' pursuant to proposed Rule 7.37(b)(6), the Floor Broker Allocation would be allocated 100 shares to ''B'' and 100 shares to ''C'' and ''A'' would not receive an allocation.

Proposed Rule 7.37(b)(8) would provide that if resting orders on one side of the market are repriced and become marketable against contra-side orders on the Exchange Book, the Exchange would rank the re-priced orders as described in proposed Rule 7.36(c) and trade them as Aggressing Orders consistent with their ranking.[32] This proposed functionality would be new for Pillar.

Proposed Rule 7.37(b)(9) would provide that if resting orders on both sides of the market are repriced and become marketable against one another, the Exchange would rank the orders on each side of the market as described in Rule 7.36(c) and trade them as follows:

- The best-ranked order would establish the price at which the marketable orders will trade, provided that if the marketable orders include MPL orders, orders would trade at the midpoint of the PBBO (proposed Rule 7.37(b)(9)(A)).
- The next best-ranked order would trade as the Aggressing Order with contra-side orders at that price pursuant to proposed Rule 7.37(b)(1) (proposed Rule 7.37(b)(9)(B)).
- When an Aggressing Order is fully executed, the next-best ranked order would trade as the Aggressing Order with contra-side orders at that price pursuant to proposed Rule 7.37(b)(1) (proposed Rule 7.37(b)(9)(C)).
- Orders on both sides of the market would continue to trade as the Aggressing Order until all marketable orders are executed (proposed Rule 7.37(b)(9)(D)).

Because proposed Rule 7.37 would address order execution and routing, including parity allocations, locking and crossing, and the Order Protection Rule, the Exchange proposes that Rules 15A, 19, 72(c), 1000, 1001, 1002, and 1004 would not be applicable to trading UTP Securities on the Pillar trading platform.[33]

Proposed Rule 7.31

Proposed Rule 7.31 (Orders and Modifiers) would establish the orders and modifiers that would be available on the Exchange for trading UTP Securities on the Pillar trading platform. The Exchange proposes to offer a subset of the orders and modifiers that are available on NYSE Arca and NYSE American, with specified substantive differences, as described below.

- Proposed Rule 7.31(a) would establish the Exchange's proposed Primary Order Types. The Exchange would offer Market Orders, which would be described in proposed Rule 7.31(a)(1), and Limit Orders, which would be described in proposed Rule 7.31(a)(2). These proposed rules are based on NYSE Arca Rule 7.31–E(a)(1) and (2) with one substantive difference. Because the Exchange would not be conducting auctions for UTP Securities and because, as described below, with the exception of Primary Pegged Orders, Limit Orders entered before the Core Trading Session would be deemed designated for both the Early Trading Session and the Core Trading Session, the Exchange proposes not to include the following text in proposed Rule 7.31(a)(2)(B): ''A Limit Order entered before the Core Trading Session that is designated for the Core Trading Session only will become subject to Limit Order Price Protection after the Core Open Auction.'' Instead, the Exchange proposes to provide that a Limit Order entered before the Core Trading Session that becomes eligible to trade in the Core Trading Session would become subject to the Limit Order Price Protection when the Core Trading Session begins. Accordingly, Primary Pegged Orders entered before the Core Trading Session begins would not be subject to Limit Order Price Protection until the Core Trading Session begins.
- Proposed Rule 7.31(b) would establish the proposed time-in-force modifiers available for UTP Securities on the Pillar trading platform. The Exchange would offer both Day and Immediate-or-Cancel (''IOC'') time-in-force modifiers. The rule text is based on NYSE American Rule 7.31E(b) without any substantive differences.
- Proposed Rule 7.31(c) would establish the Exchange's Auction-Only Orders. Because the Exchange would not be conducting auctions in UTP Securities, the Exchange would route all Auction-Only Orders in UTP Securities to the primary listing market, as described in greater detail below in proposed Rule 7.34. To reflect this functionality, proposed Rule 7.31(c) would provide that an Auction-Only Order is a Limit or Market Order that is only to be routed pursuant to Rule 7.34. Proposed Rules 7.31(c)(1)–(4) would define Limit-on-Open Orders (''LOO Order''), Market-on-Open Order (''MOO Order''), Limit-on-Close Order (''LOC Order''), and Market-on-Close (''MOC Order''). The proposed rule text is based on NYSE Arca Rule 7.31–E(c)(1)–(4) and NYSE American Rule 7.31E(c)(1)–(4), with the substantive difference not to include rule text relating to how Auction-Only Orders would function during a Trading Halt Auction, as the Exchange would not be conducting any auctions in UTP Securities. Because the Exchange would not have defined terms for auctions in the Pillar rules, the Exchange proposes an additional non-substantive difference to use the term ''an opening or re-opening auction'' instead of ''the Core Open Auction or a Trading Halt Auction'' and the term ''a closing auction'' instead of ''the Closing Auction.''
- Proposed Rule 7.31(d) would describe orders with a conditional or undisplayed price and/or size. Proposed Rule 7.31(d) is based on NYSE Arca Rule 7.31–E(d) and NYSE American Rule 7.31E(d) without any differences.
- Proposed Rule 7.31(d)(1) would establish Reserve Orders, which would be a Limit Order with a quantity of the size displayed and with a reserve quantity (''reserve interest'') that is not displayed. Proposed Rule 7.31(d)(1) and subparagraphs (A)–(C) to that rule are based on NYSE Arca Rule 7.31–E(d)(1) and its sub-paragraphs (A)–(C) without any substantive differences. As described below, the Exchange proposes to describe Limit Orders that do not route as a ''Limit Non-Routable Order.''
- Proposed Rule 7.31(d)(2) would establish Limit Non-Displayed Orders, which would be a Limit Order that is not displayed and does not route. This proposed rule is based on NYSE Arca Rule 7.31–E(d)(2), with one substantive difference: The Exchange would not be offering the ability for a Limit Non-Displayed Order to be designated with a Non-Display Remove Modifier and therefore would not be proposing rule text based on NYSE Arca Rule 7.31–E(d)(2)(B).
- Proposed Rule 7.31(d)(3) would establish MPL Orders, which would be a Limit Order that is not displayed and does not route, with a working price at the midpoint of the PBBO. Proposed Rule 7.31(d)(3) is based on NYSE Arca Rule 7.31–E(d)(3) and NYSE American Rule 7.31E(d)(3) with one substantive difference: Because the Exchange would not be conducting auctions in UTP Securities, the Exchange does not propose to include rule text that MPL Orders do not participate in any auctions.

Proposed Rules 7.31(d)(3)(A)–(F), which further describe MPL Orders, are

[32] The Exchange proposes to designated [sic] proposed Rule 7.37(b)(7) as ''Reserved.''

[33] Rule 72(d) would also not be applicable to trading UTP Securities on the Pillar trading platform, accordingly the Exchange would designate the entirety of Rule 72 as not applicable to trading UTP Securities on the Pillar trading platform.

based on NYSE Arca Rule 7.31–E(d)(3)(A)–(F) with two substantive differences. First, the Exchange would not offer the optional functionality for an incoming Limit Order to be designated with a ''No Midpoint Execution'' modifier. Second, the Exchange would not offer for MPL Orders to be designated with a Non-Display Remove Modifier. Because the Exchange would not offer the Non-Display Remove Modifier for MPL Orders, the Exchange is not proposing rule text based on NYSE Arca Rule 7.31–E(d)(3)(G). Proposed Rule 7.31(e) would establish orders with instructions not to route and is based on NYSE Arca Rule 7.31–E(e) and NYSE American Rule 7.31E(e) without any differences.[34]

• Proposed Rule 7.31(e)(1) would establish the Limit Non-Routable Order, which is a Limit Order that does not route. Proposed Rule 7.31(e)(1) and its sub-paragraphs (A)–(B) is based on NYSE Arca Rule 7.31–E(e)(1) and its sub-paragraphs (A)–(B) and NYSE American Rule 7.31E(1) and its sub-paragraphs (A)–(B) without any substantive differences. Because the Exchange would not offer Non-Display Remove Modifiers for Limit Non-Routable Orders, the Exchange is not proposing rule text based on NYSE Arca Rule 7.31–E(e)(1)(C).

• Proposed Rule 7.31(e)(2) and sub-paragraphs (B)–(D) would establish the ALO Order, which is a Limit Non-Routable Order that, except as specified in the proposed rule, would not remove liquidity from the Exchange Book. The proposed rule is based on NYSE Arca Rule 7.31–E(e)(2) and its sub-paragraphs (B)–(D) with two substantive differences. First, because the Exchange would not have auctions in UTP Securities, the Exchange does not propose rule text based on NYSE Arca Rule 7.31–E(e)(2)(A), and would designate this sub-paragraph as ''Reserved.'' Second, because the Exchange would not offer the Non-Display Remove Modifier for Limit Non-Routable Orders or Limit Non-Display Orders, the Exchange does not propose rule text based on NYSE Arca Rule 7.31–E(e)(2)(B)(iv)(b).

• Proposed Rule 7.31(e)(3) and sub-paragraphs (A)–(D) would establish Intermarket Sweep Orders (''ISO''), which would be a Limit Order that does not route and meets the requirements of Rule 600(b)(3) of Regulation NMS and could be designated IOC or Day. The proposed rule is based on NYSE Arca Rule 7.31–E(e)(3) and its sub-paragraphs (A)–(D) and its sub-paragraphs (A)–(D) with two substantive differences. First, because Exchange Floor brokers do not have the ability to enter orders directly on Away Markets, the Exchange does not currently offer the ability for Floor brokers to enter ISOs.[35] The Exchange similarly proposes that Floor brokers would not be able to enter ISOs for trading UTP Securities on the Pillar trading platform and therefore would specify that ISOs are not available to Floor brokers. Second, because Non-Display Remove Modifiers would not be available, the Exchange is not proposing rule text based on NYSE Arca Rule 7.31–E(e)(3)(D)(iii)(b).

• Because the Exchange would not offer Primary Only Orders or Cross Orders, the Exchange proposes that Rules 7.31(f) and (g) would be designated as ''Reserved.''

• Proposed Rule 7.31(h) would establish Pegged Orders, which would be a Limit Order that does not route with a working price that is pegged to a dynamic reference price. Proposed Rule 7.31(h) is based on NYSE Arca Rule 7.31–E(h) with one substantive difference. Consistent with the Exchange's current rules, Pegged Orders would be available only to Floor brokers.[36]

Proposed Rule 7.31(h)(2) and sub-paragraphs (A) and (B) would establish Primary Pegged Orders, which would be a Pegged Order to buy (sell) with a working price that is pegged to the PBB (PBO), must include a minimum of one round lot of displayed, and with no offset allowed. This proposed rule text is based on NYSE Arca Rule 7.31–E(h)(2) and sub-paragraphs (A) and (B) with one substantive difference. Because the Exchange would not conduct auctions in UTP Securities, the Exchange does not propose to include rule text that a Primary Pegged Order would be eligible to participate in auctions at the limit price of the order.

Proposed Rule 7.31(h)(4) and sub-paragraphs (A) and (B) would establish a Non-Displayed Primary Pegged Order, which would be a Pegged Order to buy (sell) with a working price that is pegged to the PBB (PBO), with no offset allowed, that is not displayed. This rule text is based on NYSE American Rule 7.31E(h)(2), which describes a Primary Pegged Order that is not displayed. Similar to the rules of NYSE American, the proposed Non-Displayed Primary Pegged Order would be rejected on arrival, or cancelled when resting, if there is no PBBO against which to peg. In addition, Non-Displayed Primary Pegged Orders would be ranked Priority 3—Non-Display Orders and if the PBBO is locked or crossed, both an arriving and resting Non-Displayd [sic] Primary Pegged Order would wait for a PBBO that is not locked or crossed before the working price is adjusted and the order becomes eligible to trade.

Because the Exchange would not offer Market Pegged Order or Discretionary Pegged Orders, the Exchange proposes that paragraphs (h)(1) and (h)(3) of proposed Rule 7.31 would be designated as ''Reserved.''

• Proposed Rule 7.31(i)(2) would establish Self Trade Prevention Modifiers (''STP'') on the Exchange. As proposed, any incoming order to buy (sell) designated with an STP modifier would be prevented from trading with a resting order to sell (buy) also designated with an STP modifier and from the same Client ID, as designated by the member organization, and the STP modifier on the incoming order would control the interaction between two orders marked with STP modifiers. Proposed Rule 7.31(i)(2)(A) would establish STP Cancel Newest (''STPN'') and proposed Rule 7.31(i)(2)(B) would establish STP Cancel Oldest (''STPO''). Proposed Rule 7.31(i)(2) and subparagraphs (A) and (B) are based in part on NYSE Arca Rule 7.31–E(i)(2) and its sub-paragraphs (A) and (B) and NYSE American Rule 7.31E(i)(2) and its sub-paragraphs (A) and (B), with substantive differences to specify how STP modifiers would function consistent with the Exchange's proposed allocation model.

Specifically, because, as described above, resting orders are allocated either on parity or time based on the priority category of an order, the Exchange proposes to specify in proposed Rule 7.31(i)(2) that the Exchange would evaluate the interaction between two orders marked with STP modifiers from the same Client ID consistent with the allocation logic applicable to the priority category of the resting order. The proposed rule would further provide that if resting orders in a priority category do not have an STP modifier from the same Client ID, the incoming order designated with an STP modifier would trade with resting orders in that priority category before being evaluated for STP with resting orders in the next priority category.

For STPN, proposed Rule 7.31(i)(2)(A)(i) would provide that if a resting order with an STP modifier from the same Client ID is in a priority category that allocates orders on price-

[34] Proposed Rule 7.31 includes behavior relating to MPL Orders that were recently adopted on NYSE Arca and NYSE American. *See supra* note 19.

[35] *See* Rule 70(a)(i).

[36] *See* Rule 13(f)(1)(A)(i), which describes Pegging Interest as being available for e-Quotes and d-Quotes, which is functionality available only to Floor brokers.

time priority, the incoming order marked with the STPN modifier would be cancelled back to the originating member organization and the resting order marked with one of the STP modifiers would remain on the Exchange Book. This proposed rule is based on NYSE Arca Rule 7.31–E(i)(2)(A) and NYSE American Rule 7.31E(i)(2)(A), with non-substantive differences to specify that this order processing would be applicable for orders that are allocated in price-time priority.

Proposed Rule 7.31(i)(2)(A)(ii) would be new and would address how STPN would function for resting orders in a priority category that allocates orders on parity. As proposed, if a resting order with an STP modifier from the same Client ID is in a priority category that allocates orders on parity and would have been considered for an allocation, none of the resting orders eligible for a parity allocation in that priority category would receive an allocation and the incoming order marked with the STPN modifier would be cancelled back.[37] The Exchange believes that if a member organization designates an order with an STPN modifier, that member organization has instructed the Exchange to cancel the incoming order rather than trade with a resting order with an STP modifier from the same Client ID. Because in a parity allocation, resting orders are allocated based on their position on an allocation wheel, as described above, it would be consistent with the incoming order's instruction to cancel the incoming order if any of the resting orders eligible to participate in the parity allocation has an STP modifier from the same Client ID.

For STPO, proposed Rule 7.31(i)(2)(B)(i) would provide that if a resting order with an STP modifier from the same Client ID is in a priority category that allocates orders on price-time priority, the resting order marked with the STP modifier would be cancelled back to the originating member organization and the incoming order marked with the STPO modifier would remain on the Exchange Book. This proposed rule is based on NYSE Arca Rule 7.31–E(i)(2)(B) and NYSE American Rule 7.31E(i)(2)(B), with non-substantive differences to specify that this order processing would be applicable for orders that are allocated in price-time priority.

Proposed Rule 7.31(i)(2)(B)(ii) would be new and would address how STPO would function for resting orders in a priority category that allocates orders on parity. As proposed, if a resting order with an STP modifier from the same Client ID is in a priority category that allocates orders on parity, all resting orders with the STP modifier with the same Client ID in that priority category that would have been considered for an allocation would not be eligible for a parity allocation and would be cancelled. The rule would further provide that an incoming order marked with the STPO modifier would be eligible to trade on parity with orders in that priority category that do not have a matching STP modifier and that resting orders in that priority category with an STP modifier from the same Client ID that would not have been eligible for a parity allocation would remain on the Exchange Book. The Exchange believes that this proposed processing of STPO would allow for the incoming order to continue to trade with resting orders that do not have an STP modifier from the same client ID, while at the same time processing the instruction that resting orders with an STP from the same Client ID would be cancelled if there were a potential for an execution between the two orders.

• Proposed Rule 7.31(i)(3) would describe the Minimum Trade Size (''MTS'') Modifier, which is based in part on NYSE Arca Rule 7.31–E(i)(3).[38] The Exchange proposes a substantive difference in that the MTS Modifier would be available only for Limit IOC and MPL Orders. Subject to this difference, proposed Rule 7.31(i)(3)(A)–(E) and (G) is based on NYSE Arca Rule 7.31–E(i)(3)(A)–(F).

The Exchange proposes an additional substantive difference to address how a resting order with an MTS that becomes an Aggressing Order would trade under the parity allocation model. As described in proposed Rule 7.31(i)(3)(B), on arrival, an order to buy (sell) with an MTS Modifier would trade with sell (buy) orders in the Exchange Book that in the aggregate meet such order's MTS. In other words, the MTS of an Aggressing Order on arrival can be met by one or more resting orders. Because more than one resting order can trade with an arriving order with an MTS, such allocation can be made consistent with the Exchange's parity allocation model without any changes.[39]

By contrast, proposed Rule 7.31(i)(3)(E) would provide that a resting order to buy (sell) with an MTS Modifier that becomes an Aggressing Order would trade with individual sell (buy) orders that each meet the MTS. Because a resting order that becomes an Aggressing Order, which could only be an MPL Order, would need to be able to trade with individual contra-side orders that each meet the MTS, the Exchange proposes to address how such requirement would operate with the Exchange's proposed allocation model. Specifically, proposed Rule 7.31(i)(3)(F)(i) would provide that when such Aggressing Order is trading with sell (buy) orders in a priority category that allocates orders on price-time priority, if a sell (buy) order does not meet the MTS, the MPL Order with the MTS Modifier would not trade and would be ranked on the Exchange Book.

Accordingly, for orders that trade in a price-time priority category, the MPL Order with an MTS Modifier would stop trading if a contra-side order does not meet the MTS. This proposal is consistent with how a resting order that becomes an Aggressing Order would trade on NYSE Arca, which has a price-time priority allocation model.

Proposed Rule 7.31(i)(3)(F)(ii) would set forth how a resting MPL Order to buy (sell) with an MTS that becomes an Aggressing Order would trade with sell (buy) orders in a priority category that allocates orders on parity. Because in a parity allocation model, more than one resting order may participate in an allocation, the Exchange proposes that a resting order to buy (sell) with an MTS that becomes an Aggressing Order would not trade with any contra-side orders if at least one sell (buy) order that would have been considered for allocation does not meet the MTS. As proposed, in such case, the resting order with the MTS Modifier would be ranked on the Exchange Book.[40] The Exchange

[37] As described above, if there were resting Market Orders against which the incoming order was marketable, because Market Orders are in a different priority category, the incoming order would trade with the resting Market Orders before being assessed for STP with resting orders in a parity priority category.

[38] *See supra* note 19.

[39] For example, if the midpoint of the PBBO is 10.00 and at 10.00, the Exchange has a sell order ''A'' ranked Priority 3—Non-Displayed for 100 shares from the Book Participant and a sell order ''B'' ranked Priority 3—Non-Displayed for 100 shares from the Floor Broker Participant, if the Exchange receives a buy MPL Order with a limit price of 10.00 and an MTS of 200 shares, the MTS could be met by the resting orders in the aggregate, and the arriving buy order would trade with both ''A'' and ''B.''

[40] For example, the midpoint of the PBBO is 10.01 and at 10.00, the Exchange has a sell order ''A'' ranked Priority 3—Non-Displayed for 100 shares from the Book Participant and a sell order ''B'' ranked Priority 3—Non-Displayed for 200 shares from the Floor Broker Participant and a buy MPL Order with a limit price of 10.00 and an MTS of 200 shares. If the midpoint changes to 10.00, the resting buy MPL Order would become an Aggressing Order. In this scenario, both ''A'' and ''B'' would be eligible for an allocation, but because ''A'' cannot individually meet the MTS of the buy MPL Order, the MPL Order would not trade with either ''A'' or ''B'' and the buy MPL Order would

believes that if a member organization designates an MPL Order with an MTS Modifier, that member organization has instructed the Exchange not to trade that order with contra-side orders that are smaller in size than the MTS. Because in a parity allocation, resting orders are allocated based on their position on an allocation wheel, as described above, it would be consistent with the incoming order's instruction not to trade at all rather than to trade with even one order in the parity allocation that that does not meet the MTS.

• Proposed Commentary .01 and .02 to Rule 7.31 is based on Commentary .01 and .02 to NYSE Arca Rule 7.31–E without any substantive differences.

Because proposed Rule 7.31 would govern orders and modifiers, including orders entered by Floor brokers, the Exchange proposes that Rules 13 (Orders and Modifiers) and 70 (Execution of Floor broker interest) would not be applicable to trading UTP Securities on the Pillar trading platform. In addition, references to Trading Collars in Rule 1000(c) would not be applicable to trading UTP Securities on the Pillar Trading platform.[41]

Proposed Rule 7.10

Proposed Rule 7.10 (Clearly Erroneous Executions) would set forth the Exchange's rules governing clearly erroneous executions. The proposed rule is based on NYSE Arca Rule 7.10–E and NYSE American Rule 7.10E with substantive differences not to refer to a Late Trading Session or Cross Orders. The Exchange proposes rule text based on NYSE Arca rather than current Rule 128 (Clearly Erroneous Executions) because the NYSE Arca and NYSE American version of the rule uses the same terminology that the Exchange is proposing for the Pillar trading platform, *e.g.,* references to Early and Core Trading Sessions. Accordingly, the Exchange proposes that Rule 128 (Clearly Erroneous Executions) would not be applicable to trading UTP Securities on the Pillar trading platform.[42] Because the Exchange would not be conducting auctions in UTP Securities, proposed Rule 7.10(a) would not include the last sentence of NYSE Arca Rule 7.10–E(a), which provides that ''[e]xecutions as a result of a Trading Halt Auction are not eligible for a request to review as clearly erroneous under paragraph (b) of this Rule.''

Proposed Rule 7.11

Proposed Rule 7.11 (Limit Up-Limit Down Plan and Trading Pauses in Individual Securities Due to Extraordinary Market Volatility) would establish how the Exchange would comply with the Regulation NMS Plan to Address Extraordinary Market Volatility (''LULD Plan'').[43] The proposed rule is based on NYSE American Rule 7.11E with the following substantive differences. First, as proposed, the Exchange would not offer the optional functionality for a member organization to instruct the Exchange to cancel a Limit Order that cannot be traded or routed at prices at or within the Price bands, rather than the default processing of re-pricing a Limit Order to the Price Bands, as described in proposed Rule 7.11(a)(5)(B)(i).[44] Accordingly, the Exchange would not include text relating to this instruction, as described in NYSE American Rules 7.11E(a)(5)(B)(i), 7.11E(a)(5)(C), or 7.11E(a)(5)(F). Second, because the Exchange would not be offering orders that include specific routing instructions, Q Orders, or Limit IOC Cross Orders, the Exchange would not include text that references these order types, as described in NYSE American Rule 7.11E(a)(5)(B)(iii), 7.11E(a)(5)(D), 7.11E(a)(5)(E), and 7.11E(a)(6). The Exchange proposes to designate proposed Rules 7.11(a)(5)(D) and 7.11(a)(5)(E) as ''Reserved.''

Finally, because proposed Rule 7.11 would govern trading in UTP Securities and the Exchange would not conduct auctions for such securities, the Exchange does not propose rule text from NYSE American Rule 7.11E(b) that describes how the Exchange would re-open trading in a security. The Exchange proposes that Rule 7.11(b)(1) would be based on rule text from NYSE American Rule 7.11E(b)(1).

Because the proposed rule covers the same subject matter as Rule 80C, the Exchange proposes that Rule 80C would not be applicable to trading UTP Securities on the Pillar trading platform.

Proposed Rule 7.16

Proposed Rule 7.16 (Short Sales) would establish requirements relating to short sales. The proposed rule is based on NYSE Arca Rule 7.16–E and NYSE American Rule 7.16E with two substantive differences. First, because the proposed rule would not be applicable to any securities that are listed on the Exchange, the Exchange would not be evaluating whether the short sale price test restrictions of Rule 201 of Regulation SHO have been triggered. Accordingly, the Exchange does not propose rule text based on NYSE Arca Rule 7.16–E(f)(3) or NYSE American Rule 7.16E(f)(3) and would designate that sub-paragraph as ''Reserved.'' For similar reasons, the Exchange proposes not to include rule text based on NYSE Arca Rules 7.16–E(f)(4)(A) and (B) or NYSE American Rule 7.16E(f)(4)(A) and (B).

Second, because the Exchange would not be offering Tracking Orders, Cross Orders, or the Proactive if Locked/Crossed Modifier, the Exchange does not propose rule text based on NYSE Arca Rule 7.16–E(f)(5)(D), (G), or (I) or NYSE American Rule 7.16E(f)(5)(D), (G), or (I). The Exchange proposes to designate proposed Rules 7.16(f)(5)(D) and (G) as ''Reserved.''

Because the proposed rule covers the same subject matter as Rule 440B (Short Sales), the Exchange proposes that Rule 440B would not be applicable to trading UTP Securities on the Pillar trading platform.

Proposed Rule 7.18

The Exchange proposes to amend Rule 7.18 (Halts) to establish how the Exchange would process orders during a halt in a UTP Security and when it would halt trading in a UTP Exchange Traded Product.[45] Proposed Rule 7.18(b) would provide that the Exchange would not conduct a Trading Halt Auction in a UTP Security and would process new and existing orders in a UTP Security during a UTP Regulatory Halt[46] as described in proposed Rule

be ranked on the Exchange Book as provided for in proposed Rule 7.31(i)(3)(F)(ii).

[41] As described in greater detail above in connection with proposed Rule 7.37, the Exchange proposes that the entirety of Rule 1000 would not be applicable to trading UTP Securities on the Pillar trading platform.

[42] The Exchange proposes that because there is not a prior version of proposed Rule 7.10, if the Limit Up-Limit Down Plan is not approved, the prior version of sections (c), (e)(2), (f) and (g) of Rule 128 would be in effect.

[43] *See* Securities Exchange Act Release No. 80455 (April 13, 2017), 81 FR 24908 (April 27, 2016) (File No. 4–631) (Order approving 12th Amendment to the LULD Plan).

[44] The Exchange will offer this optional functionality when it implements Pillar phase II communication protocols.

[45] The term ''UTP Exchange Traded Product'' is defined in Rule 1.1(bbb) to mean an Exchange Traded Product that trades on the Exchange pursuant to unlisted trading privileges. The terms ''Exchange Traded Product'' and ''UTP Exchange Traded Product'' on the Exchange have the same meaning as the NYSE Arca terms ''Derivatives Securities Product'' and ''UTP Derivative Securities Product,'' which are defined in NYSE Arca Rule 1.1(k). The Exchange proposes a non-substantive difference in proposed Rule 7.18 as compared to NYSE Arca Rule 7.18–E to use the Exchange-defined terms.

[46] The term ''UTP Regulatory Halt'' is defined in Rule 1.1(kk) to mean a trade suspension, halt, or pause called by the UTP Listing Market in a UTP

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7.18(b)(1)–(6). The proposed rule text is based on NYSE Arca Rule 7.18–E(b) and its sub-paragraphs (1)—(6) and NYSE American Rule 7.18E(b) and its sub-paragraphs (1)–(6) with one substantive difference. Because the Exchange would not be offering ''Primary Only'' orders, proposed Rule 7.18(b)(5) would not reference such order types.

The Exchange proposes to amend Rule 7.18(d)(1)(A) to specify that if a UTP Exchange Traded Product begins trading on the Exchange in the Early Trading Session and subsequently a temporary interruption occurs in the calculation or wide dissemination of the Intraday Indicative Value (''IIV'') or the value of the underlying index, as applicable, to such UTP Exchange Traded Product, by a major market data vendor, the Exchange may continue to trade the UTP Exchange Traded Product for the remainder of the Early Trading Session. This proposed rule text is based on NYSE Arca Rule 7.18–E(d)(1)(A) and NYSE American Rule 7.18E(d)(1)(A) without any substantive differences. The Exchange also proposes to amend Rule 7.18(d)(1)(B) to change the reference from ''Exchange's Normal Trading Hours'' to the term ''Core Trading Session,'' which would be defined in proposed Rule 7.34, described below.

The Exchange also proposes to amend Rule 7.18(a) to change the cross reference from Rule 80C to Rule 7.11 as proposed Rule 7.11 would govern how the Exchange would comply with the LULD Plan for trading UTP Securities.

Proposed Rule 7.34

Proposed Rule 7.34 would establish trading sessions on the Exchange. The Exchange proposes that on the Pillar trading platform, it would have Early and Core Trading Sessions. Accordingly, proposed Rule 7.34 is based in part on NYSE Arca Rule 7.34–E and NYSE American Rule 7.34E, with the following substantive differences. First, similar to NYSE American, the Exchange proposes that the Early Trading Session would begin at 7:00 a.m. Eastern Time. Similar to NYSE Arca and NYSE American, the Exchange would begin accepting orders 30 minutes before the Early Trading Session begins, which means order entry acceptance would begin at 6:30 a.m. Eastern Time. These differences would be reflected in proposed Rule 7.34(a)(1).

Second, proposed Rule 7.34(b) would be new and is not based on NYSE Arca Rule 7.34–E(b) or NYSE American Rule 7.34E(b). Rather than require member organizations to include a designation for which trading session the order would be in effect, the Exchange proposes to specify in Rule 7.34(b) and (c) which trading sessions an order would be deemed designated. Proposed Rule 7.34(b)(1) would provide that unless otherwise specified in Rule 7.34(c), an order entered before or during the Early or Core Trading Session would be deemed designated for the Early Trading Session and the Core Trading Session. Proposed Rule 7.34(b)(2) would provide that an order without a time-in-force designation would be deemed designated with a day time-in-force modifier.

Proposed Rule 7.34(c) would specify which orders would be permitted in each session. Proposed Rule 7.34(c)(1) would provide that unless otherwise specified in paragraphs (c)(1)(A)–(C), orders and modifiers defined in Rule 7.31 would be eligible to participate in the Early Trading Session. This proposed rule text is based on NYSE Arca Rule 7.34–E(c)(1) and NYSE American Rule 7.34E(c)(1) with a substantive difference not to refer to orders ''designated'' for the Early Trading Session. In addition, because the Exchange would not be offering a Retail Liquidity Program, the Exchange would not reference Rule 7.44.

- Proposed Rule 7.34(c)(1)(A) would provide that Pegged Orders would not be eligible to participate in the Early Trading Session. This rule text is based in part on NYSE Arca Rule 7.34–E(c)(1)(A) and NYSE American Rule 7.34E(c)(1)(A) in the Pegged Orders would not be eligible to participate in the Early Trading Session. The Exchange proposes a substantive difference from the NYSE Arca and NYSE American rules because proposed Rule 7.34(c)(1)(A) would not refer to Market Orders. Market Orders entered during the Early Trading Session would be addressed in proposed Rule 7.34(c)(1)(C), described below. The proposed rule would further provide that Non-Displayed Primary Pegged Orders entered before the Core Trading Session would be rejected and Primary Pegged Orders entered before the Core Trading Session would be accepted but would not be eligible to trade until the Core Trading Session begins. This rule text is based in part on both NYSE Arca Rule 7.34–E(c)(1)(A) and NYSE American Rule 7.34E(c)(1)(A), but uses terminology consistent with the Exchange's proposed order types.
- Proposed Rule 7.34(c)(1)(B) would provide that Limit Orders designated IOC would be rejected if entered before the Early Trading Session begins. This proposed rule is based on NYSE Arca Rule 7.34–E(c)(1)(B) and NYSE American Rule 7.34E(c)(1)(B) with two substantive differences. First, because the Exchange would not be conducting auctions, the Exchange proposes to specify that the rejection period would begin ''before the Early Trading Session begins'' rather than state ''before the Early Open Auction concludes.'' Second, the Exchange would not refer to Cross Orders, which would not be offered on the Exchange.
- Proposed Rule 7.34(c)(1)(C) would provide that Market Orders and Auction-Only Orders in UTP Securities entered before the Core Trading Session begins would be routed to the primary listing market on arrival and any order routed directly to the primary listing market on arrival would be cancelled if that market is not accepting orders. This proposed rule is based on NYSE Arca Rule 7.34–E(c)(1)(D) and NYSE American Rule 7.34E(c)(1)(D) with a non-substantive difference to specify that such orders would be routed until the Core Trading Session begins.

Proposed Rule 7.34(c)(2) would provide that unless otherwise specified in Rule 7.34(c)(2)(A)–(B), all orders and modifiers defined in Rule 7.31 would be eligible to participate in the Core Trading Session. This proposed rule text is based on NYSE Arca Rule 7.34–E(c)(2) and NYSE American Rule 7.34E(c)(2) with a substantive difference not to refer to orders ''designated'' for the Core Trading Session. In addition, because the Exchange would not be offering a Retail Liquidity Program, the Exchange would not reference Rule 7.44.

- Proposed Rule 7.34(c)(2)(A) would provide that Market Orders in UTP Securities would be routed to the primary listing market until the first opening print of any size on the primary listing market or 10:00 a.m. Eastern Time, whichever is earlier. This proposed rule is based on NYSE Arca Rule 7.34–E(c)(2)(A) and NYSE American Rule 7.34E(c)(2)(A) with a non-substantive difference to use the term ''UTP Securities'' instead of referencing orders that ''are not eligible for the Core Open Auction.''
- Proposed Rule 7.34(c)(2)(B) would provide that Auction-Only Orders in UTP Securities would be accepted and routed directly to the primary listing market. This proposed rule is based on NYSE Arca Rule 7.34–E(c)(2)(B) and NYSE American Rule 7.34E(c)(2)(B) with a non-substantive difference to use the term ''UTP Securities'' instead of referencing orders that ''are not eligible for an auction on the Exchange.''

Security that requires all market centers to halt trading in that security.

Proposed Rule 7.34(d) would establish requirements for member organizations to provide customer disclosure when accepting orders for execution in the Early Trading Session. The proposed rule is based on NYSE Arca Rule 7.34–E(d) and NYSE American Rule 7.34E(d) without any substantive differences.

Proposed Rule 7.34(e) would provide that trades on the Exchange executed and reported outside of the Core Trading Session would be designated as .T trades. This proposed rule is based on NYSE Arca Rule 7.34–E(e) and NYSE American Rule 7.34E(e) without any substantive differences.

Proposed Rule 7.38

Proposed Rule 7.38 (Odd and Mixed Lot) would establish requirements relating to odd lot and mixed lot trading on the Exchange. The proposed rule is based on NYSE Arca Rule 7.38–E and NYSE American Rule 7.38E with one substantive difference. Because orders ranked Priority 2—Display Orders, including odd-lot sized orders, are on an allocation wheel at their display price, the Exchange proposes that if the display price of an odd-lot order to buy (sell) is above (below) its working price (*i.e.,* the PBBO, which is the price at which the odd-lot order is eligible to trade, has crossed the display price of that odd-lot order), the odd-lot order would be ranked and allocated based on its display price. In such case, the order would execute at its working price, but if there is more than one odd-lot order at the different display price, they would be allocated on parity.

For example, if at 10.02, the Exchange has an order ''A'' to buy 50 shares ranked Priority 2—Display Orders, and at 10.01, the Exchange has an order ''B'' to buy 10 shares ranked Priority 2 –Display Orders, an order ''C'' to buy 10 shares ranked Priority 2—Display Orders, and an order ''D'' to buy 10 shares ranked Priority 2 –Display Orders, and the parity pointer is on order ''C,'' if the Away Market PBO becomes 10.00, which crosses the display price of ''A,'' ''B,'' ''C,'' and ''D,'' those orders would trade at 10.00. If the Exchange were to receive a Market Order to sell 70 shares, it would trade at 10.00 and be allocated 50 shares to ''A,'' 10 shares to ''C,'' and 10 shares to ''D.'' ''B'' would not receive an allocation based on its position on the allocation wheel.

The Exchange proposes that Rule 61 (Recognized Quotations) would not be applicable to trading UTP Securities on the Pillar trading platform.

Proposed Rule 7.46

Section 5 of Rule 7P would establish requirements relating to the Plan to Implement a Tick Size Pilot Program. Proposed Rule 7.46 (Tick Size Pilot Plan) would specify such requirements. The proposed rule is based on NYSE American Rule 7.46E with the following substantive differences for proposed Rule 7.46(f). First, because the Exchange would not offer Market Pegged Orders, the Exchange proposes that paragraph (f)(3) of the Rule would be designated as ''Reserved.'' Second, the Exchange proposes to set forth the priority of resting orders both for ranking and for allocation. For Pilot Securities in Test Group Three, proposed Rule 7.46(f)(5)(A) would govern ranking instead of proposed Rule 7.36(e), described above, as follows:

- Priority 2—Display Orders. Non-marketable Limit Orders with a displayed working price would have first priority.
- Protected Quotations of Away Markets. Protected quotations of Away Markets would have second priority.
- Priority 1—Market Orders. Unexecuted Market Orders would have third priority.
- Priority 3—Non-Display Orders. Non-marketable Limit Orders for which the working price is not displayed, including reserve interest of Reserve Orders, would have fourth priority.

For Pilot Securities in Test Group Three, proposed Rule 7.46(f)(5)(B) would set forth how an Aggressing Order would be allocated against contra-side orders, instead of proposed Rule 7.37(b)(1), described above, as follows:

- First, an order with Setter Priority that has a display price and working price equal to the BBO would receive 15% of the remaining quantity of the Aggressing Order, rounded up to the next round lot size or the remaining displayed quantity of the order with Setter Priority, whichever is lower. An order with Setter Priority would be eligible for Setter Priority allocation if the BBO is no longer the same as the NBBO.
- Next, orders ranked Priority 2—Displayed Orders would be allocated on parity by Participant. The remaining quantity of the order with Setting Priority would be eligible to participate in this parity allocation, consistent with the allocation wheel position of the Participant that entered the order with Setter Priority.
- Next, subject to proposed Rule 7.46(f)(5)(F) (describing orders with instructions not to route), the Exchange would route the Aggressing Order to protected quotations of Away Markets.
- Next, orders ranked Priority 1—Market Orders would trade based on time.
- Next, orders ranked Priority 3—Non-Display Orders, other than MPL Orders with an MTS, would be allocated on parity by Participant.
- Next, MPL Orders with an MTS would be allocated based on MTS size (smallest to largest) and time.

Third, the Exchange would not include rule text based on NYSE American Rule 7.46E(f)(G), relating to Limit IOC Cross Orders, which would not be offered on the Exchange. Finally, proposed Rules 7.46(f)(5)(F)(i)(a) and (b) are based on NYSE Arca Rules 7.46–E(f)(5)(F)(i)(a) and (b) and not the NYSE American version of the rule because NYSE American does not offer Day ISO orders.

The Exchange proposes that Rule 67 (Tick Size Pilot Plan) would not be applicable to trading UTP Securities on the Pillar trading platform.

Amendments to Rule 103B and 107B

As described above, the Exchange would not assign UTP Securities to DMMs. Accordingly, the Exchange proposes to amend Rule 103B(I) (Security Allocation and Reallocation) to specify that UTP Securities would not be allocated to a DMM unit.

In addition, because UTP Securities would be eligible to be assigned to Supplemental Liquidity Providers, the Exchange proposes to amend Rule 107B (Supplemental Liquidity Providers) to replace the term ''NYSE-listed securities'' with the term ''NYSE-traded securities,'' which would include UTP Securities.

Current Rules That Would Not Be Applicable To Trading UTP Securities on Pillar

As described in more detail above, in connection with the proposed rules to support trading of UTP Securities on the Pillar trading platform, the Exchange has identified current Exchange rules that would not be applicable because they would be superseded by a proposed rule. The Exchange has identified additional current rules that would not be applicable to trading on Pillar. These rules do not have a counterpart in the proposed Pillar rules, described above, but would be obsolete when trading UTP Securities on Pillar.

The main category of rules that would not be applicable to trading on the Pillar trading platform are those rules that are specific to auctions and Floor-based point-of-sale trading other than crossing transactions pursuant to Rule 76. For this reason, the Exchange proposes that the following Floor-specific rules would

not be applicable to trading on the Pillar trading platform:

- Rule 15 (Pre-Opening Indication and Opening Order Imbalance Information).
- Rule 77 (Prohibited Dealings and Activities).
- Rule 79A (Miscellaneous Requirements on Stock Market Procedures).
- Rule 108 (Limitation on Members' Bids and Offers).
- Rule 111 (Reports of Executions).
- Rule 115A (Orders at Opening).
- Rule 116 ('Stop' Constitutes Guarantee).
- Rule 123A (Miscellaneous Requirements).
- Rule 123B (Exchange Automated Order Routing System).
- Rule 123C (The Closing Procedures).
- Rule 123D (Openings and Halts in Trading)
- Rule 127 (Block Crosses Outside the Prevailing NYSE Quotation).

In addition, as noted above, the Exchange would not offer a Retail Liquidity Program when it trades on the Pillar trading platform. Proposed rules that are based on NYSE Arca rules that include a cross reference to NYSE Arca Rule 7.44–E would not include that rule reference. The Exchange also proposes that Rule 107C would not be applicable to trading UTP Securities on the Pillar trading platform.

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As discussed above, because of the technology changes associated with the migration to the Pillar trading platform, the Exchange will announce by Trader Update when the Pillar rules for trading UTP Securities will become operative.

2. Statutory Basis

The proposed rule change is consistent with Section 6(b) of the Securities Exchange Act of 1934 (the ''Act''),[47] in general, and furthers the objectives of Section 6(b)(5),[48] in particular, because it is 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 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. The Exchange believes that the proposed rules to support Pillar on the Exchange would remove impediments to and perfect the mechanism of a free and open market because they provide for rules to support the Exchange's introduction of trading UTP Securities on the Pillar trading platform.

Generally, the Exchange believes that the proposed rules would remove impediments to and perfect the mechanism of a free and open market and a national market system because they would support the Exchange's introduction of trading UTP Securities in a manner that would use Pillar terminology to describe how the Exchange's current Floor-based parity allocation model with Setter Priority would operate, with specified substantive differences from current rules, and introduce Pillar rules for the Exchange that are based on the rules of its affiliated markets, NYSE Arca and NYSE American.

With respect to how UTP Securities would be ranked, displayed, executed, and routed on Pillar, the Exchange believes that proposed Rules 7.36(a)–(g) and proposed Rules 7.37(a) and (c)–(g) would remove impediments to and perfect the mechanism of a free and open market and a national market system because these rules would use Pillar terminology that is based on the approved rules of NYSE Arca and NYSE American. The Exchange believes that proposed Rule 7.36(h), which would establish Setter Priority, would remove impediments to and perfect the mechanism of a free and open market and a national market system because the proposed rule is based on current Rule 72(a), with substantive differences designed to encourage the display of aggressively-priced orders by requiring that an order not only establish the BBO, but also establish or join the NBBO to be eligible for Setter Priority.

The Exchange similarly believes that proposed Rule 7.37(b), which would use Pillar terminology to describe how an Aggressing Order would be allocated, would remove impediments to and perfect the mechanism of a free and open market and a national market system because it is based on current Rule 72(b) and (c). The Exchange believes that the proposed substantive difference to maintain separate allocation wheels for displayed and non-displayed orders at each price would promote just and equitable principles of trade because it would allow for Exchange member organizations to establish their position on an allocation wheel at each price point, rather than rely on their position on a single allocation wheel that would be applicable to trades at multiple price points.

The Exchange believes that extending its parity allocation model to UTP Securities, including extending parity allocation for orders entered by Floor brokers, is not designed to permit unfair discrimination between customers, issuers, brokers or dealers. First, although the Exchange would not have DMMs assigned to UTP Securities, the Exchange proposes to maintain Floor trading for UTP Securities. Similar to trading in Exchange-listed securities, Floor brokers, would be able to effect crossing transactions in UTP Securities on the Floor, but with Exchange employees rather than DMMs staffing where such trading would occur.

Second, to be eligible to be included in the Floor Broker Participant, and thus be eligible for a parity allocation, the Floor broker that entered the order must be engaged in a Floor broker business in Exchange-listed securities. The Exchange believes that this requirement provides a nexus between Exchange Floor trading in Exchange-listed securities and the extension of that model to trading in UTP Securities.

Third, because member organizations operating as Floor brokers would be trading on the floor of an exchange, they would be subject to restrictions on trading for their own account set forth in Section 11(a)(1) of the Act and rules thereunder. Moreover, the Exchange proposes to specify in proposed Rule 7.36 that for an order to be eligible to be included in the Floor Broker Participant, it cannot be for the account of the Floor broker or any associated persons (unless entered via an error account pursuant to Rule 134).

Because Floor brokers trading in UTP Securities would not be permitted to trade for their own accounts, they would not be permitted to engage in the type of customer-based principal trading activities of a member organization that enters orders from off the Floor of the Exchange. Therefore, an allocation to an individual Floor broker under the Exchange's proposed allocation model would *always* accrue to the customer of that Floor broker (or customers if multiple orders are represented by a Floor broker). Conversely, because a member organization operating a Floor broker may trade on behalf of customers only, it would *never* receive a Floor broker parity allocation for proprietary trading. As such, the Exchange does not consider the proposed parity allocation model for UTP Securities as a Floor broker ''benefit,'' but rather as an allocation model choice for customers.

This choice remains relevant in today's more electronic market. As broker-dealers and institutional investors have reduced the number of

[47] 15 U.S.C. 78f(b).

[48] 15 U.S.C. 78f(b)(5).

natural persons on their own off-Floor trading desks, Floor brokers have come to serve as an extension of the more thinly staffed trading desks of other broker-dealers or institutional investors, but at a variable cost. This is an important function that the Floor brokers play as an agency broker without conflicts and fills a void for firms that have chosen to allocate resources away from trading desks. In addition to this role, Floor brokers provide services for more illiquid securities, which upstairs trading desks may not be staffed to manage. Importantly, when providing such agency trading services, a Floor broker is unconflicted because he or she is not trading for his own account and does not sell research to customers. Floor brokers therefore can focus on price discovery and volume discovery on behalf of their customers, while at the same time managing their customers' order flow to ensure that it does not impact pricing on the market (*e.g.,* executing large positions on behalf of a customer). As discussed above, when managing such customer order flow, Floor brokers trading in UTP Securities would continue to be subject to Exchange rules that are unique to Floor brokers, including Rules 95, 122, 123, and paragraphs (d)–(j) of Rule 134.

Fourth, any member organization can choose to have a Floor broker operation and thus have direct access to Floor broker parity allocations on behalf of its customers. The Exchange does not charge member organizations for the use of booth space on the Floor, and therefore there would be minimal to no extra cost for a member organization to have a Floor business. Indeed, a smaller firm that moves its entire operation to the NYSE Floor could have reduced costs as compared to a firm that needs to pay for office space. Because there is fair access to any member organization to engage in a Floor broker operation, the differences between how an order is allocated to a Floor Broker Participant and Book Participant would not unfairly discriminate among Exchange member organizations.

Finally, customers relying on agency broker-dealers to represent their orders on the Exchange can choose whether to use a Floor broker or a member organization that only uses off-exchange order entry methods.[49] In some cases, customers choose to use a member organization that offers both order entry methods. But the different allocation models are available to all customers that use a member organization to enter orders on the Exchange; having such choice would not unfairly discriminate among customers.

The Exchange also believes that its proposal to make its existing parity allocation model, as modified for the Pillar trading platform, available for UTP Securities would remove impediments to and perfect the mechanism of a free and open market because it would extend the Exchange's choice-based allocation model to all securities that would trade on the Exchange in a manner that is consistent with its Trading Floor model. For market participants other than DMMs, the Exchange does not believe that there is an inherent benefit of one method of allocation on the Exchange over another. Market participants that are latency sensitive—whether for proprietary or agency-based trading—may choose to use the off-exchange order entry method because of the relative speed of that order entry path as compared to Floor broker order entry and availability of Setter Priority allocation. By contrast, market participants that are not as latency sensitive or are seeking an unconflicted agent to manage their order flow and potentially negotiate a large crossing transaction may choose to use a Floor broker.

The Exchange believes that intra-day trading volume entered by Floor brokers in NYSE-listed securities, which are subject to the Exchange's existing parity allocation model, demonstrates how customers have already exercised this choice. In October 2017, orders from Floor brokers represented approximately 5.5% of the intra-day liquidity-providing volume on the Exchange in NYSE-listed securities (the parity allocation model is only applicable to provide volume).[50] The Exchange believes that this volume demonstrates that there is still a value to the end customer—who has a choice—to use a Floor broker. As discussed above, Floor brokers can be distinguished from off-Floor agency member organizations because they operate a pure agency business and do not trade for their own accounts. There are customers that value that conflict-free model. In addition, Floor brokers distinguish themselves by providing high-touch service to their customers. Floor brokers that attract liquidity-providing orders promote the display of liquidity on the Exchange.

That volume of Floor broker intra-day trading also demonstrates that customers have similarly exercised their choice not to use Floor brokers. If there were an inherent benefit to the Floor broker parity allocation that distinguishes it as superior to the Book Participant allocation, it would likely follow that there would be greater proportion of intra-day order flow directed to Floor brokers in NYSE-listed securities. But that is not the case. In sum, the current NYSE-listed intra-day Floor broker provide volume demonstrates that using a Floor broker has value to certain customers, but also demonstrates that the parity allocation to a Floor broker is not the only component of a customer's decision about how to send its orders to the Exchange. With this filing, the Exchange proposes to extend that choice to UTP Securities, thereby benefiting the ultimate customer of the Floor broker.

The Exchange further believes that its proposed parity allocation model for UTP Securities would remove impediments to and perfect the mechanism of a free and open market and a national market system because it is a competitive offering vis-à-vis other exchange competitors, which offer variations on a price-time priority models, and over-the-counter trading. The Exchange is currently the only registered exchange that does not trade non-Exchange listed securities on a UTP basis. Additionally, the Exchange currently is the only registered exchange that makes available Floor-based trading for cash equity securities. The Exchange proposes to extend the availability of this feature by maintaining Floor-based crossing transactions when it launches trading in UTP Securities. The Exchange believes that trading UTP Securities is a natural extension of its current offering of trading Exchange-listed securities, which also trade on a parity allocation model. The Exchange believes it would promote competition to offer this allocation model for all securities that would trade on the Exchange, thereby providing an alternative allocation model for UTP Securities. Conversely, Floor brokers on the Exchange would be able to expand the services they provide to customers by being able to manage order flow in UTP Securities in addition to Exchange-listed securities. The Exchange also believes that this proposed allocation model would promote intra-market competition by offering a menu of choices to market participants of how their orders in UTP Securities would be allocated on the Exchange.

[49] Floor broker customers are generally other broker-dealers or institutional investors. Retail investors generally do not interact directly with either Floor brokers or the trade desks of member organizations that route orders to the Exchange.

[50] Over 75% of Floor broker traded volume in NYSE-listed securities is for auctions. However, because the Exchange would not be conducting auctions in UTP Securities, the relative benefits of a parity allocation to a Floor broker in an auction would not be applicable.

While the parity allocation model is a competitive offering, its origins are derived from the Floor-based trading model of the Exchange. Accordingly, the Exchange believes that it would remove impediments to and perfect the mechanism of a free and open market and a national market system to provide for Floor-based crossing transactions and to extend existing requirements relating to Floor brokers for orders in UTP Securities that seek to be eligible to be included in the Floor Broker Participant. First, as noted above, the Floor broker must trade on an agency-only basis and would continue to be subject to rules that are unique to a Floor broker, including requirements specified in Rules 95, 122, 123, and 134(d)–(j). Second, consistent with current Rule 70 requirements, for orders in UTP Securities to be eligible to be included in the Floor Broker Participant, such orders must be entered by a Floor broker while on the Trading Floor.

In addition, because the parity allocation model is based on the history of the Exchange as a Floor-based model, the Exchange believes that for orders in UTP Securities to be eligible to be included in the Floor Broker Participant, the Floor broker representing such orders must also be engaged in a Floor broker business in Exchange-listed securities. Trading in UTP Securities on the Trading Floor is designed to complement a Floor broker's existing role in representing orders in Exchange-listed securities because it would enable such Floor brokers to trade additional securities on behalf of their customers. For example, a Floor broker would be better positioned to process baskets of securities that include Tape A, B, and C securities and enter all such orders on the Exchange. By offering the parity allocation model for UTP Securities, a Floor broker would not need to segregate its orders in UTP Securities into different trading strategies than what would be offered for Exchange-listed securities. Because Floor broker trading in UTP Securities is designed to function in tandem with trading in Exchange-listed securities, the Exchange believes that it would remove impediments to and perfect the mechanism of a free and open market and a national market system to require such nexus because it would ensure that member organizations would not seek to conduct a stand-alone Floor broker business in only UTP Securities.

The Exchange believes that proposed Rules 7.10, 7.11, 7.16, 7.18, 7.31, 7.34, 7.38, and 7.46 would remove impediments to and perfect the mechanism of a free and open market and a national market system because they are based on the rules of NYSE Arca and NYSE American. The proposed substantive differences to the Exchange's rules would be because the Exchange would not be offering the full suite of orders and modifiers available on NYSE Arca and NYSE American. In addition, the Exchange proposes substantive differences to these rules consistent with the Exchange's proposed parity allocation model. The Exchange believes that the proposed substantive differences for these rules would remove impediments to and perfect the mechanism of a free and open market and a national market system because they would provide transparency of which orders, modifiers and instructions would be available on the Exchange when it begins trading UTP Securities on the Pillar trading platform, and how the Pillar rules would function with a parity allocation model.

The Exchange believes that the proposed substantive differences to Rule 7.34 to offer Early and Core Trading Sessions, but not a Late Trading Session, would remove impediments to and perfect the mechanism of a free and open market and a national market system because it is consistent with the Exchange's current hours, described in Rule 51, that the Exchange is not open for business after 4:00 p.m. Eastern Time. The Exchange further believes that adding a trading session before 9:30 a.m. Eastern Time would provide additional time for Exchange member organizations to trade UTP Securities on the Exchange consistent with the trading hours of other exchanges, including NYSE American, which also will begin trading at 7:00 a.m. Eastern Time.

The Exchange believes that the proposed amendments to Rules 103B and 107B would remove impediments to and perfect the mechanism of a free and open market and a national market system because they would provide transparency that the Exchange would not be assigning UTP Securities to DMMs and that member organizations would be eligible to register as a Supplemental Liquidity Providers in UTP Securities. The Exchange further believes that not assigning DMMs to UTP Securities is consistent with just and equitable principles of trade because the Exchange would not be conducting auctions in UTP Securities and therefore the Exchange would not need DMMs assigned to such securities to facilitate auctions. Not having DMMs registered in UTP Securities is also consistent with how NYSE Arca and NYSE American function on Pillar, in that neither lead market makers (on NYSE Arca) nor electronic designated market makers (on NYSE American) are assigned securities not listed on those exchanges. The Exchange further believes that it would remove impediments to and perfect the mechanism of a free and open market and a national market system for member organizations to be eligible to register as Supplemental Liquidity Providers in UTP Securities as this would provide an incentive for displayed liquidity in UTP Securities.

The Exchange further believes that it would remove impediments to and perfect the mechanism of a free and open market and a national market system to specify which current rules would not be applicable to trading UTP Securities on the Pillar trading platform. The Exchange believes that the following legend, which would be added to existing rules, ''This Rule is not applicable to trading UTP Securities on the Pillar trading platform,'' would promote transparency regarding which rules would govern trading UTP Securities on the Exchange on Pillar. The Exchange has proposed to add this legend to rules that would be superseded by proposed rules or rules that would not be applicable because they relate to auctions or Floor-based point-of-sale trading.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The proposed change is designed to propose rules to support trading of UTP Securities on the Exchange's new Pillar trading platform. The Exchange operates in a highly competitive environment in which its unaffiliated exchange competitors operate multiple affiliated exchanges that operate under common rules. By adding trading of UTP Securities on the Exchange, the Exchange believes that it will be able to compete on a more level playing field with its exchange competitors that similarly trade all NMS Stocks. In addition, by basing certain rules on those of NYSE Arca and NYSE American, the Exchange will provide its members with consistency across affiliated exchanges, thereby enabling the Exchange to compete with unaffiliated exchange competitors that similarly operate multiple exchanges on the same trading platforms.

More specifically, the Exchange does not believe that the proposal to extend

the Exchange's existing parity allocation model, as modified for Pillar, to UTP Securities would impose a burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. To the contrary, the Exchange believes that the proposal would promote inter-market competition by providing market participants with the choice of a parity allocation model together with Floor crossing transactions for trading UTP Securities, which is not available on any other exchange. For the Exchange's listed securities, its competitive offering includes not only its parity allocation model, but also its auctions. Designed as a complement to existing Floor broker operations in Exchange-listed securities and consistent with the Exchange's current trading model, the Floor Broker Participant parity allocation for UTP Securities would be available only to Floor brokers that engage in Floor trading of Exchange-listed securities, and such Floor brokers would be eligible to engage in manual transactions under Rule 76 for UTP Securities. In addition, to be eligible for a parity allocation, Floor brokers must enter such orders on the Trading Floor and could only trade on an agency basis. Moreover, any trading in UTP Securities by Floor brokers would be subject to existing rules that apply only to Floor brokers, such as Rules 95, 122, 123, and 134(d)–(j).

The Exchange further believes that the proposal would promote intra-market competition because it would provide a choice to customers of how their orders in UTP Securities would be allocated on the Exchange. For certain customers, entering orders via the Book Participant may serve their trading strategies. For other customers, using a Floor broker for intra-day trading may serve their trading strategies. Importantly, the results of a Floor broker allocation would always accrue to the customer, and whether to use a Floor broker is the customer's choice. Accordingly, this proposed market structure is not about providing a ''benefit'' to a Floor broker, but rather providing customers with a choice of how an order would be allocated.

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. Summary of Comments Received

The Commission received one comment letter, which opposes NYSE's proposal to provide floor brokers with parity allocation and the exclusive use of certain order types (*i.e.,* pegged orders).[51] The commenter asserts that providing floor brokers with preferential treatment in a fully electronic trading environment, the market for UTP Securities, unfairly discriminates against market participants who do not submit orders through a Floor Broker.[52] According to the commenter, parity provides floor brokers with a distinct unfair competitive advantage over other market participants, such as customers and broker-dealers.[53]

The commenter states that floor brokers do not have the restrictions of time priority when they receive parity and can ''skip the line.'' [54] According to the commentor, floor brokers can insert themselves into the parity wheel and buy and sell during price disparities to liquidate or acquire positions at beneficial prices.[55] The commentor asserts that this would disadvantage customers and broker-dealers, even though, like the floor brokers, they add liquidity to the market.[56] The commenter further assert that this would also disadvantages other members and their orders, including orders routed from other trading centers, which are aggregated into one participant and receive one slot on the parity wheel.[57]

According to the commenter, many entities cannot, as a practical matter, take advantage of the floor brokers' parity allocations, and that those that can use the services of floor brokers may route more orders through them to get the advantage of parity.[58] The commenter believes that floor brokers could take advantage of this by charging higher transaction fees to customers.[59] The commenter asserts that orders submitted by the floor broker do not represent manual interest, but are the byproduct of the floor broker reselling algorithms or other electronic access to their privileged position on the parity wheel.[60]

The commenter also states that providing floor brokers with the exclusive use of pegged orders provides them an unjustified competitive advantage over customers and broker-dealers when trading securities electronically.[61] The commenter explains that pegged orders automatically repriced to a new price level and that, therefore, pegged orders have a time advantage over all other orders that seek to be entered at the revised price.[62]

IV. Discussion and Commission Findings

After careful review, the Commission finds that the proposed rule change, as modified by Amendment No. 1, is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange.[63] In particular, the Commission finds that the proposed rule change is consistent with Section 6(b)(5) of the Act [64]—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 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, and that the rules not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers—and with Section 6(b)(8) of the Act,[65] which requires that the rules of a national securities exchange not impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The Commission further finds that the proposed rule change is consistent with Section 12(f) of the Act,[66] which permits a national securities exchange to trade securities it does not list, pursuant to unlisted trading privileges, as long as the securities are listed on another national securities exchange.

The Exchange proposes to trade, for the first time, securities that it does not list, and it proposes to do so using a new technology platform—the Pillar platform that has been deployed to date on the Exchange's affiliated exchanges NYSE Arca and NYSE American. The proposed rules for UTP trading would govern clearly erroneous executions, limit-up-limit-down plan compliance, short sales, trading halts, orders and

[51] *See* Cboe Letter, *supra* note 9.

[52] *See id.* at 1–2.

[53] *Id.* at 2.

[54] *Id.*

[55] *Id.*

[56] *Id.*

[57] *Id.*

[58] *Id.*

[59] *Id.*

[60] *Id.* at 2–3.

[61] *Id.* at 3.

[62] *Id.*

[63] In approving this proposed rule change, as modified by Amendment No. 1, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. *See* 15 U.S.C. 78c(f).

[64] 15 U.S.C. 78f(b)(5).

[65] 15 U.S.C. 78f(b)(8).

[66] 15 U.S.C. 78l(f).

modifiers, order ranking and display, order execution and routing, odd and mixed lots trading, and tick-size pilot plan compliance, and the proposal would also designate the current Exchange rules that are not applicable to UTP Securities.

Trading of UTP Securities on the Exchange would differ in two significant respects from trading in NYSE-listed securities.[67] First, the Exchange would not conduct auctions in UTP Securities. And second, the Exchange would not assign UTP securities to DMMs, which have affirmative obligations to support a fair and orderly market, and to facilitate auctions, in their assigned securities.[68] The Commission believes that these distinctions between NYSE-listed securities and UTP Securities are consistent with UTP trading of securities generally, and that these distinctions are consistent with the requirements of the Act.

The Commission also notes that, while the proposed trading rules are similar in most respects to previously approved rules of NYSE Arca and NYSE American—which also use the Pillar trading platform[69]—they differ in certain material ways. Most notably, the Exchange will extend its current parity allocation model to the execution of trades in UTP Securities, rather than using the strict price-time priority allocation of NYSE Arca and NYSE American, and this parity allocation model would allow each floor broker's orders to trade on parity with orders on the Exchange book. Only floor brokers engaged in a floor-broker business for NYSE-listed securities would be eligible for parity allocation. Additionally, Exchange floor brokers would only be able to enter orders for parity allocation while physically on the floor of the Exchange, and they could not engage in proprietary trading using parity allocation. Finally, there would also be a floor-based point of sale, supervised by Exchange employees, where floor brokers would be able cross trades in UTP securities.

When instituting proceedings to determine whether the Exchange's proposal was consistent with Section 6(b)(5) and Section 6(b)(8) of the Act,[70] the Commission specifically requested comments concerning the role of floor brokers in trading UTP Securities on the Exchange; [71] on the benefits and costs of floor-broker activities with respect to trading of UTP Securities; [72] and on whether providing floor brokers with parity allocation in UTP Securities, or providing floor brokers with exclusive use of certain order instructions, would unfairly discriminate or impose an unfair burden on competition that is not necessary or appropriate.[73] The one comment letter received opposes the proposal, arguing that parity allocation in a fully electronic market would provide floor brokers, by allowing them to ''skip the line,'' with an unfair advantage vis-à-vis other market participants that also add liquidity to the market, and that floor brokers might take advantage of their preferential treatment on the parity wheel by charging higher transaction fees. The commenter also argues that the exclusive use of pegged orders by floor brokers would similarly provide them with an unfair competitive advantage.

The Commission notes that, in Amendment No. 1 to its proposal, the Exchange has responded to the questions raised by the Commission, and the concerns expressed by the commenter, by modifying its proposal to require that floor brokers be engaged in a floor-broker business in NYSE-listed securities in order to be eligible for parity allocation in UTP Securities; to expressly require that orders in UTP Securities be entered from the Exchange floor in order to be eligible for parity [74]; and to provide for a floor-based point of sale for crossing transactions.[75] Additionally, the Exchange has added substantial further explaination of the role that floor brokers play as agency brokers on behalf of their customers.

The Exchange argues that the parity allocation model for UTP Securities is based on the historically floor-based model of the Exchange and that trading in UTP Securities is designed to complement the floor broker's existing role in NYSE-listed securities, which includes both parity allocation and the use of pegging orders. The Exchange argues that the proposed parity allocation model in UTP Securities would benefit competition by providing market participants with a choice as to how their orders are executed, asserting that market participants who do not wish to invest in speed-related technology, who have a thinly staff trading desk, or who would like to execute a large crossing transaction could utilize the services of a floor broker. According to the Exchange, trading UTP Securities using a parity model would also benefit competition by providing an alternative trading model for trading those securities. The Exchange asserts that floor brokers serve an important role as an agency broker without conflicts, especially for illiquid securities. The Exchange also notes that any member organization can choose to become a floor broker and that the Exchange does not charge member organizations for the use of space on the trading floor.

The Commission believes that the changes to the proposal in Amendment No. 1 have sufficiently addressed the Commission's and the commenter's concerns regarding the proposal's consistency with the Act. The proposal, as amended, represents a measured extension of the Exchange's existing market model (including the potential for floor-based trading added by Amendment No. 1) to trading in UTP Securities, while ensuring that the ability of floor brokers to obtain parity allocation is limited to those floor brokers who are engaged in a bona fide agency business while physically on the trading floor of the Exchange, with the benefit of parity allocations flowing to the customers of the floor brokers. Floor brokers, as agency-only market participants, would not be able to use either parity allocations or pegging orders to liquidate or acquire their own proprietary positions. Finally, with respect to concerns regarding competition, the Exchange has representated that, in October 2017, floor-broker orders receiving parity executions (all of which are liquidity-providing orders) represented only about 5.5% of the intraday liquidity-providing volume on the Exchange in NYSE-listed securities.[76] Given that parity allocation and the exclusive use of pegging orders do not appear to have burdened competition in NYSE-listed securities, the Commission does not have a reason to believe that permitting the Exchange to trade UTP Securities with a similar intraday role for floor brokers will provide those floor brokers with an unfair competitive advantage.

The Commission also finds that the proposed rule change is consistent with Section 12(f) of the Act. Section 12(a) of

[67] NYSE represents that it will continue to trade NYSE-listed securities on its current trading platform. The Exchange intends to migrate trading in NYSE-listed securities to Pillar at a later date. *See supra* note 17.

[68] *See* NYSE Rule 104(a) (stating that ''DMMs registered in one or more securities trading on the Exchange must engage in a course of dealings for their own account to assist in the maintenance of a fair and orderly market insofar as reasonably practicable.'').

[69] *See* supra notes 12 and 13.

[70] *See* Order Instituting Proceedings, *supra* note 7, at 52761.

[71] *Id.*

[72] *Id.*

[73] *Id.*

[74] *See* Proposed NYSE Rule 7.36(a)(5).

[75] As explained above, NYSE proposes to permit floor brokers to enter into crossing transactions pursuant to NYSE Rule 76.

[76] *See supra* note 50 and accompanying text.

the Act[77] generally prohibits trading on an exchange of any security that is not registered (listed) on that exchange. Section 12(f) of the Act,[78] however, allows a national securities exchange to extend unlisted trading privileges—*i.e.,* to allow trading in a security that is not listed and registered on that exchange—to securities that are registered on another national securities exchange. When an exchange extends unlisted trading privileges to a security, the exchange allows its members to trade the security as if the security were listed on that exchange.[79]

The UTP Act of 1994[80] substantially amended Section 12(f) of the Act. Before 1994, national securities exchanges had to apply to the Commission for approval before extending unlisted trading privileges to a particular security. The UTP Act removed the application, notice, and Commission approval process from Section 12(f) of the Act, except in cases of Commission suspension of unlisted trading privileges in a particular security on an exchange. Accordingly, under Section 12(f) of the Act, exchanges may immediately extend unlisted trading privileges to a security listed on another exchange. Pursuant to Rule 12f–5 under the Act,[81] a national securities exchange shall not extend unlisted trading privileges to any security, unless the national securities exchange has in effect a rule or rules providing for transactions in the class or type of security to which the exchange extends unlisted trading privileges.

The proposal would establish Exchange rules providing for transactions on securities that are listed on other national securities exchanges. As a national securities exchange, the Exchange is permitted under Section 12(f) of the Act[82] to extend unlisted trading privileges to securities listed and registered on other national securities exchanges, subject to Rule 12f–5 under the Act. The Commission notes that the Exchange's current rules would allow the Exchange to extend unlisted trading privileges to any security that is an NMS Stock listed on another national securities exchange.[83]

The proposed rules provide for transactions in the class or type of security to which the Exchange intends to extend unlisted trading privileges. Together with the existing Exchange rules for trading on Pillar—NYSE Rules 1P to 13P—the Exchange would have rules providing for transactions in the class or type of security to which the exchange proposes to extend unlisted trading privileges, and, therefore, the proposal is consistent with Section 12(f) of the Act.

Because the proposal, as amended, is consistent with Sections 6(b)(5), 6(b)(8), and 12(f) of the Act, the Commission finds good cause, pursuant to Section 19(b)(2) of the Act,[84] to approve the proposed rule change on an accelerated basis.

V. Solicitation of Comments on Amendment No. 1

Interested persons are invited to submit written data, views, and arguments concerning whether Amendment No. 1 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–NYSE–2017–36 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 SR–NYSE–2017–36. 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 website (*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 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. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change. Persons submitting comment 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. All submissions should refer to File Number SR–NYSE–2017–36, and should be submitted on or before April 19, 2018.

VI. Accelerated Approval of the Proposed Rule Change, as Modified by Amendment No. 1

The Commission finds good cause to approve the proposed rule change, as modified by Amendment No. 1, prior to the thirtieth day after the date of publication of Amendment No. 1 in the **Federal Register.** In Amendment No. 1, among other changes, the Exchange: (i) Responds to the Commission's concerns in the Order Instituting Proceedings relating to the extension of parity to floor brokers in UTP Securities by (a) proposing additional requirements for floor broker orders to be eligible for parity, (b) proposing to permit floor brokers to engage in floor-based point-of-sale trading and crossing transactions in UTP Securities, and (c) providing additional justification for providing floor brokers with parity in UTP Securities; (ii) amends the definition of Aggressing Order to include that a resting order may become an Aggressing Order if its working price change, the PBBO or NBBO is updated, when there are changes to other orders on the Exchange Book, or when processing inbound messages; (iii) amends the rules relating to the MPL Order and MTS Modifier to reflect those of NYSE Arca and NYSE American and sets forth additional rules relating setting forth how orders with an MTS Modifier would trade in a parity-based model; (iv) makes changes to the list of rules that are not applicable for parity; (v) makes changes to proposed NYSE Rules 7.37 and 7.46 to refer to an order with an MTS as an order with an ''MTS Modifier''; (vi) changes cross-references to NYSE Arca's rules to reflect the merger of NYSE Arca and NYSE Arca Equities, and (vii) makes changes to

[77] 15 U.S.C. 78l(a).

[78] 15 U.S.C. 78l(f).

[79] Over-the-counter (''OTC'') dealers are not subject to the Section 12(a) registration requirement because they do not transact business on an exchange.

[80] Pub. L. 103–389, 108 Stat. 4081 (1994).

[81] 17 CFR 240.12f–5.

[82] 15 U.S.C. 78l.

[83] *See* NYSE Rule 5.1 (''Notwithstanding the requirements for listing set forth in these Rules, the Exchange may extend unlisted trading privileges (''UTP'') to any security that is an NMS Stock (as defined in Rule 600 of Regulation NMS under the Act) that is listed on another national securities exchange or with respect to which unlisted trading privileges may otherwise be extended in accordance with Section 12(f) of the Act. Any such security will be subject to all Exchange trading rules applicable to securities trading on the Pillar trading platform, unless otherwise noted.'').

[84] 15 U.S.C. 78s(b)(2).

reflect the renaming of NYSE MKT to NYSE American.

As discussed above, Amendment No.1 addresses the Commission's concerns and the comment letter received. The definitions of Aggressing Order, the MPL Order, and the MTS Modifier are similar to the rules of NYSE Arca, which have been approved by the Commission previously, with adaptions for the Exchange's parity allocation model. The remaining changes are non-substantive. Accordingly, the Commission finds good cause, pursuant to Section 19(b)(2) of the Act,[85] to approve the proposed rule change, as modified by Amendment No. 1, on an accelerated basis.

VII. Conclusion

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,[86] that the proposed rule change (SR–NYSE–2017–36), as modified by Amendment No. 1, be, and hereby is, approved on an accelerated basis.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[87]

Jill M. Peterson,

Assistant Secretary.

[FR Doc. 2018–06339 Filed 3–28–18; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–82943; File No. SR–CboeEDGX–2018–008]

Self-Regulatory Organizations; Cboe EDGX Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend Paragraph (h) of Exchange Rule 11.6 Describing the Operation of Orders With a Minimum Execution Quantity Instruction

March 23, 2018.

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 March 16, 2018, Cboe EDGX Exchange, Inc. (the ''Exchange'' or ''EDGX'') filed with the Securities and Exchange Commission (''Commission'') the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. The Exchange has designated this proposal as a ''non-controversial'' proposed rule change pursuant to Section 19(b)(3)(A) of the Act[3] and Rule 19b–4(f)(6)(iii) thereunder,[4] which renders it effective upon filing with the Commission. 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 Exchange filed a proposal to amend paragraph (h) of Exchange Rule 11.6 describing the operation of orders with a Minimum Execution Quantity[5] instruction.

The text of the proposed rule change is available at the Exchange's website at *www.markets.cboe.com,* at the principal office of the Exchange, 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 IV below. The Exchange has prepared summaries, set forth in Sections A, B, and C below, of the most significant parts of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

The Exchange proposes to amend paragraph (h) of Exchange Rule 11.6 describing the operation of orders with a Minimum Execution Quantity instruction by removing language that provided for the re-pricing of incoming orders with a Minimum Execution Quantity instruction to avoid an internally crossed book. As a result of this change, the Exchange proposes to specify within the rule when an order with a Minimum Execution Quantity instruction would not be eligible to trade to prevent executions from occurring that may be inconsistent with intra-market price priority or that would cause a Non-Displayed[6] order to trade ahead of a Displayed[7] order.

In sum, a Minimum Execution Quantity is a non-displayed order that enables a User[8] to specify a minimum share amount at which the order will execute.[9] An order with a Minimum Execution Quantity will not execute unless the volume of contra-side liquidity available to execute against the order meets or exceeds the designated minimum size. By default, an order with a Minimum Execution Quantity instruction will execute upon entry against a single order or multiple aggregated orders simultaneously. The Exchange recently amended the operation of the Minimum Execution Quantity instruction to permit a User to alternatively specify the order not execute against multiple aggregated orders simultaneously and that the minimum quantity condition be satisfied by each individual order resting on the EDGX Book.[10]

The Exchange also recently amended the operation of the Minimum Execution Quantity instruction to re-price incoming orders with the Minimum Execution Quantity instruction where that order may cross an order posted on the EDGX Book.[11] Specifically, where there is insufficient size to satisfy an incoming order's minimum quantity condition and that incoming order, if posted at its limit price, would cross an order(s), whether displayed or non-displayed, resting on the EDGX Book, the order with the minimum quantity condition would be re-priced to and ranked at the Locking Price.[12] This functionality has not yet been implemented[13] and the Exchange

[85] 15 U.S.C. 78s(b)(2).

[86] *Id.*

[87] 17 CFR 200.30–3(a)(12).

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] 15 U.S.C. 78s(b)(3)(A).

[4] 17 CFR 240.19b–4(f)(6)(iii).

[5] *See* Exchange Rule 11.6(h) for a complete description of the operation of the Minimum Execution Quantity order instruction.

[6] *See also* Exchange Rule 11.6(c)(2) for a definition of the Non-Displayed instruction.

[7] *See* Exchange Rule 11.6(c)(1) for a definition of the Displayed instruction.

[8] The term ''User'' is defined as ''any Member or Sponsored Participant who is authorized to obtain access to the System pursuant to Rule 11.3.'' *See* Exchange Rule 1.5(ee).

[9] A Minimum Execution Quantity instruction may only be added to an order with a Non-Displayed instruction or a Time-in-Force of Immediate-or-Cancel. *See* Exchange Rule 11.6(h).

[10] *See* Securities Exchange Act Release No. 81457 (August 22, 2017), 82 FR 40812 (August 28, 2017) (SR–BatsEDGX–2017–34). This functionality is pending deployment and the implementation date will be announced via a trading notice.

[11] *Id.*

[12] ''Locking Price'' is defined as ''[t]he price at which an order to buy (sell), that if displayed by the System on the EDGX Book, either upon entry into the System, or upon return to the System after being routed away, would be a Locking Quotation.'' *See* Exchange Rule 11.6(f).

[13] *See supra* note 10. Exchange Rule 11.6(h) does not require re-pricing where the order with a Minimum Execution Quantity is resting on the EDGX Book. As such, an internally crossed book may occur where the incoming order is of insufficient size to satisfy the resting order's

now proposes to amend paragraph (h) of Rule 11.6 to remove this re-pricing requirement.

As a result of the above change, the Exchange proposes to amend paragraph (h) of Rule 11.6 to describe when an order with a Minimum Execution Quantity instruction will not be eligible to trade to prevent executions from occurring that may be inconsistent with intra-market price priority or would result in a Non-Displayed order trading ahead of a same-priced, same-side Displayed order.[14] The Exchange would not permit an order with a Minimum Execution Quantity instruction that crosses other Displayed or Non-Displayed orders on the EDGX Book to trade at prices that are worse than the price of such contra-side orders. The Exchange would also not permit a resting order with a Minimum Execution Quantity instruction to trade at a price equal to a contra-side Displayed order. This proposal is based on recently adopted NYSE Arca, Inc. (''NYSE Arca'') Rule 7.31–E(i)(3)(C).[15]

Paragraph (h) of Rule 11.6 would state that an order to buy (sell) with a Minimum Execution Quantity instruction that is ranked in the EDGX Book will not be eligible to trade: (i) At a price equal to or above (below) any sell (buy) orders that are Displayed and that have a ranked price equal to or below (above) the price of such order with a Minimum Execution Quantity instruction; or (ii) at a price above (below) any sell (buy) order that is Non-Displayed and has a ranked price below (above) the price of such order with a Minimum Execution Quantity instruction.[16] However, an order with a Minimum Execution Quantity instruction that crosses an order on EDGX Book may execute at a price less aggressive than its ranked price against an incoming order so long as such execution is consistent with the above restrictions.

The following examples describe the proposed operation of an order with a Minimum Execution Quantity during an internally crossed market. This first example addresses intra-market priority amongst an order with a Minimum Execution Quantity and other Non-Displayed orders in an internally crossed market as well as when an execution may occur at prices less aggressive than the resting order's ranked price. Assume the NBBO is $10.10 by $10.16. A Non-Displayed order to sell 50 shares at $10.12 is resting on the EDGX Book (''Order A''). A Non-Displayed order to sell 25 shares at $10.11 is also resting on the EDGX Book (''Order B''). The Exchange receives a MidPoint Peg[17] order to buy at $10.14 with a minimum quantity condition to execute against a single order of 100 shares (''Order C''). Because Order C's minimum quantity condition cannot be met, Order C will not trade with Orders A or B and will be posted and ranked on the EDGX Book at $10.13, the midpoint of the NBBO. The Exchange now has a Non-Displayed order crossing both Non-Displayed orders on the EDGX Book. If the Exchange then receives a Non-Displayed order to sell for 100 shares at $10.11 (''Order D''),[18] although Order D would be marketable against Order C at $10.13, it would not trade at $10.13 because it is above the price of all resting sell orders. Order D will instead execute against Order C at $10.11, receiving price improvement relative to the midpoint of the NBBO.

This second example addresses intra-market priority amongst Displayed orders, Non-Displayed orders with a Minimum Execution Quantity and other Non-Displayed orders. The Exchange notes that the below behavior is not unique to an internally crossed market as the Exchange's priority rule, 11.9(a), currently prohibits Non-Displayed orders, including Non-Displayed orders with a Minimum Execution Quantity, from trading ahead of same-priced, same-side Displayed orders. Assume the NBBO is $10.00 by $10.04. A Non-Displayed order to buy 500 shares at $10.00 is resting on the EDGX Book (''Order A''). A Displayed order to buy 100 shares at $10.00 is then entered and posted to the EDGX Book (''Order B''). The Exchange receives a Non-Displayed order to sell 600 shares at $10.00 with a minimum quantity condition to execute against a single order of 500 shares (''Order C''). Although Order A satisfies Order C's minimum quantity condition and has time priority ahead of Order B, no execution occurs because Order B is a Displayed order and has execution priority over Order A, a Non-Displayed order. Order C does not execute against Order B because Order B does not satisfy Order C's minimum quantity condition. Order C is then posted to the EDGX Book at $10.00, non-displayed.

The Exchange also proposes two clarifying changes to paragraph (h) of Exchange Rule 11.6. The rule currently states that an order with the Minimum Execution Quantity instruction cedes execution priority when it would lock an order against which it would otherwise execute if it were not for the minimum execution size restriction.[19] The Exchange now proposes to add additional language to the rule to clarify when a resting Non-Displayed order may cede execution priority to a subsequent arriving same-side order. As amended, paragraph (h) of Rule 11.6 would state that if a resting Non-Displayed sell (buy) order did not meet the minimum quantity condition of a same-priced resting order to buy (sell) with a Minimum Execution Quantity instruction, a subsequently arriving sell (buy) order that meets the minimum quantity condition will trade ahead of such resting Non-Displayed sell (buy) order at that price. For example, assume the NBBO is $10.00 by $10.10 and no orders are resting on the EDGX Book. A Non-Displayed order to buy 700 shares at $10.10 with a minimum quantity condition to execute against a single order of 500 shares is resting on the EDGX Book (Order A). A Non-Displayed order to sell 100 shares at $10.10 is then entered and posted to the EDGX Book (Order B). Order B does not execute against Order A because Order B does not satisfy Order A's single minimum quantity condition of 500 shares. As a result, Order B is posted to the EDGX Book at $10.10, creating an internally locked book. An order to sell 500 shares at $10.10 is then entered and executes against Order A at $10.10 for 500 shares because the incoming order is of

minimum quantity condition and that incoming order, if posted at its limit price, would cross that order with a minimum quantity condition resting on the EDGX Book.

[14] Exchange Rule 11.9(a) states that orders on the EDGX Book are ranked and maintained by the Exchange according to price-time priority. Exchange Rule 11.9(a) further prohibits a Non-Displayed order from trading ahead of a same-side, same-priced Displayed order. This proposed rule change adds language to Exchange Rule 11.6(h) to clarify this priority scheme during an internally crossed market.

[15] *See* Securities Exchange Act Release No. 82504 (January 16, 2018), 83 FR 3038 (January 22, 2018) (SR–NYSEArca–2018–01) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend Rule 7.31–E Relating to Mid-Point Liquidity Orders and the Minimum Trade Size Modifier and Rule 7.36–E To Add a Definition of ''Aggressing Order'').

[16] An order with a Minimum Execution Quantity instruction to buy (sell) may execute at a price above (below) any sell (buy) order that is Non-Displayed and has a ranked price below (above) the price of such order with a Minimum Execution Quantity instruction if that Non-Displayed order itself included a Minimum Execution Quantity instruction that prevented it from executing. *See infra* note 19.

[17] *See* Exchange Rule 11.8(d)(2).

[18] On NYSE Arca, Order D will be posted to the NYSE Arca book at $10.11 and not execute against Order C at $10.13. *See supra* note 15.

[19] The Exchange proposes to amend this provision to clarify that an order with a Minimum Execution Quantity instruction would cede execution priority when it would also cross an order against which it would otherwise execute if it were not for the minimum execution size restriction.

sufficient size to satisfy Order A's minimum quantity condition of 500 shares. This clarification is also based on recently adopted NYSE Arca Rule 7.31–E(i)(3)(E)(ii).[20]

Lastly, the Exchange proposes to clarify that an incoming order with a Minimum Execution Quantity would be canceled where, if posted, it would cross the displayed price of an order on the EDGX Book.[21] Conversely, an incoming order with a Minimum Execution Quantity instruction would be posted to the EDGX Book where it would not cross the displayed price of a resting contra-side order. For example, an order to buy at $11.00 with a minimum quantity condition of 500 shares is entered (Order A) and there is a Displayed order resting on the EDGX Book to sell 200 shares at $10.99 (Order B). Order A would be cancelled because it crosses the displayed price of Order B and Order B does not contain sufficient size to satisfy Order A's minimum quantity condition of 500 shares. However, should Order A be priced at $10.99, it would not be cancelled and would be posted to the EDGX Book, resulting in an internally locked market. Order A would not be executable at that price because it is priced equal to a contra-side Displayed order. An internally crossed market may subsequently occur should an order to sell priced more aggressively than Order A be entered but not be of sufficient size to satisfy Order A's minimum quantity condition of 500 shares (*e.g.,* an order to sell 100 shares at $10.98) and posted to the EDGX Book.

2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act[22] in general, and furthers the objectives of Section 6(b)(5) of the Act[23] in particular, in that it is designed to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in 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. The proposed rule change removes impediments to and perfects the mechanism of a free and open market and a national market system because it would ensure that orders with a Minimum Quantity instruction do not trade through Displayed orders or violate intra-market price priority. Specifically, the proposed rule change would protect Displayed orders by preventing an order with a Minimum Execution Quantity instruction from executing where it is locked by a contra-side Displayed order. The proposed rule change protects intra-market price priority by preventing a resting order with a Minimum Execution Quantity instruction from executing where it is crossed by either a Displayed or Non-Displayed order on the EDGX Book. The proposed clarifications remove impediments to and perfect the mechanism of a free and open market and a national market system because they provide additional specificity regarding the operation of an order with a Minimum Execution Quantity instruction, thereby avoiding potential investor confusion. In particular, the Exchange believes it is reasonable for a resting Non-Displayed order to cede execution priority to a subsequent arriving same-side order where that order is of sufficient size to satisfy a resting contra-side order's minimum quantity condition because doing so facilitates executions in accordance with the terms and conditions of each order. The proposed rule change is also substantially similar to a proposed rule change recently submitted by NYSE Arca for immediate effectiveness and published by the Commission.[24] The only differences between the proposed rule change and that of NYSE Arca is that: (i) NYSE Arca does not cancel a minimum quantity order that would cross a displayed order on the NYSE Arca book; and (ii) NYSE Arca will not execute resting orders at prices less aggressive than their limit prices in crossed markets. The Exchange believes that these differences are immaterial because they are designed to reduce the occurrences of internally crossed markets and facilitate executions that may not otherwise occur. These differences will also continue to ensure that executions occur in accordance with intra-market price priority on the Exchange while accounting for the differences in functionality and order types.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act, as amended. On the contrary, the proposed rule change is not designed to address any competitive issues because it is intended to provide clarity regarding the operation of orders with a Minimum Quantity instruction and when such orders are eligible to trade and not trade through Displayed orders or violate intra-market price priority.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

No comments were solicited or received on the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Because the foregoing proposed rule change does not: (A) Significantly affect the protection of investors or the public interest; (B) impose any significant burden on competition; and (C) by its terms, become operative for 30 days from the date on which it was filed or such shorter time as the Commission may designate it has become effective pursuant to Section 19(b)(3)(A) of the Act[25] and paragraph (f)(6) of Rule 19b–4 thereunder,[26] the Exchange has designated this rule filing as non-controversial. The Exchange has given the Commission written notice of its intent to file the proposed rule change, along with a brief description and text of the proposed rule change at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission.

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: (1) Necessary or appropriate in the public interest; (2) for the protection of investors; or (3) otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or disapproved.

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:

[20] *Supra note* 15.

[21] An order with a Minimum Execution Quantity will be repriced in accordance with Exchange Rule 11.6(l)(3) where it would cross a protected quote displayed on an away market center.

[22] 15 U.S.C. 78f(b).

[23] 15 U.S.C. 78f(b)(5).

[24] *See supra* notes 15 and 18.

[25] 15 U.S.C. 78s(b)(3)(A).

[26] 17 CFR 240.19b–4.

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–CboeEDGX–2018–008 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 SR-CboeEDGX–2018–008. 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 website (*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 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. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. 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. All submissions should refer to File Number SR–CboeEDGX–2018–008, and should be submitted on or before April 19, 2018.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[27]

Brent J. Fields,

Secretary.

[FR Doc. 2018–06301 Filed 3–28–18; 8:45 am]

BILLING CODE 8011–01–P

[27] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–82942; File No. SR–CboeBZX–2018–022]

Self-Regulatory Organizations; Cboe BZX Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend Paragraph (c)(5) of Exchange Rule 11.9 Describing the Operation of Minimum Quantity Orders

March 23, 2018.

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 March 16, 2018, Cboe BZX Exchange, Inc. (the ''Exchange'' or ''BZX'') filed with the Securities and Exchange Commission (''Commission'') the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. The Exchange has designated this proposal as a ''non-controversial'' proposed rule change pursuant to Section 19(b)(3)(A) of the Act[3] and Rule 19b–4(f)(6)(iii) thereunder,[4] which renders it effective upon filing with the Commission. 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 Exchange filed a proposal to amend paragraph (c)(5) of Exchange Rule 11.9 describing the operation of Minimum Quantity Orders.[5]

The text of the proposed rule change is available at the Exchange's website at *www.markets.cboe.com,* at the principal office of the Exchange, 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 IV below. The Exchange has prepared summaries, set forth in Sections A, B, and C below, of the most significant parts of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

The Exchange proposes to amend paragraph (c)(5) of Exchange Rule 11.9 describing the operation of Minimum Quantity Orders by removing language that provided for the re-pricing of incoming Minimum Quantity Orders to avoid an internally crossed book. As a result of this change, the Exchange proposes to specify within the rule when a Minimum Quantity Order would not be eligible to trade to prevent executions from occurring that may be inconsistent with intra-market price priority or that would cause a non-displayed order to trade ahead of a displayed order.

In sum, a Minimum Quantity Order is a non-displayed order that enables a User[6] to specify a minimum share amount at which the order will execute.[7] A Minimum Quantity Order will not execute unless the volume of contra-side liquidity available to execute against the order meets or exceeds the designated minimum size. By default, a Minimum Quantity Order will execute upon entry against a single order or multiple aggregated orders simultaneously. The Exchange recently amended the operation of Minimum Quantity Orders to permit a User to alternatively specify the order not execute against multiple aggregated orders simultaneously and that the minimum quantity condition be satisfied by each individual order resting on the BZX Book.[8]

The Exchange also recently amended the operation of Minimum Quantity Orders to re-price incoming Minimum Quantity Orders where that order may cross an order posted on the BZX Book.[9] Specifically, where there is insufficient size to satisfy an incoming order's minimum quantity condition and that incoming order, if posted at its limit price, would cross an order(s), whether

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] 15 U.S.C. 78s(b)(3)(A).

[4] 17 CFR 240.19b–4(f)(6)(iii).

[5] *See* Exchange Rule 11.9(c)(5) for a complete description of the operation of Minimum Quantity Orders.

[6] The term ''User'' is defined as ''any Member or Sponsored Participant who is authorized to obtain access to the System pursuant to Rule 11.3.'' *See* Exchange Rule 1.5(cc).

[7] The Exchange will only honor a specified minimum quantity on BZX Only Orders that are non-displayed or Immediate-Or-Cancel and will disregard a minimum quantity on any other order. *See* Exchange Rule 11.9(c)(5).

[8] *See* Securities Exchange Act Release No. 81807 (October 3, 2017), 82 FR 47065 (October 10, 2017) (SR–BatsBZX–2017–62). This functionality is pending deployment and the implementation date will be announced via a trading notice.

[9] *Id.*

displayed or non-displayed, resting on the BZX Book, the order with the minimum quantity condition would be re-priced to and ranked at the locking price. This functionality has not yet been implemented [10] and the Exchange now proposes to amend paragraph (c)(5) of Rule 11.9 to remove this re-pricing requirement.

As a result of the above change, the Exchange proposes to amend paragraph (c)(5) of Rule 11.9 to describe when a Minimum Quantity Order will not be eligible to trade to prevent executions from occurring that may be inconsistent with intra-market price priority or would result in a non-displayed order trading ahead of a same-priced, same-side displayed order.[11] The Exchange would not permit a Minimum Quantity Order that crosses other displayed or non-displayed orders on the BZX Book to trade at prices that are worse than the price of such contra-side orders. The Exchange would also not permit a resting Minimum Quantity Order to trade at a price equal to a contra-side displayed order. This proposal is based on recently adopted NYSE Arca, Inc. (''NYSE Arca'') Rule 7.31–E(i)(3)(C).[12]

Paragraph (c)(5) of Rule 11.9 would state that a Minimum Quantity Order to buy (sell) that is ranked in the BZX Book will not be eligible to trade: (i) At a price equal to or above (below) any sell (buy) orders that are displayed and that have a ranked price equal to or below (above) the price of such Minimum Quantity Order; or (ii) at a price above (below) any sell (buy) order that is non-displayed and has a ranked price below (above) the price of such Minimum Quantity Order.[13] However, a Minimum Quantity Order that crosses an order on BZX Book may execute at a price less aggressive than its ranked price against an incoming order so long as such execution is consistent with the above restrictions.

The following examples describe the proposed operation of a Minimum Quantity Order during an internally crossed market. This first example addresses intra-market priority amongst a Minimum Quantity Order and other non-displayed orders in an internally crossed market as well as when an execution may occur at prices less aggressive than the resting order's ranked price. Assume the NBBO is $10.10 by $10.16. A non-displayed order to sell 50 shares at $10.12 is resting on the BZX Book (''Order A''). A non-displayed order to sell 25 shares at $10.11 is also resting on the BZX Book (''Order B''). The Exchange receives a Mid-Point Peg [14] order to buy at $10.14 with a minimum quantity condition to execute against a single order of 100 shares (''Order C''). Because Order C's minimum quantity condition cannot be met, Order C will not trade with Orders A or B and will be posted and ranked on the BZX Book at $10.13, the midpoint of the NBBO. The Exchange now has a non-displayed order crossing both non-displayed orders on the BZX Book. If the Exchange then receives a non-displayed order to sell for 100 shares at $10.11 (''Order D''),[15] although Order D would be marketable against Order C at $10.13, it would not trade at $10.13 because it is above the price of all resting sell orders. Order D will instead execute against Order C at $10.11, receiving price improvement relative to the midpoint of the NBBO.

This second example addresses intra-market priority amongst displayed orders, Minimum Quantity Orders and other non-displayed orders. The Exchange notes that the below behavior is not unique to an internally crossed market as the Exchange's priority rule, 11.12(a), currently prohibits non-displayed orders, including Minimum Quantity Orders, from trading ahead of same-priced, same-side displayed orders. Assume the NBBO is $10.00 by $10.04. A non-displayed order to buy 500 shares at $10.00 is resting on the BZX Book (''Order A''). A displayed order to buy 100 shares at $10.00 is then entered and posted to the BZX Book (''Order B''). The Exchange receives a non-displayed order to sell 600 shares at $10.00 with a minimum quantity condition to execute against a single order of 500 shares (''Order C''). Although Order A satisfies Order C's minimum quantity condition and has time priority ahead of Order B, no execution occurs because Order B is a displayed order and has execution priority over Order A, a non-displayed order. Order C does not execute against Order B because Order B does not satisfy Order C's minimum quantity condition. Order C is then posted to the BZX Book at $10.00, non-displayed.

The Exchange also proposes two clarifying changes to paragraph (c)(5) of Exchange Rule 11.9. The rule currently states that a Minimum Quantity Order cedes execution priority when it would lock an order against which it would otherwise execute if it were not for the minimum execution size restriction.[16] The Exchange now proposes to add additional language to the rule to clarify when a resting non-displayed order may cede execution priority to a subsequent arriving same-side order. As amended, paragraph (h) of Rule 11.6 would state that if a resting non-displayed sell (buy) order did not meet the minimum quantity condition of a same-priced resting Minimum Quantity Order to buy (sell), a subsequently arriving sell (buy) order that meets the minimum quantity condition will trade ahead of such resting non-displayed sell (buy) order at that price. For example, assume the NBBO is $10.00 by $10.10 and no orders are resting on the BZX Book. A non-displayed order to buy 700 shares at $10.10 with a minimum quantity condition to execute against a single order of 500 shares is resting on the BZX Book (Order A). A non-displayed order to sell 100 shares at $10.10 is then entered and posted to the BZX Book (Order B). Order B does not execute against Order A because Order B does not satisfy Order A's single minimum quantity condition of 500 shares. As a result, Order B is posted to the BZX Book at $10.10, creating an internally locked book. An order to sell 500 shares at $10.10 is then entered and executes against Order A at $10.10 for 500 shares because the incoming order is of sufficient size to satisfy Order A's minimum quantity condition of 500 shares. This clarification is also based on recently adopted NYSE Arca Rule 7.31–E(i)(3)(E)(ii).[17]

[10] *See supra* note 8. Exchange Rule 11.9(c)(5) does not require re-pricing where the Minimum Quantity Order is resting on the BZX Book. As such, an internally crossed book may occur where the incoming order is of insufficient size to satisfy the resting order's minimum quantity condition and that incoming order, if posted at its limit price, would cross that order with a minimum quantity condition resting on the BZX Book.

[11] Exchange Rule 11.12(a) states that orders on the BZX Book are ranked and maintained by the Exchange according to price-time priority. Exchange Rule 11.12(a) further prohibits a non-displayed order from trading ahead of a same-side, same-priced displayed order. This proposed rule change adds language to Exchange Rule 11.9(c)(5) to clarify this priority scheme during an internally crossed market.

[12] *See* Securities Exchange Act Release No. 82504 (January 16, 2018), 83 FR 3038 (January 22, 2018) (SR–NYSEArca–2018–01) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend Rule 7.31–E Relating to Mid-Point Liquidity Orders and the Minimum Trade Size Modifier and Rule 7.36–E To Add a Definition of ''Aggressing Order'').

[13] A Minimum Quantity Order to buy (sell) may execute at a price above (below) any sell (buy) order that is Non-Displayed and has a ranked price below (above) the price of such Minimum Quantity Order if that Non-Displayed order itself included a minimum quantity condition that prevented it from executing. *See infra* note 16.

[14] *See* Exchange Rule 11.9(c)(9).

[15] On NYSE Arca, Order D will be posted to the NYSE Arca book at $10.11 and not execute against Order C at $10.13. *See supra* note 12.

[16] The Exchange proposes to amend this provision to clarify that a Minimum Quantity Order would cede execution priority when it would also cross an order against which it would otherwise execute if it were not for the minimum execution size restriction.

[17] *Supra note* 12.

Lastly, the Exchange proposes to clarify that an incoming Minimum Quantity Order would be canceled where, if posted, it would cross the displayed price of an order on the BZX Book.[18] Conversely, an incoming Minimum Quantity Order would be posted to the BZX Book where it would not cross the displayed price of a resting contra-side order. For example, an order to buy at $11.00 with a minimum quantity condition of 500 shares is entered (Order A) and there is a displayed order resting on the BZX Book to sell 200 shares at $10.99 (Order B). Order A would be cancelled because it crosses the displayed price of Order B and Order B does not contain sufficient size to satisfy Order A's minimum quantity condition of 500 shares. However, should Order A be priced at $10.99, it would not be cancelled and would be posted to the BZX Book, resulting in an internally locked market. Order A would not be executable at that price because it is priced equal to a contra-side displayed order. An internally crossed market may subsequently occur should an order to sell priced more aggressively than Order A be entered but not be of sufficient size to satisfy Order A's minimum quantity condition of 500 shares (*e.g.,* an order to sell 100 shares at $10.98) and posted to the BZX Book.

2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act[19] in general, and furthers the objectives of Section 6(b)(5) of the Act[20] in particular, in that it is designed to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in 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. The proposed rule change removes impediments to and perfects the mechanism of a free and open market and a national market system because it would ensure that Minimum Quantity Orders do not trade through displayed orders or violate intra-market price priority. Specifically, the proposed rule change would protect displayed orders by preventing a Minimum Quantity Order from executing where it is locked by a contra-side Displayed order. The proposed rule change protects intra-market price priority by preventing a resting Minimum Quantity Order from executing where it is crossed by either a displayed or non-displayed order on the BZX Book. The proposed clarifications remove impediments to and perfect the mechanism of a free and open market and a national market system because they provide additional specificity regarding the operation of a Minimum Quantity Order, thereby avoiding potential investor confusion. In particular, the Exchange believes it is reasonable for a resting non-displayed order to cede execution priority to a subsequent arriving same-side order where that order is of sufficient size to satisfy a resting contra-side order's minimum quantity condition because doing so facilitates executions in accordance with the terms and conditions of each order. The proposed rule change is also substantially similar to a proposed rule change recently submitted by NYSE Arca for immediate effectiveness and published by the Commission.[21] The only differences between the proposed rule change and that of NYSE Arca is that: (i) NYSE Arca does not cancel a minimum quantity order that would cross a displayed order on the NYSE Arca book; and (ii) NYSE Arca will not execute resting orders at prices less aggressive than their limit prices in crossed markets. The Exchange believes that these differences are immaterial because they are designed to reduce the occurrences of internally crossed markets and facilitate executions that may not otherwise occur. These differences will also continue to ensure that executions occur in accordance with intra-market price priority on the Exchange while accounting for the differences in functionality and order types.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act, as amended. On the contrary, the proposed rule change is not designed to address any competitive issues because it is intended to provide clarity regarding the operation of Minimum Quantity Orders and when such orders are eligible to trade and not trade through displayed orders or violate intra-market price priority.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

No comments were solicited or received on the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Because the foregoing proposed rule change does not: (A) Significantly affect the protection of investors or the public interest; (B) impose any significant burden on competition; and (C) by its terms, become operative for 30 days from the date on which it was filed or such shorter time as the Commission may designate it has become effective pursuant to Section 19(b)(3)(A) of the Act[22] and paragraph (f)(6) of Rule 19b–4 thereunder,[23] the Exchange has designated this rule filing as non-controversial. The Exchange has given the Commission written notice of its intent to file the proposed rule change, along with a brief description and text of the proposed rule change at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission.

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: (1) Necessary or appropriate in the public interest; (2) for the protection of investors; or (3) otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or disapproved.

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–CboeBZX–2018–022 on the subject line.

Paper Comments

- Send paper comments in triplicate to Secretary, Securities and Exchange

[18] A Minimum Quantity Order will be repriced in accordance with Exchange Rule 11.9(g)(4) where it would cross a protected quote displayed on an away market center.

[19] 15 U.S.C. 78f(b).

[20] 15 U.S.C. 78f(b)(5).

[21] *See supra* notes 12 and 15.

[22] 15 U.S.C. 78s(b)(3)(A).

[23] 17 CFR 240.19b–4.

Commission, 100 F Street NE, Washington, DC 20549–1090.

All submissions should refer to File Number SR–CboeBZX–2018–022. 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 website (*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 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. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. 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. All submissions should refer to File Number SR–CboeBZX–2018–022, and should be submitted on or before April 19, 2018.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[24]

Brent J. Fields,

Secretary.

[FR Doc. 2018–06300 Filed 3–28–18; 8:45 am]

BILLING CODE 8011–01–P

SMALL BUSINESS ADMINISTRATION

Reporting and Recordkeeping Requirements Under OMB Review

AGENCY: Small Business Administration.

ACTION: 30-Day notice.

SUMMARY: The Small Business Administration (SBA) is publishing this notice to comply with requirements of the Paperwork Reduction Act (PRA), which requires agencies to submit proposed reporting and recordkeeping requirements to OMB for review and approval, and to publish a notice in the **Federal Register** notifying the public that the agency has made such a submission. This notice also allows an additional 30 days for public comments.

DATES: Submit comments on or before April 30, 2018.

ADDRESSES: Comments should refer to the information collection by name and/or OMB Control Number and should be sent to: *Agency Clearance Officer,* Curtis Rich, Small Business Administration, 409 3rd Street SW, 5th Floor, Washington, DC 20416; and *SBA Desk Officer,* Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Washington, DC 20503.

FOR FURTHER INFORMATION CONTACT: Curtis Rich, Agency Clearance Officer, (202) 205–7030 *curtis.rich@sba.gov.*

Copies: A copy of the Form OMB 83–1, supporting statement, and other documents submitted to OMB for review may be obtained from the Agency Clearance Officer.

SUPPLEMENTARY INFORMATION:

Summary of Information Collections

The Small Business Act states that a women-owned small (WOSB) or an economically disadvantaged women-owned small business (EDWOSB) must (1) be a Federal agency, a State government, or a national certifying entity as a WOSB. or, (2) certify to the contracting office that it is a WOSB and provide adequate documentation to support such certification. These documents will be used by the SBA, contracting offices and third party certifies to determine program eligibility and compliance.

(1) *Title:* Certification for the Women-Owned Small Business Federal Contract Program.

Description of Respondents: Women owned Small Businesses.

Form Number's: 2413, 2414.

Estimated Annual Responses: 16,688.

Estimated Annual Hour Burden: 33,376.

Curtis B. Rich,

Management Analyst.

[FR Doc. 2018–06365 Filed 3–28–18; 8:45 am]

BILLING CODE 8025–01–P

SMALL BUSINESS ADMINISTRATION

Solicitation of Nominations for Appointment to Small Business Regional Regulatory Fairness Boards

AGENCY: U.S. Small Business Administration (SBA).

ACTION: Solicit nominations of owners, operators, and officers of small business concerns to serve on 10 Regional Regulatory Fairness Boards nationwide.

SUMMARY: The SBA Office of the National Ombudsman (ONO) is issuing this notice to solicit nominations of qualified owners, operators, and officers of small business concerns to be considered for appointment by the SBA Administrator as a member of a Small Business Regional Regulatory Fairness Board (''RegFair Board'').

The RegFair Board members on the ten regional boards serve as advisors to the National Ombudsman on regulatory enforcement and compliance issues of concern to small business owners within their respective regions and surface those issues to the attention of the National Ombudsman. Nominations of qualified candidates are being sought to fill vacancies on the RegFair Boards. RegFair Board members are appointed by, and serve at the pleasure of, the SBA Administrator for terms of no longer than three years. The Administrator may reappoint an individual for additional terms of service.

Board members serve without compensation. They will, however, be reimbursed for authorized travel-related expenses at per diem rates established by GSA when asked to perform official duties as a Board member.

DATES: Nominations for membership on the RegFair Board will be accepted on a rolling basis.

ADDRESSES: All nominations should be mailed to the Office of the National Ombudsman, U.S. Small Business Administration, 409 3rd Street SW, Washington, DC 20416, or emailed to *ombudsman@sba.gov.*

FOR FURTHER INFORMATION CONTACT: Ms. Trina Mintern, Office of the National Ombudsman, U.S. Small Business Administration, 409 3rd Street SW, Washington, DC 20416, Telephone: (202) 205–6918; Email: *trina.mintern@sba.gov.* A copy of the RegFair Board Charter and a list of current Board members may be obtained by contacting Ms. Mintern. For more information on ONO, please visit our website, *www.sba.gov/ombudsman.*

SUPPLEMENTARY INFORMATION: As established by the United States Congress, the Small Business Regulatory Enforcement Fairness Act of 1996 created ONO within the SBA and 10 Regional Regulatory Fairness Boards nationwide. Pursuant to the statute, ONO works with Federal agencies that have regulatory authority over small businesses subjected to an audit, on-site inspection, fine or penalty, compliance

[24] 17 CFR 200.30–3(a)(12).

assistance effort, or other enforcement related communication or contact by agency personnel with a vehicle to comment on the enforcement actions.

Pursuant to SBREFA, the ONO is authorized to establish, maintain, and coordinate activities of 10 Regional Regulatory Fairness Boards. The ONO has RegFair Boards in each of SBA's 10 regions. Each Board is comprised of 5 small business owners, operators, or officers. No more than three RegFair Board Members per board may be of the same political affiliation. All Board members are appointed by the SBA Administrator for three-year terms.

The purpose of the RegFair Boards is to have leaders of small businesses advise and represent the National Ombudsman on regulatory issues for small businesses in their respective regions. Each year, the RegFair Boards convene for an annual meeting to discuss the state of affairs in Federal regulatory enforcement. The meeting also provides the ONO with the opportunity to assess trends and new regulatory issues that impact small businesses in each region.

Additionally, the RegFair Boards work with the SBA District Offices and SBA Regional staff to communicate opportunities small businesses have to share their concerns regarding regulatory enforcement. This includes promoting and providing small businesses with information regarding RegFair Hearings and Roundtables within their respective regions.

Requirements for Nomination Submission

Completed SBA Form 898: Interested applicants must submit a completed SBA Form 898. To download a copy of the form, please visit *https://www.sba.gov/ombudsman/fairness-boards.* Please note that a YES answer to any of the questions listed in Section 6 of the SBA Form 898 Advisory Committee Membership Nominee Information Form may deem a candidate ineligible to serve on a RegFair Board.

Resume: Please include the nominee's contact information (including name, mailing address, telephone numbers, and email address) and a chronological summary of the nominee's experience and qualifications. Please do not submit a bio.

Authority: This notice was prepared in accordance with the Small Business Regulatory Enforcement Fairness Act of 1996 (SBREFA), (Public Law 104–121), Sec. 222.

Dated: March 20, 2018.

John S. Woodard,

SBA Committee Management Officer.

[FR Doc. 2018–06263 Filed 3–28–18; 8:45 am]

BILLING CODE P

DEPARTMENT OF STATE

[Public Notice: 10361]

Fine Arts Committee Notice of Meeting

The Fine Arts Committee of the Department of State will meet on April 20, 2018 at 1:00 p.m. in the Henry Clay Room of the Harry S. Truman Building, 2201 C Street NW, Washington, DC. The meeting will last until approximately 4:00 p.m. and is open to the public.

The agenda for the committee meeting will include a summary of the work of the Fine Arts Office since its last meeting on April 20, 2018 and the announcement of gifts and loans of furnishings as well as financial contributions from January 1, 2017 through December 31, 2017.

Public access to the Department of State is strictly controlled and space is limited. Members of the public wishing to take part in the meeting should telephone the Fine Arts Office at (202) 647–1990 or send an email to *SellmanCT@state.gov* by April 1, providing their name, date of birth, citizenship; and government issued ID number [*i.e.,* U.S. government ID (agency), U.S. military ID (branch), passport (country) or driver's license (state)] in order to gain admittance. All attendees must use the ''C'' Street entrance located at 2201 C Street Northwest, Washington, DC 20520. One of the following valid IDs will be required for admittance: any U.S. driver's license with photo, a passport, or a U.S. government agency ID. Attendees should expect to remain in the meeting for the entire session. The public may take part in the discussion as long as time permits and at the discretion of the chairman.

Personal data is requested pursuant to Public Law 99–399 (Omnibus Diplomatic Security and Antiterrorism Act of 1986), as amended; Public Law 107–56 (USA PATRIOT Act); and Executive Order 13356. The purpose of the collection is to validate the identity of individuals who enter Department 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.

Marcee Craighill,

Fine Arts Committee, Department of State.

[FR Doc. 2018–06342 Filed 3–28–18; 8:45 am]

BILLING CODE 4710–24–P

SURFACE TRANSPORTATION BOARD

[Docket No. AB 33 (Sub-No. 332X)]

Union Pacific Railroad Company—Abandonment Exemption—in Harris County, Tex.

Union Pacific Railroad Company (UP) has filed a verified notice of exemption under 49 CFR pt. 1152 subpart F—*Exempt Abandonments* to abandon 0.9 miles of the Seabrook Industrial Lead between milepost 6.9 (former Southern Pacific Transportation Co. (SP) milepost 29.1), near Red Bluff Road, and milepost 7.8 (former SP milepost 30.0), near Repsdorph Road, in Seabrook, Harris County, Tex. (the Line). The Line is wholly contained within United States Postal Service Zip Code 77586.

UP has certified that: (1) No local traffic has moved over the Line for at least two years; (2) no overhead traffic has moved over the Line for at least two years and, therefore, there is no need to reroute any traffic; (3) no formal complaint filed by a user of rail service on the Line (or by a state or local government entity acting on behalf of such user) regarding cessation of service over the Line either is pending with the Surface Transportation Board (Board) or with any U.S. District Court or has been decided in favor of complainant within the two-year period; and (4) the requirements at 49 CFR 1105.7(c) (environmental report), 49 CFR 1105.11 (transmittal letter), 49 CFR 1105.12 (newspaper publication), and 49 CFR 1152.50(d)(1) (notice to governmental agencies) have been met.

As a condition to this exemption, any employee adversely affected by the abandonment shall be protected under *Oregon Short Line Railroad—Abandonment Portion Goshen Branch Between Firth & Ammon, in Bingham & Bonneville Counties, Idaho,* 360 I.C.C. 91 (1979). To address whether this condition adequately protects affected employees, a petition for partial revocation under 49 U.S.C. 10502(d) must be filed.

Provided no formal expression of intent to file an offer of financial assistance (OFA) [1] has been received,

[1] The Board modified its OFA procedures effective July 29, 2017. Among other things, the

Continued

this exemption will become effective on April 27, 2018, unless stayed pending reconsideration. Petitions to stay that do not involve environmental issues,[2] formal expressions of intent to file an OFA under 49 CFR 1152.27(c)(2),[3] and interim trail use/rail banking requests under 49 CFR 1152.29 must be filed by April 9, 2018. Petitions to reopen or requests for public use conditions under 49 CFR 1152.28 must be filed by April 17, 2018, with the Surface Transportation Board, 395 E Street SW, Washington, DC 20423–0001.

A copy of any petition filed with the Board should be sent to UP's representative: Jeremy M. Berman, 1400 Douglas St., #1580, Omaha, NE 68179.

If the verified notice contains false or misleading information, the exemption is void ab initio.

UP has filed a combined environmental and historic report that addresses the effects, if any, of the abandonment on the environment and historic resources. OEA will issue an environmental assessment (EA) by April 3, 2018. Interested persons may obtain a copy of the EA by writing to OEA (Room 1100, Surface Transportation Board, Washington, DC 20423–0001) or by calling OEA at (202) 245–0305. Assistance for the hearing impaired is available through the Federal Information Relay Service at (800) 877–8339. Comments on environmental and historic preservation matters must be filed within 15 days after the EA becomes available to the public.

Environmental, historic preservation, public use, or interim trail use/rail banking conditions will be imposed, where appropriate, in a subsequent decision.

Pursuant to 49 CFR 1152.29(e)(2), UP shall file a notice of consummation with the Board to signify that it has exercised the authority granted and fully abandoned the Line. If consummation has not been effected by UP's filing of a notice of consummation by March 29, 2019, and there are no legal or regulatory barriers to consummation, the authority to abandon will automatically expire.

Board decisions and notices are available on our website at ''*WWW.STB.DOT.GOV*.''

Decided: March 23, 2018.

By the Board, Scott M. Zimmerman, Acting Director, Office of Proceedings.

Jeffrey Herzig,

Clearance Clerk.

[FR Doc. 2018–06262 Filed 3–28–18; 8:45 am]

BILLING CODE 4915–01–P

OFA process now requires potential offerors, in their formal expression of intent, to make a preliminary financial responsibility showing based on a calculation using information contained in the carrier's filing and publicly available information. *See Offers of Financial Assistance,* EP 729 (STB served June 29, 2017); 82 FR 30,997 (July 5, 2017).

[2] The Board will grant a stay if an informed decision on environmental issues (whether raised by a party or by the Board's Office of Environmental Analysis (OEA) in its independent investigation) cannot be made before the exemption's effective date. *See Exemption of Out-of-Serv. Rail Lines,* 5 I.C.C.2d 377 (1989). Any request for a stay should be filed as soon as possible so that the Board may take appropriate action before the exemption's effective date.

[3] Each OFA must be accompanied by the filing fee, which is currently set at $1,800. *See Regulations Governing Fees for Servs. Performed in Connection with Licensing & Related Servs.—2017 Update,* EP 542 (Sub-No. 25), slip op. App. C at 20 (STB served July 28, 2017).

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

[Summary Notice No. 2018–20]

Petition for Exemption; Summary of Petition Received; Southern Utah University

AGENCY: Federal Aviation Administration (FAA), Department of Transportation (DOT).

ACTION: Notice.

SUMMARY: This notice contains a summary of a petition seeking relief from specified requirements of Federal Aviation Regulations. The purpose of this notice is to improve the public's awareness of, and participation in, the FAA's exemption process. Neither publication of this notice nor the inclusion or omission of information in the summary is intended to affect the legal status of the petition or its final disposition.

DATES: Comments on this petition must identify the petition docket number and must be received on or before April 18, 2018.

ADDRESSES: Send comments identified by docket number FAA–2018–0215 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, 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 20590–0001, 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 *http://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 20590–0001, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

FOR FURTHER INFORMATION CONTACT: Brenda Robeson (202) 267–4712, Office of Rulemaking, Federal Aviation Administration, 800 Independence Avenue SW, Washington, DC 20591–0001.

This notice is published pursuant to 14 CFR 11.85.

Issued in Washington, DC, on March 22, 2018.

Lirio Liu,

Executive Director, Office of Rulemaking.

Petition for Exemption

Docket No.: FAA–2018–0215.

Petitioner: Southern Utah University.

Section(s) of 14 CFR Affected: 147.21(a)–(c), and appendices B, C and D.

Description of Relief Sought: Southern Utah University (SUU) petitioned the FAA for an exemption from the general curriculum requirements provided for in 14 Code of Federal Regulations § 147.21(a)–(c), and appendices B, C and D. SUU requested relief to the extent necessary to allow it to utilize a credit hour system, and propose curriculum to coincide with emerging aviation maintenance technician airman certification standards.

[FR Doc. 2018–06333 Filed 3–28–18; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

[Summary Notice No. PE–2018–09]

Petition for Exemption; Summary of Petition Received; DroneSeed Co.

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice.

SUMMARY: This notice contains a summary of a petition seeking relief from specified requirements of Title 14 of the Code of Federal Regulations. The purpose of this notice is to improve the public's awareness of, and participation in, the FAA's exemption process. Neither publication of this notice nor the inclusion or omission of information in the summary is intended to affect the legal status of the petition or its final disposition.

DATES: Comments on this petition must identify the petition docket number and must be received on or before April 18, 2018.

ADDRESSES: Send comments identified by docket number FAA–2017–1157 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 Wl2–140 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 *http://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 Wl2–140 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: Jake Troutman, (202) 683–7788, 800 Independence Avenue SW, Washington, DC 20591. This notice is published pursuant to 14 CFR 11.85.

Issued in Washington, DC.

Lirio Liu,

Director, Office of Rulemaking.

Petition for Exemption

Docket No.: FAA–2017–1157.
Petitioner: DroneSeed Company.
Section(s) of 14 CFR Affected: §§ 91.7(a); 91.119(c); 91.121; 91.151(b); 91.405(a); 91.407(a)(l); 91.409(a)(l) & (2); 91.417(a) & (b); 137.l 9(c), (d) & (e)(2)(ii)(iii) & (v); 137.31; 137.33; 137.41(c); 137.42.

Description of Relief Sought: The petitioner is requesting relief in order to operate three unmanned aircraft systems (UAS) weighing 55 pounds or more, not exceeding 185 pounds, for aerial agricultural operations in remote operating environments. The three UAS are the HSE AG V8A+ v2, the DS–10, and the DS–11, weighing 55 pounds (lbs.), 124.09 lbs., and 102.5 lbs., respectively, at maximum (fully loaded) take-off weight. The petitioner also requests relief to allow a single person to act as remote pilot in command for up to fifteen simultaneous operations of UAS weighing 55 lbs. or more. Additionally, the petitioner is requesting relief for the pilot in command to operate the UAS weighing 55 lbs. or more with a remote pilot certificate.

[FR Doc. 2018–06332 Filed 3–28–18; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Highway Administration

Environmental Impact Statement: Alexander, Pulaski, and Union Counties, Illinois

AGENCY: Federal Highway Administration (FHWA), DOT.

ACTION: Notice to rescind a Notice of Intent to prepare an Environmental Impact Statement.

SUMMARY: The FHWA is issuing this notice to advise the public that an environmental impact statement will not be prepared for a proposed transportation project in Alexander, Pulaski, and Union Counties, Illinois between the intersection of Illinois Route 3 with Illinois Route 146 and Interstate 57.

FOR FURTHER INFORMATION CONTACT: Catherine A. Batey, Division Administrator, Federal Highway Administration, 3250 Executive Park Drive, Springfield, Illinois 62703, Phone: (217) 492–4600. Jeffrey L. Keirn, Deputy Director of Highways, Region 5 Engineer, Illinois Department of Transportation, 1102 Eastport Plaza Drive, Collinsville, Illinois 62234, Phone: (618) 346–3110.

SUPPLEMENTARY INFORMATION: The FHWA, in cooperation with the Illinois Department of Transportation, issued a notice of intent to prepare an environmental impact statement (EIS) in 2015 (80 FR 73871, November 25, 2015). The project proposal was to improve transportation between the identified project termini.

The project is being cancelled and no further activities will occur for the Shawnee Parkway project at this time.

Comments or questions concerning this notice should be directed to FHWA or the Illinois Department of Transportation at the addresses provided above.

Authority: 23 U.S.C. 315; 23 CFR 771.123; 49 CFR 1.48

(Catalog of Federal Domestic Assistance Program Number 20.205, Highway Research, Planning and Construction. The regulations implementing Executive Order 12372 regarding intergovernmental consultation on Federal programs and activities apply to this program.)

Issued on: March 9, 2018.

Catherine A. Batey,

Division Administrator, Springfield, Illinois.

[FR Doc. 2018–06329 Filed 3–28–18; 8:45 am]

BILLING CODE 4910–22–P

DEPARTMENT OF TRANSPORTATION

Federal Railroad Administration

[Docket No. FRA–2018–0027]

Automation in the Railroad Industry

AGENCY: Federal Railroad Administration (FRA), Department of Transportation (DOT).

ACTION: Request for Information (RFI).

SUMMARY: This request for information notice replaces the version published in the **Federal Register** on March 22, 2018 (83 FR 12646), to make technical corrections to the prior version. FRA requests information and comment on the future of automation in the railroad industry. FRA is interested in hearing from industry stakeholders, the public, local and State governments, and any other interested parties on the potential benefits, costs, risks, and challenges to

implementing automated railroad operations. FRA also seeks comment on how the agency can best support the railroad industry's development and implementation of new and emerging technologies in automation that could lead to safety improvements or increased efficiencies in railroad operations.

DATES: Comments and information responsive to this request should be received by May 7, 2018.

ADDRESSES: You may submit information and comments identified by the docket number FRA–2018–0027 by any one of the following methods:

- *Fax:* 1–202–493–2251;
- *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, 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; or
- Electronically through the Federal eRulemaking Portal, *http://www.regulations.gov.* Follow the online instructions for submitting comments.

Instructions: All submissions must include the agency name, docket name, and docket number for this RFI (FRA–2018–0027). Note that all comments and data received in response to this RFI will be posted without change to *http://www.regulations.gov,* including any personal information provided. Please see the Privacy Act heading in the **SUPPLEMENTARY INFORMATION** section of this document for Privacy Act information related to any submitted comments or materials.

Docket: For access to the docket to read comments received, go to *http://www.regulations.gov* at any time or to 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 FURTHER INFORMATION CONTACT: Peter Cipriano, Special Assistant to the Administrator, Federal Railroad Administration, 1200 New Jersey Avenue SE, Washington, DC 20590 (telephone: 202–493–6017), *peter.cipriano@dot.gov.*

SUPPLEMENTARY INFORMATION:

I. Overview

FRA seeks to understand the current stage and development of automated railroad operations and how the agency can best position itself to support the integration and implementation of new automation technologies to increase the safety, reliability, and the capacity of the nation's railroad system. As in other transportation modes, there are varying levels of automation that already are, or could potentially be, implemented in the railroad industry. Currently, U.S. passenger and freight railroads do not have a fully autonomous rail operation in revenue service, however, railroads commonly use automated systems for dispatching, meet and pass trip planning, locomotive fuel trip time optimization, and signaling and train control. Railroads conduct many switching and yard operations by remote control and automated equipment and track inspections technologies are used to augment manual inspection methods. Modern locomotive cabs are equipped with intelligent information systems designed to provide operating crews with up-to-date situational awareness as train sensor data and alarms are continuously updated and displayed in operator consoles within the cab. Railroads often now utilize energy management technology (the equivalent of automobile cruise-control) to optimize fuel consumption based on specific operational and equipment factors, as well as movement planner systems designed to optimize in real-time, train movements on the rail network. Railroads are implementing statutorily mandated positive train control technology (a processor-based/communications-based train control system) to prevent train accidents by automatically controlling train speeds and movements if a train operator fails to take appropriate action in certain operational scenarios. These various systems of automation and technologies have transformed rail operations in recent years, improving railroad operational safety and efficiency.

FRA has helped developed many of these technologies and enhancements to these technologies are currently underway to support more advanced train control schemes and fully autonomous operations. In the fall of 2017, the Association of American Railroads, the freight rail industry's primary industry organization that focuses on policy, research, standard setting and technology, formed a Technical Advisory Group on autonomous train operations (ATO TAG). The focus of the ATO TAG is to define industry standards for an interoperable system to support enhanced safety and efficiency of autonomous train operations. The ATO TAG intends to develop standardization to support common interfaces and functions, such that technology may be applied in an interoperable fashion, while also allowing some flexibility in the specific design, implementation and packaging of the technology.

Internationally, the only known fully-autonomous freight railroad system is in Australia. The system is part of the Australia Rio Tinto mining company and began fully-autonomous train operations on an approximately 62-mile stretch of track in Western Australia. This Rio Tinto train is equipped with a variety of sensors (*e.g.,* radar, cameras, kangaroo collisions sensors) and with a switch to toggle between autonomous operation or operation with an operator on board.

FRA seeks to understand the rail industry's plans for future development and implementation of automated train systems and technologies and the industry's plans and expectations related to potential fully-automated rail operations. FRA is specifically interested in the anticipated benefits, costs, risks, and challenges to achieving the industry's desired level of automation. FRA also seeks to understand how the rail industry's plans for future automation may affect other stakeholders, including railroad employees, the traveling public and freight shipping industry, railroad industry suppliers and equipment manufacturers, communities through which railroads operate, local and state governments with roles in regulating highway-rail grade crossing safety, and any other interested parties.

FRA also seeks comment on the appropriate taxonomy to use to provide a baseline framework for the continued development and implementation of automated technology in the railroad industry. For example, both SAE, for on-road vehicles, and the International Association of Public Transport's (UITP) for public transit fixed guideway (rail) have developed taxonomies for their respective modes of transportation.

The SAE definitions divide vehicles into levels based on ''who does what, when.'' Generally:

- At SAE Level 0, the driver does everything.
- At SAE Level 1, an automated system on the vehicle can *sometimes assist* the driver conduct *some parts* of the driving task.
- At SAE Level 2, an automated system on the vehicle can *actually conduct* some parts of the driving task, while the driver continues to monitor the driving environment and performs the rest of the driving task.

• At SAE Level 3, an automated system can both actually conduct some parts of the driving task and monitor the driving environment *in some instances,* but the driver must be ready to take back control when the automated system requests.

• At SAE Level 4, an automated system can conduct the driving task and monitor the driving environment, and the driver need not take back control, but the automated system can operate only in certain environments and under certain conditions.

• At SAE Level 5, the automated system can perform all driving tasks, under all conditions that a driver could perform them.

Using the SAE levels described above, the Department has drawn a distinction for non-road vehicles between Levels 0–2 and 3–5 based on whether the human driver or the automated system is primarily responsible for monitoring the driving environment.

Automatic Train Operation of public transit fixed guideway (rail) systems is an operational safety enhancement to automate operations of trains. It is mainly used on fixed guideway rail systems which are easier to ensure safety of agency staff and passengers. Basically, each grade defines distinct functions of train operation that are the responsibility of agency staff and those that are the responsibility of the rail system itself.

Similar to SAE, UITP defines grades of automation (GoA) for fixed guideway (rail) systems. Generally:

• At UITP Grade 0, on-sight train operation, similar to a streetcar running in mixed traffic.

• At UITP Grade 1, manual train operation where a train operator controls starting and stopping, operation of doors and handling of emergencies or sudden diversions.

• At UITP Grade 2, semi-automatic train operation where starting and stopping is automated, but the train operator or conductor controls the doors, drives the train if needed and handles emergencies (many ATO systems worldwide are Grade 2),

• At UITP Grade 3, driverless train operation where starting and stopping are automated but a train attendant or conductor controls the doors and drives the train in case of emergencies.

• At UITP Grade 4, unattended train operation where starting and stopping, operation of doors and handling of emergencies are fully automated without any on-train staff.

FRA requests comment on whether these or other taxonomies for automation should be applied to railroads.

II. Questions Posed

Although FRA seeks comments and relevant information and data on all issues related to the development and continued implementation of automated train systems and technologies and potentially fully autonomous train operations, FRA specifically requests comment and data in response to the following questions:

General Questions

1. To what extent do railroads plan to automate operations? Do railroads plan to implement fully autonomous rail vehicles (*i.e.,* vehicles capable of sensing their environments and operating without human input)? If so, for what types of operations?

2. How do commenters envision the path to wide-scale development and implementation of autonomous rail operations (or operations increasingly reliant on automated train systems or technologies)? What is the potential timeframe for technology prototype availability for testing and for deployment of such technologies?

3. As discussed above, the railroad industry is currently taking steps in developing standards for automation. How does the railroad industry currently define ''autonomous operations''? Would it be helpful to develop automated rail taxonomy; a system of standards to clarify and define different levels of automation in trains, as currently exists for on-road vehicles and rail transit? What, if any, efforts are already under way to develop such rail automation taxonomy? Should FRA embrace any existing and defined levels of automation in the railroad industry or other transportation modes such as highways or public transit? For example, should FRA consider SAE Standard J3016_201609 (see *http://standards.sae.org/j3016_201609/*), which provides for six GoA for on-road vehicles, or the four GoA for public transit fixed guideway vehicles?

4. What limitations and/or risks (*e.g.,* practical, economic, safety, or other) are already known or anticipated in implementing these types of technologies? How should the railroad industry anticipate addressing these limitations and/or risks, and what efforts are currently underway to address them? Are any mitigating efforts expected in the future and what is the timeline for such efforts?

5. What benefits and efficiencies (*e.g.,* practical, economic, safety, or other) do commenters anticipate that railroads will be able to achieve by implementing these technologies?

6. What societal benefits if any, could be expected to result from the adoption of these technologies (*e.g.,* environmental, or noise reduction)? What societal disadvantages could occur?

7. What, if anything, is needed from other railroad industry participants (*e.g.,* rail equipment and infrastructure suppliers, manufacturers, maintainers) to support railroads' automation efforts?

8. How does the state of automation of U.S. railroad operations compare to that of railroads in other countries? What can be learned from automation employed or under development in other countries? What are the unique characteristics of U.S. railroad operations and/or infrastructure as compared to railroads in other countries that may affect the wide-scale automation of railroad operations in this country?

Safety and/or Security Issues

9. How do commenters believe these technologies could increase rail safety?

10. What processes do railroads have in place to identify potential safety and/or security, including cybersecurity, risks arising during the adoption of these technologies and that may result from the adoption of such technologies?

11. How should railroads plan to ensure identified safety and/or security risks are adequately addressed during the development and implementation of these new technologies? What is an acceptable level of risk in this context?

12. How should railroads plan to ensure the integration of these technologies will not adversely affect, and will instead improve, the safety and/or security of railroad operations?

13. What are the safety and security issues raised by automation in railroad operations at public and private at-grade highway-rail crossings? To what extent should DOT coordinate with state or local governmental entities on certain safety or security issues? How might automation improve the safety of the general public at highway-rail grade crossings or along the railroad rights-of way?

14. How do railroads plan to ensure safety and security from cyber risks?

15. How do the safety and/or security, including cyber risks, faced by U.S. railroads implementing these technologies compare to the risks faced by railroads operating in other countries? How have railroads in other countries addressed or mitigated these risks? Are there opportunities for cross-border collaboration to address such risks?

Infrastructure

16. What are the infrastructure needs for effectively, safely, and securely

implementing these technologies? FRA is particularly interested in wayside, communication, onboard, operating personnel, testing, maintenance, certification, and data infrastructure needs, as well as any other expected or anticipated infrastructure needs.

17. How can the nation's existing rail infrastructure be leveraged to support the implementation of new infrastructure, necessary for the adoption of automated and autonomous operations?

Workforce Viability

18. What is the potential impact of the adoption of these technologies on the existing railroad industry workforce?

19. Would the continued implementation of these technologies, including fully autonomous rail vehicles, create new jobs and/or eliminate the need for existing jobs in the railroad industry?

20. What railroad employee training needs would likely result from the adoption of these technologies? For example, if the technology fails en route, will an onboard employee be trained to take over operation of the vehicle manually or be required to repair the technology en route?

Legal/Regulatory Issues

21. What potential legal issues are raised by the development and implementation of autonomous train systems and technologies within the industry?

22. What are the regulatory challenges (rail-specific or DOT-wide) that must be addressed before autonomous rail vehicles can be made a part of railroad operations in the United States?

23. Are there current safety standards and/or regulations that impede the development and/or implementation of automated train systems or technologies in the railroad industry, including the development and/or implementation of autonomous rail vehicles? If so, what are they and how should they be addressed?

Opportunities for Joint Government/ Industry Cooperation

24. Are there current or anticipated railroad industry, private, international, or State or local government pilot projects or research initiatives involving automated train systems or technologies potentially in need of FRA support? If so, what are the needs (*e.g.,* regulatory, technical)?

25. What data relevant to the development and integration of automated train systems and technologies currently exists that could be leveraged to address future government/industry research needs?

III. Public Participation

FRA invites all interested parties to submit comments, data, and information related to the specific questions listed in Section II above and any other comments, data, or information relevant to issues related to the development and implementation in the railroad industry of new automated train systems or technologies.

How do I prepare and submit comments?

Your comments should be written and in English. To ensure that your comments are filed in the correct docket, please include docket number FRA–2018–0027 in your comments.

Please submit your comments to the docket following the instruction given above under **ADDRESSES**. If you are submitting comments electronically as a PDF (Adobe) file, we ask that the document submitted be scanned using an Optical Character Recognition process, thus allowing FRA to search your comments.

How do I request confidential treatment of my submission?

Although FRA encourages the submission of information that can be freely and publicly shared, if you wish to submit any information under a claim of confidentiality, you must follow the procedures in 49 CFR 209.11.

Will FRA consider late comments?

FRA will consider all comments received before the close of business on the comment closing date indicated above under **DATES**. To the extent possible, FRA will also consider comments after that date.

How can I read the comments submitted by other people?

You may read the comments received at the address given above under Comments. The hours of the docket are indicated above in the same location. You may also read the comments on the internet, filed in the docket number at the heading of this notice, at *http://www.regulations.gov.*

Please note that, even after the comment closing date, FRA will continue to file any relevant information it receives in the docket as it becomes available. Further, some people may submit late comments. Accordingly, FRA recommends that you periodically check the docket for new material.

IV. Privacy Act Statement

FRA notes that anyone is able to search (at *www.regulations.gov*) the electronic form of all filings received into any of DOT's dockets by the name of the individual submitting the filing (or signing the filing, if submitted on behalf of an association, business, labor union, or other organization). You may review DOT's complete Privacy Act Statement published in the **Federal Register** on April 11, 2000 (Volume 65, Number 70, Pages 19477–78), or you may view the privacy notice of *regulations.gov* at *http://www.regulations.gov/#!privacyNotice.*

Authority: 49 U.S.C. 20101 *et seq.*

Issued in Washington, DC, on March 23, 2018.

Brett A. Jortland,

Acting Deputy Chief Counsel.

[FR Doc. 2018–06281 Filed 3–28–18; 8:45 am]

BILLING CODE 4910–06–P

DEPARTMENT OF THE TREASURY

Agency Information Collection Activities; Submission for OMB Review; Comment Request; Multiple TTB Information Collection Requests

AGENCY: Departmental Offices, U.S. Department of the Treasury.

ACTION: Notice.

SUMMARY: The Department of the Treasury will submit the following information collection requests to the Office of Management and Budget (OMB) for review and clearance in accordance with the Paperwork Reduction Act of 1995, on or after the date of publication of this notice. The public is invited to submit comments on these requests.

DATES: Comments should be received on or before April 30, 2018 to be assured of consideration.

ADDRESSES: Send comments regarding the burden estimate, or any other aspect of the information collection, including suggestions for reducing the burden, to (1) Office of Information and Regulatory Affairs, Office of Management and Budget, Attention: Desk Officer for Treasury, New Executive Office Building, Room 10235, Washington, DC 20503, or email at *OIRA_Submission@OMB.EOP.gov* and (2) Treasury PRA Clearance Officer, 1750 Pennsylvania Ave. NW, Suite 8142, Washington, DC 20220, or email at *PRA@treasury.gov.*

FOR FURTHER INFORMATION CONTACT: Copies of the submissions may be obtained from Jennifer Quintana by emailing *PRA@treasury.gov,* calling (202) 622–0489, or viewing the entire information collection request at *www.reginfo.gov.*

SUPPLEMENTARY INFORMATION:

Alcohol and Tobacco Tax & Trade Bureau (TTB)

1. Title: Volatile Fruit-Flavor Concentrate Plants—Applications and Related Records (TTB REC 5520/2).

OMB Control Number: 1513–0006.

Type of Review: Extension without change of a currently approved collection.

Abstract: In general, chapter 51 of the Internal Revenue Code (IRC; 26 U.S.C.) sets forth Federal excise tax rates and application, permit, and other requirements related to alcohol products produced in or imported into the United States. However, while volatile fruit-flavor concentrates contain alcohol when they are manufactured from the mash or juice of a fruit by an evaporative process, under the IRC at 26 U.S.C. 5511, alcohol excise tax and most other provisions of chapter 51 do not apply to such concentrates if their manufacturers file applications, keep records, and meet certain other requirements prescribed by regulation for the protection of the revenue. Under the TTB regulations in 27 CFR part 18, respondents apply to register volatile fruit-flavor plants using form TTB F 5520.3. The TTB regulations also require the filing of an amended TTB F 5520.3 to report any change affecting the accuracy of the original application, as well as the filing of letterhead applications regarding certain volatile fruit-flavor concentrate plant matters not covered by TTB F 5520.3. In addition, volatile fruit-flavor concentrate manufacturers are required to maintain an ongoing record file of all approved applications forms and letters and any related supporting documents on or convenient to their plant premises. TTB uses the application information and record file to identify the persons responsible for, the location of, the distilling equipment in, and operations conducted at a concentrate plant in order to protect the revenue since volatile fruit-flavors could be diverted for use as taxable alcohol beverages.

Form: TTB F 5520.3.

Affected Public: Businesses or other for-profits.

Estimated Total Annual Burden Hours: 110.

2. Title: Volatile Fruit-Flavor Concentrate Manufacturers—Annual Report, and Usual and Customary Business Records (TTB REC 5520/1).

OMB Control Number: 1513–0022.

Type of Review: Extension without change of a currently approved collection.

Abstract: In general, chapter 51 of the Internal Revenue Code (IRC; 26 U.S.C.) sets forth Federal excise tax rates and application, permit, and other requirements related to alcohol products produced in or imported into the United States. However, while volatile fruit-flavor concentrates contain alcohol when they are manufactured from the mash or juice of a fruit by an evaporative process, under the IRC at 26 U.S.C. 5511, alcohol excise tax and most other provisions of chapter 51 do not apply to such concentrates if their manufacturers file applications, keep records, submit reports, and meet certain other requirements prescribed by regulation for the protection of the revenue. As authorized by that IRC section, the TTB regulations in 27 CFR part 18 require volatile fruit-flavor concentrate manufacturers to submit an annual summary report using form TTB F 5520.2 to account for all concentrates produced, removed, or treated so as to be unfit for beverage use. Concentrate manufacturers compile this report from usual and customary records kept during the normal course of business, and, under the part 18 regulations, respondents must retain such records for 3 years. The annual summary reports and their supporting records are necessary to protect the revenue; TTB uses the required information to verify that volatile fruit-flavor concentrates, which contain untaxed alcohol, are not being diverted to taxable alcohol beverage use.

Form: TTB F 5520.2.

Affected Public: Businesses or other for-profits.

Estimated Total Annual Burden Hours: 18.

3. Title: Distilled Spirits Production Records (TTB REC 5110/01) and Monthly Report of Production Operations.

OMB Control Number: 1513–0047.

Type of Review: Extension without change of a currently approved collection.

Abstract: The Internal Revenue Code (IRC) at 26 U.S.C. 5001 sets forth, in general, the Federal excise tax rates for distilled spirits produced in or imported into the United States, and at 26 U.S.C. 5207 the IRC requires distilled spirit plant (DSP) proprietors to maintain records of production, storage, denaturation, and processing activities and to render reports covering those operations, as may be prescribed by regulation. The TTB regulations in 27 CFR part 19 require DSP proprietors to keep records regarding the production materials used to produce spirits, the amount of spirits produced, the withdrawal of spirits from the production account, and the production of spirits byproducts, which must be maintained for at least 3 years. Based on those records, the part 19 regulations also require DSP proprietors to submit monthly reports of production operations on TTB F 5110.40. To protect the revenue, TTB uses the collected information to verify the amount of distilled spirits produced at a DSP, to account for the proprietor's resulting excise tax liability, and to determine the amount of bond coverage required, if any.

Form: TTB F 5110.40.

Affected Public: Businesses or other for-profits.

Estimated Total Annual Burden Hours: 38,400.

4. Title: Wholesale Dealers Records of Receipt of Alcoholic Beverages, Disposition of Distilled Spirits, and Monthly Summary Report, TTB REC 5170/2.

OMB Control Number: 1513–0065.

Type of Review: Revision of a currently approved collection.

Abstract: The Internal Revenue Code (IRC) at 26 U.S.C. 5121 requires wholesale dealers in liquors to keep daily records of all distilled spirits received and disposed of, and, at the Secretary's discretion, to submit periodic summaries of those daily records. This IRC section also requires wholesale dealers in liquors and wholesale dealers in beer to keep daily records of all wine and beer received. In addition, section 5121 authorizes the Secretary to issue regulations regarding the keeping and submission of these records and summary reports by such wholesale dealers. The IRC at 26 U.S.C. 5123 also sets forth retention and inspection requirements for the required wholesale dealer records and reports. Under these IRC authorities, TTB has issued regulations applicable to wholesale dealers, which are contained in 27 CFR part 31. These regulations require wholesale dealers to keep usual and customary business records, such as consignment and purchase invoices, to document their daily receipt and disposition of distilled spirits and their daily receipt of wine and beer. TTB, at its discretion, also may require a particular wholesale liquor dealer to submit monthly summary reports regarding all distilled spirits received and disposed of on a daily basis. In addition, the TTB regulations require that wholesaler dealers keep the required records and copies of any required monthly summary reports at their place of business, available for TTB inspection, for at least 3 years.

Form: None.

Affected Public: Businesses or other for-profits.

Estimated Total Annual Burden Hours: 1,200.

5. Title: Specific and Continuing Export Bonds for Distilled Spirits or Wine.

OMB Control Number: 1513–0135.

Type of Review: Revision of a currently approved collection.

Abstract: The IRC at 26 U.S.C. 5175, 5214, and 5362 authorizes exporters (other than proprietors of distilled spirits plants or bonded wine premises) to withdraw distilled spirits and wine, without payment of tax, for export if the exporter provides a bond, as prescribed by regulation. In order to protect the revenue and provide exporters with a degree of flexibility based on individual need, the TTB alcohol export regulations in 27 CFR part 28 allow exporters to file either a specific bond using TTB F 5100.25 to cover a single shipment or a continuing bond using TTB F 5100.30 to cover export shipments made from time to time.

Form: TTB F 5100.25, TTB F 5100.30.

Affected Public: Businesses or other for-profits.

Estimated Total Annual Burden Hours: 20.

Authority: 44 U.S.C. 3501 *et seq.*

Dated: March 26, 2018.

Spencer W. Clark,

Treasury PRA Clearance Officer.

[FR Doc. 2018–06305 Filed 3–28–18; 8:45 am]

BILLING CODE 4810–31–P

DEPARTMENT OF THE TREASURY

Agency Information Collection Activities; Submission for OMB Review; Comment Request; Changes in Periods of Accounting

AGENCY: Departmental Offices, U.S. Department of the Treasury.

ACTION: Notice.

SUMMARY: The Department of the Treasury will submit the following information collection requests to the Office of Management and Budget (OMB) for review and clearance in accordance with the Paperwork Reduction Act of 1995, on or after the date of publication of this notice. The public is invited to submit comments on these requests.

DATES: Comments should be received on or before April 30, 2018 to be assured of consideration.

ADDRESSES: Send comments regarding the burden estimate, or any other aspect of the information collection, including suggestions for reducing the burden, to (1) Office of Information and Regulatory Affairs, Office of Management and Budget, Attention: Desk Officer for Treasury, New Executive Office Building, Room 10235, Washington, DC 20503, or email at *OIRA_Submission@OMB.EOP.gov* and (2) Treasury PRA Clearance Officer, 1750 Pennsylvania Ave. NW, Suite 8142, Washington, DC 20220, or email at *PRA@treasury.gov.*

FOR FURTHER INFORMATION CONTACT: Copies of the submissions may be obtained from Jennifer Quintana by emailing *PRA@treasury.gov,* calling (202) 622–0489, or viewing the entire information collection request at *www.reginfo.gov.*

SUPPLEMENTARY INFORMATION:

Internal Revenue Service (IRS)

Title: Changes in Periods of Accounting.

OMB Control Number: 1545–1786.

Type of Review: Revision of a currently approved collection.

Abstract: This previously approved Revenue Procedure's 2006–45 (modified and clarified by 2007–64), 2006–46, and 2002–39 (modified by 2003–79) provide the comprehensive administrative rules and guidance for affected taxpayers adopting, changing, or retaining annual accounting periods, for federal income tax purposes. In order to determine whether a taxpayer has properly adopted, changed to, or retained an annual accounting period, certain information regarding the taxpayer's qualification for and use of the requested annual accounting period is required. The revenue procedures request the information necessary to make that determination when the information is not otherwise available. The only collection of information being reported under this ICR is the information in Revenue Procedure 2002–39. The burden under Revenue Procedure 2006–45 and 2006–46 are being reported under their respective forms (1545–0134 and 1545–0123).

Forms: None.

Affected Public: Businesses or other for-profits.

Estimated Total Annual Burden Hours: 600.

Authority: 44 U.S.C. 3501 *et seq.*

Dated: March 26, 2018.

Jennifer P. Quintana,

Treasury PRA Clearance Officer.

[FR Doc. 2018–06340 Filed 3–28–18; 8:45 am]

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FEDERAL REGISTER

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Part II

Federal Communications Commission

47 CFR Part 54
Connect America Fund Phase II Auction; Notice and Filing Requirements and Other Procedures for Auction 903; Final Rule

FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 54

[AU Docket No. 17–182; WC Docket No. 10–90; FCC 18–6]

Connect America Fund Phase II Auction; Notice and Filing Requirements and Other Procedures for Auction 903

AGENCY: Federal Communications Commission.

ACTION: Final action; requirements and procedures.

SUMMARY: In the document, the Federal Communications Commission (Commission) establishes the procedures for the Connect America Fund Phase II auction (Phase II auction, auction, or Auction 903). The auction will award up to $1.98 billion over 10 years to providers that commit to offer voice and broadband services to fixed locations in unserved high-cost areas. The auction is scheduled to begin on July 24, 2018.

DATES: Auction 903 short-form applications must be filed prior to 6 p.m. Eastern Time (ET) on March 30, 2018. Bidding in Auction 903 is scheduled to begin on July 24, 2018.

FOR FURTHER INFORMATION CONTACT: Heidi Lankau or Katie King, Telecommunications Access Policy Division, Wireline Competition Bureau, (202) 418–7400 or TTY (202) 418–0484; Mark Montano or Angela Kung, Auctions and Spectrum Access Division, Wireless Telecommunications Bureau, (202) 418–0660.

SUPPLEMENTARY INFORMATION: This is a synopsis of the Commission's document in AU Docket No. 17–182; WC Docket No. 10–90; FCC 18–6, released on February 1, 2018 (*CAF II Auction Procedures Public Notice*). The full text of this document is available for public inspection during regular business hours in the FCC Reference Center, Room CY–A257, 445 12th St. SW, Washington, DC 20554 or at the following internet address: *https://transition.fcc.gov/Daily_Releases/Daily_Business/2018/db0201/FCC-18-6A1.pdf.*

I. Introduction

1. The Commission establishes procedures for the Connect America Fund Phase II auction (Phase II auction, auction, or Auction 903), thus furthering its progress toward closing the digital divide for all Americans, including those in rural areas of the country. The Phase II auction will award up to $198 million annually for 10 years to service providers that commit to offer voice and broadband services to fixed locations in unserved high-cost areas. The auction is scheduled to begin on July 24, 2018.

2. Auction 903 will be the first auction to award ongoing high-cost universal service support using a multiple-round, reverse auction. Through this auction, the Commission intends to maximize the value the American people receive for the universal service dollars it spends, balancing higher-quality services with cost efficiencies. Therefore, the auction is designed to select bids from providers that would deploy high-speed broadband and voice services in unserved communities for lower relative levels of support. The bidding procedures will be implemented through the Auction 903 bidding system, which will enable a bidder to express in a simple and orderly way the amount of support it needs to provide a specified level of service to a specified set of eligible areas.

II. Auction Specifics

3. *Auction Title and Start Date.* The auction is referred to as ''Auction 903—Connect America Fund Phase II.'' Bidding in Auction 903 will begin on July 24, 2018. The initial schedule for bidding rounds will be announced by public notice approximately one week before the start of the auction.

4. *Auction 903 Dates and Deadlines.* The Auction Application Tutorial will be available via the internet by March 13, 2018. The Short-Form Application (FCC Form 183) filing window opens March 19, 2018 at 12:00 noon ET. The Short-Form Application (FCC Form 183) filing window deadline is March 30, 2018 at 6:00 p.m. ET. The Auction Bidding Tutorial will be available via the internet by June 28, 2018. The mock auction begins during the week of July 16, 2018. The auction begins on July 24, 2018.

5. *Requirements for Participation.* Those wishing to participate in this auction must submit a short-form application (FCC Form 183) electronically prior to 6:00 p.m. ET, March 30, 2018, following the electronic filing procedures that will be provided in a public notice to be released in advance of the opening of the short-form application filing window and comply with all provisions outlined in the document and applicable Commission rules.

III. Public Interest Obligations

6. Each winning bidder that is authorized to receive Phase II support after the close of the auction will be required to offer voice and broadband services meeting the relevant performance requirements to fixed locations. It must make these services available to the required number of locations associated with the eligible census blocks for which it is the winning bidder. The number of locations that a support recipient is required to serve in the eligible census blocks is aggregated to the census block group (CBG) level, which is the geographic area that will be used for bidding in the auction. In the auction, the Commission will accept bids for service at one of four performance tiers, each with its own minimum download and upload speed and usage allowance, and for either high or low latency service, as shown in the tables below. Winning bidders that become authorized to receive Phase II support must deploy broadband service that meets the performance tier and latency requirements associated with their winning bids. Each Connect America Fund support recipient must offer voice as a standalone service, but may separately bundle its broadband offerings with a voice service.

Performance tier	Speed	Monthly usage allowance	Weight
Minimum	≥10/1 Mbps	≥150 gigabytes (GB)	65
Baseline	≥25/3 Mbps	≥150 GB or U.S. median, whichever is higher	45
Above Baseline	≥100/20 Mbps	≥2 terabytes (TB)	15
Gigabit	≥1 Gbps/500 Mbps	≥2 TB	0

Latency	Requirement	Weight
Low Latency	≤100 ms	0
High Latency	≤750 ms & MOS ≥4	25

7. Phase II support recipients are permitted to offer a variety of broadband service offerings as long as they offer at least one standalone voice plan and one service plan that provides broadband at the relevant performance tier and latency requirements, and these plans must be offered at rates that are reasonably comparable to rates offered in urban areas. For voice service, a support recipient will be required to certify that the pricing of its service is no more than the applicable reasonably comparable rate benchmark that the Commission's Wireline Competition Bureau (WCB) releases each year. For broadband services, a support recipient will be required to certify that the pricing of a service that meets the required performance tier and latency performance requirements is no more than the applicable reasonably comparable rate benchmark, or that it is no more than the non-promotional price charged for a comparable fixed wireline broadband service in the state or U.S. territory where the eligible telecommunication carrier (ETC) receives support.

8. The Commission has adopted specific service milestones that require each winning bidder authorized to receive Phase II support to offer service to a portion of the number of locations associated with the eligible census blocks included in its authorized winning bids in a state. Specifically, each support recipient must complete construction and begin commercially offering service to 40 percent of the requisite number of locations in a state by the end of the third year of funding and to an additional 20 percent in each subsequent year, with 100 percent by the end of the sixth year. A support recipient is deemed to be commercially offering voice and/or broadband service to a location if it provides service to the location or could provide it within 10 business days upon request.

9. Compliance will be determined at the state-level. The Commission will verify that the support recipient offers the required service to the total number of locations across all the eligible census blocks included in all of the support recipient's authorized bid areas (*i.e.,* CBGs) in a state. If a support recipient is authorized to receive support in a state for different performance tier and latency combinations, it will be required to demonstrate that it is offering service meeting the relevant performance requirements to the required number of locations for each performance tier and latency combination within that state.

10. The required number of locations for each performance tier and latency combination will be determined by adding up the locations in all the eligible census blocks in the state covered by authorized winning bids specifying the particular performance tier and latency combination.

11. The Commission also decided that a support recipient that faces unforeseen challenges may take advantage of the flexibility to serve, at a minimum, 95 percent of the required number of locations in a state. Support recipients that offer service to at least 95 percent of locations but fewer than 100 percent of locations must refund support based on the number of locations left unserved in the state.

12. In the event a support recipient cannot identify enough locations in the eligible census blocks in its winning bids to meet its statewide obligation, it will have one year after release of the Phase II auction closing public notice to file evidence of the total number of locations in those blocks, including geolocation data of all the locations it was able to identify. The support recipient's filing will be subject to review and comment by relevant stakeholders and an audit. If the support recipient demonstrates that the number of actual, on-the-ground locations is lower than the number estimated by the CAM, its state location total will be adjusted, and its support will be reduced on a pro rata basis. If a support recipient finds that the number of actual locations has increased, its location total and support will not be increased.

13. To monitor each support recipient's compliance with the Phase II auction public interest obligations, the Commission has adopted reporting requirements described in detail in the *Phase II Auction Order,* 81 FR 44413, July 7, 2016. These include reporting a list of geocoded locations each year to which the support recipient is offering the required voice and broadband services, making a certification when the support recipient has met service milestones, and submitting the annual FCC Form 481 report. A support recipient that fails to offer service to the required number of locations by a service milestone will be subject to non-compliance measures. A support recipient will also be subject to any non-compliance measures that are adopted in conjunction with a methodology for high-cost support recipients to measure and report network performance.

IV. Eligible Areas

14. The Commission will use CBGs containing one or more eligible census blocks as the minimum geographic area for bidding in the auction. WCB released a list of the eligible census blocks for Auction 903 in December 2017 based on December 31, 2016 FCC Form 477 data. The list contains two tables. The first table identifies the CBGs eligible for bidding in the Phase II auction and lists the CBG identification number (the 12-digit Census code), the relevant state abbreviation, the county name, the number of locations that are eligible for Phase II support, and the reserve price (on an annual basis) rounded to the nearest dollar. The second table identifies the eligible census blocks within the CBGs that are eligible for bidding in the Phase II auction. This table lists the census block identification number (the 15-digit Census code), the relevant state abbreviation, the county name, and the CBG identification number. All the eligible census blocks within a CBG will be aggregated for bidding purposes. The table includes approximately 214,000 census blocks that are within approximately 30,300 CBGs, located in 50 states and territories. The Commission directs WCB to release a revised map and list of eligible areas that removes census block groups with a $0 reserve price and census blocks that overlap certain rate-of-return carrier study area boundaries.

V. Applying To Participate in Auction 903

15. *General Information Regarding Short-Form Applications.* An application to participate in Auction 903, referred to as a short-form application or FCC Form 183, provides information used to determine whether the applicant has the legal, technical, and financial qualifications to participate in a Commission auction for universal service support. The short-form application is the first part of the Commission's two-phased auction application process. In the first phase, an entity seeking to participate in the auction must file a short-form application in which it certifies, under penalty of perjury, its qualifications. Eligibility to participate in the Phase II auction is based on an applicant's short-form application and certifications. A potential applicant must take seriously its duties and responsibilities and carefully determine before filing a short-form application that it is able to meet the public interest obligations associated with Phase II support if it ultimately becomes a winning bidder in the auction. The Commission's determination that an applicant is qualified to participate in Auction 903 does not guarantee that the applicant will also be deemed qualified to receive Phase II support if it becomes a winning bidder. In the second phase of the

process, each winning bidder must file a more comprehensive long-form application (FCC Form 683), which the Commission will review to determine if a winning bidder should be authorized to receive support for its winning bids.

16. An entity seeking to participate in Auction 903 must file a short-form application electronically via the FCC's Auction Application System prior to 6:00 p.m. ET on March 30, 2018. Among other things, an applicant must submit operational and financial information demonstrating that it can meet the service requirements associated with the performance tier and latency combination(s) for which it intends to bid. Below the Commission describes more fully the information disclosures and certifications required in the short-form application. An applicant that files a short-form application is subject to the Commission's rule prohibiting certain communications. An applicant is subject to the prohibition beginning at the deadline for filing short-form applications.

17. An applicant bears full responsibility for submitting an accurate, complete, and timely short-form application. An applicant should consult the Commission's rules to ensure that, in addition to the materials described below, all required information is included in its short-form application. To the extent the information in the document does not address a potential applicant's specific operating structure, or if the applicant needs additional information or guidance concerning the following disclosure requirements, the applicant should review the educational materials for Auction 903 and/or use the contact information provided in the document to consult with Commission staff to better understand the information it must submit in its short-form application.

18. The same entity may not bid based on more than one auction application, *i.e.,* as more than one applicant. Therefore, an entity may not submit more than one short-form application for Auction 903. If an entity submits multiple short-form applications, only one application may be the basis for that entity to become qualified to bid.

19. An applicant should note that submitting a short-form application (and any amendments thereto) constitutes a representation by the certifying official that he or she is an authorized representative of the applicant, that he or she has read the form's instructions and certifications, and that the contents of the application, its certifications, and any attachments are true and correct. As more fully explained below, an applicant is not permitted to make major modifications to its application after the short-form application filing deadline. Submitting a false certification to the Commission may result in penalties, including monetary forfeitures, the forfeiture of universal service support, license forfeitures, ineligibility to participate in future auctions, and/or criminal prosecution.

20. After the initial short-form application filing deadline, Commission staff will review all timely submitted applications to determine whether each application complies with the application requirements and has provided all required information concerning the applicant's qualifications for bidding. After this review is completed, a public notice will be released announcing the status of applications and identifying the applications that are complete and those that are incomplete because of minor defects that may be corrected. This public notice also will establish an application resubmission filing window, during which an applicant may make permissible minor modifications to its application to address identified deficiencies. The public notice will include the deadline for resubmitting modified applications. After the review of resubmitted applications is complete, a public notice will be released identifying the applicants that are qualified to bid.

21. *Disclosure of Agreements and Bidding Arrangements.* An applicant must identify in its short-form application all real parties in interest to any agreements relating to the participation of the applicant in the competitive bidding for Phase II support. This disclosure requirement applies to any arrangements with parties that are applying to participate in Auction 903 as well as parties that are not. An applicant that discloses any such agreement(s) must provide in its short-form application a brief description of each agreement.

22. An applicant must certify under penalty of perjury in its short-form application that it has disclosed all real parties in interest to any agreements involving the applicant's participation in the competitive bidding for Phase II support. An applicant must also certify under penalty of perjury that it has not entered into any explicit or implicit agreements, arrangements, or understandings of any kind related to the support to be sought through the Phase II auction, other than those disclosed in its application. For purposes of making the required agreement disclosures, if parties agree in principle on all material terms prior to the application filing deadline, each applicant should provide a brief description of, and identify the other party or parties to, the agreement on its respective FCC Form 183, even if the agreement has not been reduced to writing. If an applicant has had discussions, but has not reached an agreement by the close of the initial filing window, it should not include the names of parties to the discussions on its application and may not continue such discussions with any applicants after the close of the initial filing window until after the auction closes.

23. *Ownership Disclosure Requirements.* Each applicant must comply with the ownership disclosure requirements in §§ 1.2112(a) and 54.315(a)(1) of the Commission's rules. Specifically, in completing the short-form application, an applicant must fully disclose information regarding the real party- or parties-in-interest in the applicant or application and the ownership structure of the applicant, including both direct and indirect ownership interests of 10 percent or more, as prescribed in § 1.2112(a) of the Commission's rules. Each applicant is responsible for ensuring that information submitted in its short-form application is complete and accurate.

24. In certain circumstances, an applicant may have previously filed an FCC Form 602 ownership disclosure information report or filed an auction application for a previous auction in which ownership information was disclosed. The most current ownership information contained in any FCC Form 602 or previous auction application on file with the Commission that used the same FRN the applicant is using to submit its FCC Form 183 will automatically be pre-filled into certain ownership sections on the applicant's FCC Form 183, if such information is in an electronic format compatible with FCC Form 183. Each applicant must carefully review any ownership information automatically entered into its FCC Form 183, including any ownership attachments, to confirm that all information supplied on FCC Form 183 is complete and accurate as of the application filing deadline for Auction 903. Any information that needs to be corrected or updated must be changed directly in FCC Form 183.

25. *Specific Universal Service Certifications.* An applicant must certify that it is in compliance with all statutory and regulatory requirements for receiving the universal service support it seeks. Alternatively, if expressly allowed by the rules specific to a high-cost support mechanism, an applicant may certify that it

acknowledges that it must be in compliance with such requirements before being authorized to receive Phase II support.

26. In addition, an applicant must certify that it will make any default payment that may be required pursuant to § 1.21004, and that it is aware that if its application is shown to be defective, the application may be dismissed without further consideration and penalties may apply.

27. *Specific Phase II Eligibility Requirements and Certifications. State Selections and Impermissible State Overlaps.* An applicant must select the specific state(s) in which it wishes to bid when submitting its short-form application. For purposes of the short-form application, the term ''state'' shall also include the District of Columbia and U.S. territories to the extent they contain eligible areas. An applicant will be able to place bids for eligible areas only in the state(s) identified in its short-form application and for which it is deemed eligible to bid. An applicant should take appropriate steps to ensure that the state(s) it selects fully reflect its bidding intentions because an applicant may not select any additional states in which to bid after the initial short-form application filing window closes. However, an applicant will be permitted to remove any state(s) it selected on its short-form application during the application resubmission filing window.

28. In addition, to discourage coordinated bidding that may disadvantage other bidders, separate applicants that are commonly controlled or are parties to a joint bidding arrangement are prohibited from bidding in any of the same states. Knowing the specific state(s) for which an applicant intends to bid, as well as its ownership and bidding arrangement information, all of which is collected on the short-form application, will help the Commission ensure that applicants comply with this prohibition.

29. Commonly controlled applicants are those in which the same individual or entity either directly or indirectly holds a controlling interest. To identify commonly controlled applicants, the Commission defines a ''controlling interest'' for purposes of the Phase II auction as an individual or entity with positive or negative *de jure* or *de facto* control of the applicant. In addition, the Commission defines ''joint bidding arrangements'' as those that (i) relate to any eligible area in the Phase II auction and (ii) address or communicate bids or bidding strategies, including arrangements regarding Phase II support levels (*i.e.,* bidding percentages) and specific areas on which to bid, as well as any arrangements relating to the post-auction market structure in an eligible area.

30. Entities that are commonly controlled or are parties to a joint bidding arrangement have two options for submitting short-form applications to avoid the restriction on state overlaps. It is important that such entities carefully consider these options prior to the short-form application filing deadline. At the deadline, the prohibition of certain communications begins, and after that time, only minor amendments or modifications to applications will be permitted.

31. First, such entities may submit a single short-form application and qualify to bid as one applicant in a state. To facilitate the identification of such applications, an applicant will indicate whether it is submitting the application on behalf of itself and one or more existing operating companies, and if so, to identify such companies. Similarly, parties to a joint bidding arrangement may form a consortium or a joint venture and submit a single short-form application that identifies each party to the consortium or joint venture. At least one related entity, affiliate, or member of the holding or parent company, consortium, or joint venture identified in the short-form application must demonstrate that it meets the operational and financial requirements of § 54.315(a)(7).

32. If a holding/parent company or a consortium/joint venture is announced as a winning bidder in Auction 903, the entity may designate at least one operating company controlled by the holding/parent company or by a member of (or an entity controlled by a member of) the consortium/joint venture that will be authorized to receive Phase II support for the winning bids in a state. While more than one operating company may be designated in a state, an operating company must be identified for each winning bid, whether the bid covers one CBG or a package of CBGs. Thus, a winning bidder cannot apportion either eligible census blocks within a winning bid for a CBG or separate CBGs within a winning package bid among multiple operating companies. The operating company that seeks authorization for Phase II support must file the long-form application in its own name. Because the operating company is the entity that will be required to meet the associated Phase II public interest obligations, the operating company should be the entity that will make the required certifications in the long-form application about its technical and financial qualifications and that will meet the public interest obligations. A holding/parent company or a consortium/joint venture short-form applicant that intends to form a new operating company if it is named as a winning bidder is expected to take whatever steps are necessary to form the operating company in advance of the long-form application filing deadline. The identified operating company must also be the entity that is designated as the ETC by the relevant state(s) in the areas covered by the winning bid(s) and is named in the letter of credit applicable to the specific winning bids for which it becomes authorized for support.

33. The second way commonly controlled entities or parties to a joint bidding arrangement can participate is by submitting short-form applications and qualifying to bid independently, though not in the same state. Such applicants must exercise due diligence to confirm prior to submitting their respective short-form applications that no other commonly controlled entity or party to a joint bidding arrangement, or an entity that controls any party to such an arrangement, has indicated its intent to bid in any of the same state(s) that each of the applicants has selected. To that end, an applicant must certify in its short-form application that it acknowledges that it cannot place any bids in the same state as (i) another commonly controlled entity, (ii) another party to a joint bidding arrangement related to Phase II support that it is a party to, or (iii) any entity that controls a party to such an arrangement. And, as noted above, to help identify any impermissible state overlaps, an applicant must provide in its short-form application a brief description of any bidding arrangements that are required to be disclosed.

34. If, during short-form application review, applicants that are commonly controlled and/or parties to a joint bidding arrangement are found to have selected the same state(s) in their respective applications, all such applications will be deemed to be incomplete on initial review. The WCB and the Wireless Telecommunications Bureau (WTB) (collectively, the Bureaus) will inform each affected applicant of the identity of each of the other applicant(s) with which it has an impermissible state overlap and the specific overlapping state(s). To the extent that an affected applicant has disclosed a joint bidding arrangement with one or more of the other affected applicants, these applicants must decide amongst themselves which applicant (if any) will bid in each overlapping state. Then, the applicants must revise their

short-form applications during the application resubmission window, as appropriate, so that only one of the applications includes the overlapping state and thus only one of the applicants can be deemed eligible to bid on that particular state. However, if the overlapping state(s) remain listed in more than one of the affected applicants' applications after the close of the resubmission filing window, none of the affected applicants will be eligible to bid in the overlapping state(s). Any affected applicant that has not entered into a joint bidding arrangement with the other affected applicant(s) (including commonly controlled entities) and disclosed that arrangement on its short-form application will be barred by the Commission's prohibited communications rule from discussing the overlap with any of the other affected applicant(s). As a result, such applicants will be prohibited from bidding in any state(s) where there is an overlap after the close of the resubmission filing window. After the Auction 903 qualified bidders are announced, each applicant will be able to view its final eligibility determination for each state in the Auction Application System. The bidding system will be configured to permit a qualified bidder to bid only in the state(s) for which that qualified bidder has been deemed eligible to bid.

35. *Operational History and Submission of Financial Statements.* The Commission has established two pathways for an applicant to demonstrate its operational experience and financial qualifications to participate in the Phase II auction. These pathways vary depending on whether the applicant has at least two years of operational experience. In addition, all applicants are required to provide financial and operational information, regardless of whether they have two years of operational experience.

36. With the first pathway, an applicant can certify, if applicable, on its FCC Form 183 that it has provided voice, broadband, and/or electric distribution or transmission services for at least two years prior to the short-form application filing deadline (or that the applicant is the wholly owned subsidiary of an entity that has done so), specify the number of years it has been operating, and identify the services it has provided. An applicant will be deemed to have started providing a service on the date it began commercially offering that service to end users.

37. If an applicant certifies that it has been providing voice and/or broadband services for at least two years, it must certify that it (or its parent company, if it is a wholly owned subsidiary) has filed FCC Form 477s as required during that time period. It must also identify the FRNs it (or its parent company) used to file the FCC Form 477s for the relevant filing periods. The relevant FCC Form 477 filing periods include data as of June 30, 2016; December 31, 2016; and June 30, 2017. FCC Form 477 data for these periods that were on file as of February 5, 2018 will be used to validate an applicant's representation on the short-form application that it has been providing a voice and/or broadband service for at least two years. If the applicant certifies that it has been providing only electric distribution or transmission services for at least two years (*i.e.,* it has not also been providing voice or broadband service for at least two years), it must submit with its short-form application qualified operating or financial reports that it (or its parent company, if it is a wholly owned subsidiary) filed with the relevant financial institution in 2016 and 2017 that demonstrate that the applicant (or its parent company) has been operating for at least two years. The applicant also must submit a certification that the submission is a true and accurate copy of the forms that were submitted to the relevant financial institution. The Commission will accept the Rural Utilities Service (RUS) Form 7, Financial and Operating Report Electric Distribution; the RUS Form 12, Financial and Operating Report Electric Power Supply; the National Rural Utilities Cooperative Finance Corporation (CFC) Form 7, Financial and Statistical Report; the CFC Form 12, Operating Report; the CoBank Form 7; or the functional replacement of one of these reports.

38. If an applicant that meets the foregoing requirements and it (or its parent company) is audited in the ordinary course of business, the applicant must also submit its (or its parent company's) financial statements from the prior fiscal year, including balance sheets, net income, and cash flow, that were audited by an independent certified public accountant. If the applicant is a holding company, it must submit its own audited financial statements. If the applicant is a consortium or a joint venture, it must submit the audited financial statements of the entity that is the subject of the at least two-year operational certification. If the applicant is a wholly owned subsidiary and has certified that its parent company has provided service for at least two years, it must submit the audited financial statements of its parent company. Because the short-form application filing window opens in the first quarter of 2018, the Commission requires that an applicant submit its (or its parent company's) 2016 audited financial statements. However, an applicant may, and is encouraged to, instead submit its fiscal year-end 2017 audited financial statements if they are finalized before the short-form application deadline.

39. If an applicant (or its parent company) is not audited in the ordinary course of business and the applicant does not submit its audited financial statements with the short-form application, it must certify that the long-form applicant will submit its (or its parent company's) audited financial statements from the prior fiscal year within 180 days after being announced as a winning bidder. Such an applicant must also submit its (or its parent company's) fiscal year-end 2016 unaudited financial statements with its short-form application, including balance sheet, net income, and cash flow. If an applicant certifies in its short-form application that it will submit audited financial statements during the long-form application process, but such statements are ultimately not submitted, the winning bidder or long-form applicant will be deemed to be in default and subject to a forfeiture.

40. An applicant that does not have at least two years of operational experience must submit with its short-form application its (or its parent company's) financial statements that are audited by an independent certified public accountant from the three most recent fiscal years (*i.e.,* 2014, 2015, and 2016), including balance sheets, net income, and cash flow. An applicant is encouraged to instead submit fiscal year-end 2015, 2016, and 2017 audited financial statements if the 2017 audited financial statements are finalized in time to submit them before the short-form application deadline. Such an applicant must also submit with its short-form application a letter of interest from a qualified bank stating that the bank would provide a letter of credit to the applicant if the applicant becomes a winning bidder and is selected for bids of a certain dollar magnitude. The letter should include the maximum dollar amount for which the bank would be willing to issue a letter of credit to the applicant and a statement that the bank would be willing to issue a letter of credit that is substantially in the same form as set forth in the model letter of credit provided in Appendix B of the

Phase II Auction Order, 81 FR 44413, July 7, 2016.

41. *Financial Qualifications.* All applicants must report on their short-form application certain metrics from their financial statements (audited or unaudited) from the prior fiscal year being submitted with the applications. These metrics are meant to demonstrate that an applicant has sufficient financial qualifications to participate in the Phase II auction to minimize the number of winning bidders that default because they are unable to meet the long-form application requirements. Winning bidders will be required to provide additional, more specific evidence of their financial qualifications at the long-form application stage to demonstrate that they have the financial qualifications to meet the Phase II public interest obligations.

42. These metrics must be reported in the short-form application and will be scored using a five-point scale described below. The five-point scale will be used to score one yes/no question and four other common financial metrics. These metrics are based on information already contained in the financial statements that must be submitted with the short-form application. The five-point scale provides a streamlined process for assessing, efficiently and objectively, whether an applicant has sufficient financial qualifications or requires further financial review. An applicant that scores at least three points will be deemed to have sufficient financial qualifications to participate in the auction if it has submitted the required financial information with its short-form application.

43. The objective financial metrics for this five-point scale will not necessarily provide a full picture of an applicant's financial qualifications. Therefore, a score of less than three points will warrant a review of the full set of financial statements submitted with the short-form application, as well as other information submitted with the application and/or information submitted to the Commission in other contexts (*e.g.,* financials filed with a FCC Form 481, revenues reported in FCC Form 499, etc.). To the extent this information does not sufficiently demonstrate that an applicant is financially qualified, the application will be deemed incomplete and the Commission may request further information from the applicant during the application resubmission period.

44. The first point on the five-point scale is based on a yes/no question. Specifically, an applicant that submits audited financial statements will be asked whether it received an unmodified, non-qualified opinion from the auditor; an applicant will receive one point for a ''yes'' answer. An applicant must also enter the following metrics from the most recent financial statements submitted with the short-form application: (1) Latest operating margins (*i.e.,* operating revenue less operating expenses excluding depreciation), where an operating margin greater than zero will receive one point; (2) Times Interest Earned Ratio (TIER), where a TIER ((net income plus interest expense) divided by interest expense) greater than or equal to 1.25 will receive one point; (3) current ratio (current assets divided by current liabilities), where a ratio greater than or equal to 2 will receive one point; and (4) equity ratio (total equity divided by total capital), where a result greater than or equal to 0.4 will receive one point. This scoring methodology is summarized in the table below:

Financial metric	Response or threshold	Score
If the applicant has audited financial statements, did it receive an unmodified (non-qualified) opinion?	Yes	+1
Operating margin	>0	+1
Times Interest Earned Ratio (TIER)	≥1.25	+1
Current Ratio (Ratio current assets/current liabilities)	≥2	+1
Equity Ratio (Total equity/total capital (total equity plus total liabilities))	≥0.4	+1

45. The question regarding an applicant's audit opinion measures both the applicant's financial condition and operations. The metric for operating margin measures core profitability, and the metrics for current ratio and equity ratio measure the applicant's short- and long-term financial condition, respectively. TIER measures the ability to pay interest on outstanding debt.

46. The Commission will consider an applicant with a total score of three points or greater (*i.e.,* a score of one for at least three of the metrics) to have sufficient financial qualifications to participate in Auction 903, regardless of the applicant's score for any specific metric. Failure to score at least three does not indicate that an applicant lacks the financial qualifications to participate in the auction. Rather, it indicates that further review is required. During this further review, an applicant's operating cash flow and EBITDA will be considered, as these metrics may provide a useful context for assessing an applicant's financial status. If an applicant is unable to demonstrate that it has sufficient financial qualifications based on the information submitted with the short-form application and information submitted to the Commission in other contexts, Commission staff will be able to ask the applicant questions and request additional information during the resubmission filing window.

47. *Eligibility to Bid for Performance Tier and Latency Combinations.* The Commission requires an applicant to demonstrate its eligibility to bid for the performance tier and latency combination(s) it selects in its application in advance of the start of bidding in the auction. An applicant must submit high-level operational information in its short-form application to complete its operational showing. It is the Commission's objective to safeguard consumers from situations where bidders unable to meet the specified service requirements divert support from bidders that can meet the Phase II public interest obligations, and the short-form application can accomplish this purpose. However, a determination at the short-form stage that an applicant is eligible to bid for a given performance tier and latency combination and has sufficient access to spectrum, if applicable, does not preclude a determination at the long-form application stage that a long-form applicant lacks the requisite technical qualifications or access to spectrum, and thus should not be authorized to receive Phase II support for that eligible area.

48. *Selecting Performance Tier and Latency Combinations.* As required by the Commission's rules, each applicant must select in its short-form application the performance tier and latency combination(s) for which it intends to bid in each state where it seeks support. For each tier and latency combination, an applicant must indicate the technology or technologies it intends to use to meet the associated requirements. If an applicant intends to use spectrum, it must also indicate the spectrum band(s) and total amount of uplink and

downlink bandwidth (in megahertz) that it has access to for the last mile for each performance tier and latency combination it selected in each state.

49. *Operational Information.* An applicant must submit in its short-form application sufficient operational information regarding its experience providing voice, broadband, and/or electric distribution or transmission service and its plans for provisioning service if awarded support. Such information will demonstrate whether an applicant has the technical qualifications to bid for specific performance tier and latency combinations. Specifically, an applicant must submit high-level operational information to complete its operational showing and demonstrate that it can be expected to be reasonably capable of meeting the public interest obligations (*e.g.,* speed, usage, latency, and service milestones) for each performance tier and latency combination selected.

50. Eligibility to bid for specific tier and latency combinations will be determined on a state-by-state basis. Accordingly, for each selected performance tier and latency combination, an applicant will be required to demonstrate that it is reasonably capable of meeting the relevant public interest obligations for each state it selects and to explain how it intends to provision service if awarded support. Because compliance with the service obligations will be determined on a state-level basis and some applicants may propose to deploy hybrid networks, it will be useful to understand how an applicant selecting multiple performance tier and latency combinations within a state intends to meet the requirements for each combination in the state. To reduce the risk of defaults, the combination(s) selected by an applicant will be evaluated to determine its eligibility to bid for any such combination(s).

51. An applicant must answer the questions listed in Appendix A of the *CAF II Auction Procedures Public Notice* for each state it selects in its application. The questions are intended to elicit short, narrative responses from the applicant regarding its experience in providing voice, broadband, and/or electric distribution or transmission service, and the network(s) it intends to use to meet its Phase II public interest obligations. The questions are designed to confirm that the applicant has developed a preliminary design or business case for meeting the public interest obligations for its selected performance tier and latency combinations. They ask the applicant to identify the information it could make available to support the assertions in its application. The Commission does not anticipate that it will be unduly burdensome to respond to these questions because, at a minimum, each applicant will need to have started planning at a high-level how it intends to meet the relevant Phase II public interest obligations as part of its obligation to conduct due diligence prior to the auction. Because a short-form applicant will not know where it might be authorized to receive support and will have six years to build out or upgrade its network, the information submitted may be based on a preliminary network design, which may be modified once the winning bids are announced and as the network is built out.

52. The Commission expects concise descriptions from applicants. The Commission will implement its usual procedures for reviewing auction applications to help ensure that eligibility determinations are made consistently across all applications by, among other things, leveraging the expertise of engineers and/or other subject matter experts.

53. Until an applicant knows where it will be awarded support and how many locations it will be required to serve, it may not have made all its decisions regarding how it will meet its Phase II obligations. However, an applicant is required to certify that it has performed the necessary due diligence to participate in the Phase II auction. This includes making sure that the applicant will be able to build and operate facilities that will fully comply with all applicable requirements. Accordingly, it is reasonable to expect that an applicant will have developed a preliminary plan for how it will meet its Phase II obligations if awarded support. If an applicant has not demonstrated that it is reasonably capable of meeting the relevant public interest obligations based on the information submitted in the short-form application, the applicant will be asked to submit evidence during the resubmission filing window to demonstrate that it has developed a preliminary plan.

54. *Modifications to Proposed Operational Questions.* The Commission has made some modifications to the originally proposed operational questions to provide greater clarity on how an applicant should respond to them.

55. First, the Commission retains the question about the total number of subscribers an applicant has served with voice and broadband because the size of a service provider's current operations provides useful insight into how an applicant has scaled its network in the years it has been operating. However, an applicant can provide an estimate and should provide the current total number of subscribers (as of the short-form application filing deadline). If an applicant is no longer providing service in any state, the applicant must estimate the number of customers that were served at the beginning of the last full year that it did provide service.

56. Second, the Commission retains the question asking an applicant to identify the relevant industry standards for the last-mile technologies it intends to use to meet its Phase II obligations if it becomes a winning bidder and is authorized to receive support. This question will give an applicant the opportunity to demonstrate that it has started planning how it will meet the Phase II obligations and that it intends to use technologies that are generally accepted as having the capabilities to meet the relevant performance standards. However, an applicant is not precluded from proposing to use non-standards-based technology. So that an applicant intending to use such technology can demonstrate that the technology has suitable capabilities for meeting the applicable performance requirements, such an applicant must identify the vendors and the products it is considering using and provide links to the vendors' websites and to publicly available technical specifications of the products. If the technical specifications are not publicly available, the applicant may submit them with its application.

57. The Commission will treat the responses to the questions in Appendix A of the *CAF II Auction Procedures Public Notice* and any associated supporting documentation as confidential and will withhold them from routine public inspection. Accordingly, there is no need for an applicant to submit a § 0.459 confidentiality request to seek protection of this information from public disclosure.

58. *Operational Assumptions.* The Commission also adopts certain assumptions that an applicant will need to make about network usage and subscription rates when determining, for purposes of its short-form application, whether it can meet the public interest obligations for its selected performance tier and latency combination(s) if it becomes a winning bidder and is authorized to receive Phase II support.

59. First, an applicant must assume it will offer service to at least 95 percent of the required number of locations across its bids in each state by the end of the six-year build-out period. This

assumption is consistent with the requirement that each winning bidder submit with its long-form application a network diagram with a certification by a professional engineer that the network would deliver, to at least 95 percent of the required number of locations in each relevant state, voice and broadband service that meets the relevant performance requirements. While Phase II support recipients should plan to offer service to 100 percent of the required number of locations and take advantage of the flexibility to offer service to 95 percent of the required number of locations only in unforeseen circumstances, an assumption by an applicant that it will offer service to 95 percent of locations will provide reasonable assurance that the applicant will engineer its network so that it is reasonably capable of meeting the relevant public interest obligations for the required number of locations. While each winning bidder that is authorized to receive Phase II support will be required to offer service only in areas where it is authorized to receive support, after the close of a round, each bid represents an irrevocable offer to meet the terms of the bid if it becomes a winning bid. Accordingly, an applicant that becomes a qualified bidder should assume for each round of the auction that it could be required to offer service meeting the relevant requirements to the number of locations across all the bids that it places in each state.

60. Second, consistent with assumptions made in the CAM, an applicant must assume that it will have at least a 70 percent subscription rate for its voice and broadband services by the time it will meet the final service milestone if it becomes authorized to receive support. Because it may take time for an applicant that becomes a winning bidder and is authorized to receive Phase II support to obtain customers as it builds out its network, applicants may factor this into their engineering and make reasonable assumptions about how the subscription rate will scale during the build-out term. Regardless of the assumptions an applicant makes about its subscription rate when engineering its network, the applicant must keep in mind that its network must be capable of scaling to meet demand. That is, if a Phase II support recipient reports in the High Cost Universal Service Portal that a location is served, it must be capable of providing service meeting the relevant performance requirements to that location within 10 business days after receiving a request.

61. An applicant, if it becomes a winning bidder and is authorized to receive Phase II support, will not be required to demonstrate that it has achieved at least a 70 percent subscription rate once it has deployed to the required number of locations. Instead, an applicant must assume for purposes of its short-form application that it will achieve at least a 70 percent subscription rate when engineering its network. Some Phase II support recipients will achieve at least a 70 percent subscription rate in the areas where they are authorized to receive support and others will not. However, requiring an applicant to make a specific assumption will give the Commission reasonable assurance that an applicant is engineering a network that can be scaled to meet potential demand. Given that subscription rates are likely to vary from area to area and over the 10-year period, the most objective way to minimize defaults and verify that an applicant is making reasonable assumptions about its subscription rate is to require all applicants to make the same assumption about the minimum subscription rate at the end of the build-out period. By adopting a minimum 70 percent subscription rate, applicants are provided some additional clarity for how they can demonstrate that they are technically qualified to participate in the Phase II auction. These benefits would not be achieved by simply presuming that an applicant will have the incentive to make reasonable subscription assumptions because the applicant will ultimately be subject to network testing requirements and non-compliance measures if it becomes a winning bidder and is authorized to receive Phase II support.

62. By requiring an applicant to assume a minimum subscription rate of 70 percent, the Commission is balancing the reality that not all consumers in a given area may subscribe to the Phase II-funded service with the requirement that Phase II support recipients provide the required service to consumers living at a funded location within 10 business days of a request. In the Commission's predictive judgment, a 70 percent subscription rate is a reasonable assumption for engineering a network when taking into account (i) that existing subscription rates, which in some cases are lower than 70 percent, may not reflect actual demand over the 10-year support term, which would be expected to increase as data usage increases and higher speeds are made available, and (ii) in the high-cost areas where the Phase II support recipient will be deploying its network, it is more likely to be the only broadband provider, which may increase adoption rates. There is a risk that this requirement may result in an increase in costs and could potentially lead to an applicant engineering a network that is capable of serving more locations than actually request service. However, this potential harm is outweighed by the risk that a support recipient could engineer a network that is incapable of meeting demand and may leave consumers unserved if the Commission does not take proactive measures to ensure that a support recipient is making reasonable assumptions about its potential subscription rate.

63. Finally, each winning bidder must provide high-level information regarding its peak period data usage assumptions during the short-form application stage and detailed information regarding its peak period data usage assumptions during the long-form application stage once the bidders know the number of locations they will be required to serve. The Commission intends to review each winning bidder's response on a case-by-case basis to ensure that it is making reasonable assumptions given the required data usage allowances for the performance tiers for which it has been named a winning bidder.

64. *Specific Information Required from Applicants Proposing to Use Spectrum to Provide Service.* An applicant that intends to use radiofrequency spectrum to offer its voice and broadband services must submit information regarding whether the spectrum to which it has access will enable the applicant to meet the public interest obligations for each performance tier and latency combination that it selects in its application.

65. The Commission's Phase II auction rules require an applicant that plans to use spectrum to demonstrate that it has (i) the proper spectrum use authorizations, if applicable; (ii) access to operate on the spectrum it intends to use; and (iii) sufficient spectrum resources to cover peak network usage and meet the minimum performance requirements to serve the fixed locations in eligible areas. Consistent with the Commission's approach in the Mobility Fund Phase I auction, for the described spectrum access to be sufficient, the applicant must have obtained any necessary approvals from the Commission for the spectrum, if applicable, by the short-form application filing deadline, subject to the exceptions described below. The Phase II auction short-form application

rules also require an applicant to certify that it will retain such authorizations for at least 10 years.

66. An applicant that intends to use licensed or unlicensed spectrum must in its short-form application (i) identify the spectrum band(s) it will use for the last mile, backhaul, and any other parts of the network; (ii) describe the total amount of uplink and downlink bandwidth (in megahertz) that it has access to in each spectrum band for the last mile; (iii) describe the authorizations (including leases) it has obtained to operate in the spectrum, if applicable; and (iv) list the call signs and/or application file numbers associated with its spectrum authorizations, if applicable. Any applicant that intends to provide service using satellite technology must describe in its short-form application its expected timing for applying for earth station licenses if it has not already obtained these licenses. Moreover, because an applicant can apply to obtain a microwave license at any time, an applicant that intends to obtain microwave license(s) for backhaul to meet its Phase II public interest obligations may describe in its short-form application its expected timing for applying for such license(s), if it has not already obtained them.

67. This spectrum information, combined with the operational and financial information submitted in the short-form application, will allow an applicant to demonstrate that it has sufficient spectrum resources and is reasonably capable of meeting the public interest obligations required by its selected performance tier and latency combination(s). If a license, lease, or other authorization is set to expire prior to the end of the 10-year support term, the Commission will infer that the authorization will be able to be renewed when determining at the short-form application stage whether an applicant has sufficient access to spectrum. However, this inference will in no way influence or prejudge the Commission's resolution of any future renewal application, and if the authorization is not renewed during the support term and the Phase II support recipient is unable to meet its Phase II obligations, that support recipient will be in default and subject to any applicable non-compliance measures.

68. In Appendix B of the *CAF II Auction Procedures Public Notice,* the Commission identifies the spectrum bands that it anticipates could be used for the last mile to meet Phase II obligations and indicate whether the spectrum bands are licensed or unlicensed. The Commission would expect that a service provider operating in these bands could, at a minimum, offer service meeting the requirements for the Minimum performance tier provided that the service provider is using sufficient bandwidth in the spectrum band(s) and a technology that can operate on these spectrum bands consistent with applicable U.S. and international rules and regulations.

69. Appendix B of the *CAF II Auction Procedures Public Notice* is a non-exhaustive list of spectrum bands that an applicant could potentially use to meet its performance obligations. An applicant is not precluded from proposing to use a spectrum band that is not included in Appendix B, provided that the applicant can demonstrate that it is reasonably capable of meeting the performance requirements over the 10-year support term for the selected performance tier and latency combination(s) using that spectrum. An applicant that selects a spectrum band listed in Appendix B for a particular performance tier and latency combination may not necessarily be deemed eligible to bid for that combination. Such a showing depends on the technology the applicant intends to use and whether such use is consistent with applicable U.S. and international rules and regulations, the performance tier and latency combination(s) selected, the bandwidth to which the applicant has access in the band(s), and the authorizations the applicant has, if applicable, to access the spectrum. Because these factors will vary for each applicant, the Commission declines to designate specific spectrum bands as ''safe harbors'' based on whether providers have historically met the relevant requirements for certain performance tier and latency combinations using those spectrum bands.

70. *Collection of Identifiers Associated With Information Submitted to the Commission in Other Contexts.* In addition to information provided in a short-form application, any relevant information that an applicant has submitted to the Commission in other contexts may be considered during application review for purposes of determining whether the applicant is expected to be reasonably capable of meeting the public interest obligations for its selected performance tier and latency combination(s) if it becomes a winning bidder and is authorized to receive Phase II support. This other information would include the following: Data reported in FCC Form 477 Local Telephone Competition and Broadband Report (FCC Form 477), FCC Form 481 Carrier Annual Reporting Data Collection Form (FCC Form 481), and FCC Form 499–A Annual Telecommunications Reporting Worksheet (FCC Form 499–A), including non-public information. For example, whether an applicant already offers service that meets the public interest obligations associated with its selected performance tier and latency combination(s) and the number of subscribers to that service may be considered.

71. Specifically, applicants must submit in the short-form application any FCC Registration Numbers (FRNs) that an applicant or its parent company—and in the case of a holding company applicant, the operating companies identified in its application—has used to submit its FCC Form 477 data during the past two years. Because the short-form application deadline is March 30, 2018, the Commission will collect FCC Form 477 FRNs that were used for the filings for data as of June 30, 2017, data as of December 31, 2016, and data as of June 30, 2016. Requiring submission of the FRNs that an applicant has used for FCC Form 477, will allow reviewers to cross-reference FCC Form 477 data that an applicant (or a related entity) has filed during the past two years.

72. An applicant must also submit in the short-form application any study area codes (SACs) indicating that the applicant (or its parent company/subsidiaries) is an existing ETC. A holding-company applicant must submit the SACs of its operating companies identified in the application. An applicant is required by the Commission's Phase II short-form application rules to disclose its status as an ETC if applicable.

73. Finally, applicants must submit in the short-form application any FCC Form 499 filer identification numbers that the applicant or its parent company and, in the case of a holding company, its operating companies identified in the application have used to file an FCC Form 499–A in the past year, if applicable. Because the short-form application filing deadline is March 30, 2018, applicants must submit filer identification numbers that were used for the April 3, 2017 filing.

74. *Limiting Eligibility to Bid for Certain Performance Tier and Latency Combinations.* The Commission will preclude applicants planning to use certain technologies to meet their Phase II obligations from becoming eligible to bid for performance tier and latency combinations that are inconsistent with those technologies. Specifically, the Auction Application System will not allow an applicant that selects low

latency in combination with any of the performance tiers to also select geostationary satellites as the technology for those performance tier and latency combinations. The Auction Application System also will not allow an applicant that selects the Gigabit performance tier in combination with either high or low latency in its short-form application to also select geostationary satellites as the technology for those tier and latency combinations.

75. In addition, the Auction Application System will allow an applicant that selects the Gigabit and Above Baseline performance tiers to also select the fixed wireless and/or digital subscriber line (DSL) technologies for those performance tiers on the short-form application. However, the applicant's most recent publicly available FCC Form 477 deployment and subscription data, in addition to the applicant's operational information, will be used to determine the applicant's eligibility to bid in those tiers. If the FCC Form 477 data for that period do not show that the applicant offers residential Gigabit service using fixed wireless or DSL (whichever is selected by the applicant), the applicant will not be deemed eligible to bid in the Gigabit performance tier. If an applicant does not offer a fixed wireless or DSL service at or above 100/20 Mbps based on its FCC Form 477 data, the applicant may be deemed eligible to bid in the Above Baseline performance tier, but that determination will be informed by its FCC Form 477 data as well as its operational information.

76. Applicants that propose to use other technologies that lack historical deployment data are not precluded from bidding for any specific performance tier and latency combination if such applicants become qualified to bid. Without historical deployment data, the Commission is unable to decide categorically whether it can reasonably predict that a new technology would generally be able to meet the relevant public interest obligations by the required service milestones. The Commission will consider each application proposing to use such a new technology on a case-by-case basis, taking into account the applicant's experience, its responses to the short-form operational questions, its spectrum access (if applicable), and other information collected in the short-form application. The additional costs of having to review these technologies on a case-by-case basis are outweighed by the potential benefits to consumers if an applicant can use new technologies to bring advanced services to unserved areas.

77. *Standard for Evaluating Information on Performance Tier and Latency Combinations; Initial and Final Determinations of Eligibility to Bid on Selected Combinations.* The Bureaus will review the information submitted by an applicant in its short-form application as well as any other relevant and available information to determine whether the applicant has planned how it would provide service if awarded support and whether it is expected to be reasonably capable of meeting the public interest obligations for its selected performance tier and latency combination(s) in its selected state(s). If an applicant demonstrates that it is reasonably capable of meeting the public interest obligations for one or more selected tier and latency combinations in a state, the applicant will be deemed eligible to bid for those performance tier and latency combination(s) in that state.

78. If an applicant is unable to demonstrate that it is reasonably capable of meeting the relevant public interest obligations for its selected performance tier and latency combination(s) based on the information submitted in its short-form application and other available information, the Bureaus will deem the application incomplete. The applicant will then have another opportunity during the application resubmission period to submit additional information to demonstrate that it meets this standard. The Bureaus will notify the applicant that additional information is required to assess the applicant's eligibility to bid for one or more of the specific performance tier and latency combination(s) selected in its short-form application. During the application resubmission filing window, the applicant will be able to submit additional information to establish its eligibility to bid for the relevant performance tier and latency combination(s). An applicant will also have the option of selecting a lesser performance tier and latency combination for which it might be more likely to meet the relevant public interest obligations. The Commission considers these to be permissible minor modifications of the short-form application. After the Auction 903 qualified bidders are announced, each applicant will be able to view its final eligibility determination for each performance tier and latency combination in the selected state(s) for which it is eligible through the Auction Application System. An applicant must have at least one performance tier and latency combination deemed eligible in at least one state in order to become qualified to bid. The bidding system will be configured to permit a qualified bidder to bid only for the performance tier and latency combination(s) for which it has been deemed eligible to bid.

79. *Due Diligence Certification.* Each applicant has sole responsibility for investigating and evaluating all technical and marketplace factors that may have a bearing on the level of Phase II support for which it will seek to bid in Auction 903 if it becomes a qualified bidder. Each qualified bidder is responsible for assuring that, if it becomes a winning bidder and is ultimately authorized to receive Phase II support, it will be able to build and operate facilities in accordance with the Phase II obligations and the Commission's rules generally.

80. Applicants should be aware that Auction 903 represents an opportunity to apply for Phase II support, subject to certain conditions and regulations. Auction 903 does not constitute an endorsement by the Commission of any particular service, technology, or product, nor does the award of Phase II support constitute a guarantee of business success.

81. An applicant should perform its due diligence research and analysis before proceeding, as it would with any new business venture. In particular, the Commission strongly encourages each applicant to review all underlying Commission orders and to assess all pertinent economic factors relating to the deployment of service in a particular area.

82. Each applicant should perform technical analyses or refresh its previous analyses to assure itself that, should it become a winning bidder for Phase II support, it will be able to build and operate facilities that fully comply with all applicable technical and legal requirements and will advertise and provide the service to customers. Each applicant should verify that it can identify enough locations within the eligible census blocks that it intends to include in its bids to be able to offer service meeting the relevant requirements to the required number of locations if it becomes a winning bidder and is authorized to receive Phase II support. Each Phase II support recipient will be required to offer service meeting the relevant requirements to the total number of locations across all the winning bids in each state where it is authorized to receive support. The total number of locations where a Phase II support recipient is required to offer service in each state is determined by

adding up the number of locations the CAM estimated for each eligible census block included in the support recipient's winning bids in the state. The Commission has adopted a process by which support recipients that cannot identify enough locations to meet their state location totals can demonstrate that the number of actual, on-the-ground locations is lower than the number estimated by the CAM. Such a demonstration must be made within one year after the release of the Auction 903 closing public notice and will be subject to review by WCB following comment by relevant stakeholders and potentially an audit. Applicants' due diligence should be informed by the availability of and requirements for this process, in addition to other factors.

83. The Commission strongly encourages each applicant to conduct its own research prior to Auction 903 to determine the existence of pending administrative or judicial proceedings that might affect its decision on participation in the auction. The due diligence considerations mentioned in the document do not comprise an exhaustive list of steps that should be undertaken prior to participating in this auction. As always, the burden is on the applicant to determine how much research to undertake, depending upon specific facts and circumstances related to its interests.

84. Pending and future judicial proceedings, as well as certain pending and future proceedings before the Commission—including applications, applications for modification, notices of proposed rulemaking, notices of inquiry, petitions for rulemaking, requests for special temporary authority, waiver requests, petitions to deny, petitions for reconsideration, informal objections, and applications for review—may relate to or affect licensees or applicants for support in Auction 903. Each prospective applicant is responsible for assessing the likelihood of the various possible outcomes and for considering the potential impact on Phase II support available through this auction.

85. Each applicant is solely responsible for identifying associated risks and for investigating and evaluating the degree to which such matters may affect its ability to bid on or otherwise receive Phase II support. Each applicant is responsible for undertaking research to ensure that any support won in this auction will be suitable for its business plans and needs. Each applicant must undertake its own assessment of the relevance and importance of information gathered as part of its due diligence efforts.

86. The Commission makes no representations or guarantees regarding the accuracy or completeness of information in its databases or any third-party databases, including, for example, court docketing systems. To the extent the Commission's databases may not include all information deemed necessary or desirable by an applicant, an applicant must obtain or verify such information from independent sources or assume the risk of any incompleteness or inaccuracy in said databases. Furthermore, the Commission makes no representations or guarantees regarding the accuracy or completeness of information that has been provided by incumbent licensees and incorporated into the Commission's databases.

87. To confirm an applicant's understanding of its obligations, the applicant must certify under penalty of perjury in its short-form application that the applicant acknowledges that it has sole responsibility for investigating and evaluating all technical, marketplace, and regulatory factors that may have a bearing on the level of Connect America Fund Phase II support it submits as a bid, and that, if the applicant wins support, it will be able to build and operate facilities in accordance with the Connect America Fund obligations and the Commission's rules generally.

88. This certification will help ensure that an applicant acknowledges and accepts responsibility, if it becomes a qualified bidder, for its bids and any forfeitures imposed in the event of default, and that it will not attempt to place responsibility for the consequences of its bidding activity on either the Commission or any of its contractors.

89. *Eligible Telecommunications Carrier Certification.* An applicant must acknowledge in its short-form application that it must be designated as an ETC for the areas in which it will receive support prior to being authorized to receive support. Only ETCs designated pursuant to section 214(e) of the Communications Act of 1934, as amended (the Act), 47 U.S.C. 254 ''shall be eligible to receive specific Federal universal service support.'' Section 214(e)(2) states the primary responsibility for ETC designation. However, section 214(e)(6) provides that the Commission is responsible for processing requests for ETC designation when the service provider is not subject to the jurisdiction of any state commission. Support is disbursed only after the provider receives an ETC designation and satisfies the other long-form application requirements.

90. The Commission decided that an applicant need not be an ETC as of the initial short-form application filing deadline for Auction 903, but that it must obtain a high-cost ETC designation for the areas covered by its winning bids within 180 days after being announced as a winning bidder. Absent a waiver of the deadline, a long-form applicant that fails to obtain the necessary ETC designations by this deadline will be subject to an auction forfeiture as described below, and will not be authorized to receive Phase II support. In addition to all the requirements for participating in the Phase II auction, each applicant should be familiar with the requirements for a high-cost ETC. For example, all high-cost ETCs are required to offer Lifeline voice and broadband service to qualifying low-income consumers pursuant to the Lifeline program rules. Moreover, when the requirement has been fully implemented, each Phase II support recipient will be required to bid on category one telecommunications and internet access services in response to a posted FCC Form 470 seeking broadband service that meets the connectivity targets for the schools and libraries universal service support program (E-rate) for eligible schools and libraries located within any area in a census block where the ETC is receiving Phase II support. A high-cost ETC may also be subject to state-specific requirements imposed by the state that designates it as an ETC.

91. *Procedures for Limited Disclosure of Application Information.* Consistent with the Commission's practice in the Mobility Fund Phase I auction (Auction 901) and recent spectrum auctions, procedures limit the application information that will be disclosed to the public.

92. Specifically, to help ensure anonymous bidding and to protect applicants' competitively sensitive information, the Commission will withhold from the public, as well as other applicants, the following information submitted with an Auction 903 short-form application at least until after the auction closes and the results are announced:

- The state(s) selected by an applicant.
- The state(s) for which the applicant has been determined to be eligible to bid.
- The performance tier and latency combination(s) selected by an applicant and the associated weight for each combination.
- The spectrum access attachment submitted with the short-form application.

• The performance tier and latency combination(s) for which the applicant has been determined to be eligible to bid and the associated weight for each combination.

• An applicant's responses to the questions in Appendix A of the *CAF II Auction Procedures Public Notice* and any supporting documentation submitted in any attachment(s) that are intended to demonstrate an applicant's ability to meet the public interest obligations for each performance tier and latency combination that the applicant has selected in its application.

• Any financial information contained in an applicant's short-form application for which the applicant has requested confidential treatment under the abbreviated process in § 0.459(a)(4) of the Commission's rules.

93. All other application information that is not subject to a request for confidential treatment will be publicly available upon the release of the public notice announcing the status of submitted short-form applications after initial review.

94. Any applicant may use an abbreviated process under § 0.459(a)(4) to request confidential treatment of the financial information contained in its short-form application. The abbreviated process allows applicants to answer a simple yes/no question on FCC Form 183 as to whether they wish their information to be withheld from public inspection. Requests to withhold financial data that applicants elsewhere disclose to the public will not be granted and that information may be disclosed in the normal course.

95. Unlike the typical § 0.459 process, which requires that an applicant submit a statement of the reasons for withholding the information for which confidential treatment is sought from public inspection, an applicant that seeks confidential treatment of the financial information contained in its short-form application need not submit a statement that conforms with the requirements of § 0.459(b) unless and until its request for confidential treatment is challenged. Because the Commission has found in other contexts that financial information that is not otherwise publicly available could be competitively sensitive, applicants seeking confidential treatment of financial information may use this abbreviated process. The Commission will not, however, permit an applicant to seek confidential treatment of the total financial score that it receives for its financial metrics (using the five-point scale adopted above) pursuant to the § 0.459(a)(4) abbreviated process. Because an applicant's total financial score will not identify an applicant's specific financial information, it does not raise the same competitive sensitivity concerns.

96. The § 0.459(a)(4) abbreviated process for requesting confidential treatment may not be used by an applicant to request confidential treatment of any information in its short-form application other than its financial information. Thus, an applicant that wishes to seek confidential treatment of any other portion(s) of its short-form application must file a regular § 0.459 request for confidential treatment of any such information with its short-form application (other than responses to the questions in Appendix A of the *CAF II Auction Procedures Public Notice* and associated supporting documentation that the Commission presumes to be competitively sensitive). This request must include a statement of the reasons for withholding those portions of the application from public inspection. Additionally, in the event an applicant's abbreviated request for confidential treatment of the financial information contained in its short-form application is challenged, the applicant must submit a request for confidential treatment of its financial information that conforms with the requirements of § 0.459 within 10 business days after receiving notice of the challenge.

97. After the auction closes and the results are announced, the Commission no longer has a need to preserve anonymous bidding. Accordingly, the Commission will make publicly available all short-form application information that was withheld from the public prior to and/or during the auction, except for (1) responses to the questions in Appendix A of the *CAF II Auction Procedures Public Notice* and any supporting information submitted in any attachment(s) that are intended to demonstrate an applicant's ability to meet the public interest obligations for the performance tier and latency combination(s) that the applicant selected in its application, and (2) any financial information for which the § 0.459(a)(4) abbreviated confidential treatment process was requested and continues to be afforded. This approach is consistent with the Commission's interest in a transparent auction process and its practice in the Mobility Fund Phase I auction and typical spectrum auctions.

98. *Prohibited Communications and Compliance with Antitrust Laws.* To help protect competition in the auction, the Commission's rules prohibit an applicant from communicating certain auction-related information to another applicant from the auction application filing deadline until the post-auction deadline for winning bidders to file long-form applications for support. More specifically, § 1.21002 of the Commission's rules prohibits an applicant in Auction 903 from cooperating or collaborating with any other applicant with respect to its own, or one another's, or any other competing applicant's bids or bidding strategies, and from communicating with any other applicant in any manner the substance of its own, or one another's, or any other competing applicant's bids or bidding strategies during the prohibition period. The rule provides an exception for communications between applicants if those applicants identify each other on their respective applications as members of a joint bidding arrangement and certify that the application identifies all real parties in interest to agreements related to the applicant's participation in the auction. The targeted restrictions imposed by the rule are necessary to serve the important public interest in a fair and competitive auction.

99. *Entities Covered by § 1.21002.* Section 1.21002's prohibition of certain communications will apply to any applicant that submits a short-form application to participate in Auction 903. This prohibition applies to all applicants that submit short-form applications regardless of whether such applicants become qualified bidders or actually bid.

100. ''Applicant'' for purposes of this section includes the entity filing the application, each party capable of controlling the applicant, and each party that may be controlled by the applicant or by a party capable of controlling the applicant.

101. Subject to the joint bidding arrangement exception, the prohibition applies to communications of an applicant that are conveyed to another applicant. The prohibition of ''communicating in any manner'' includes public disclosures as well as private communications and indirect or implicit communications, as well as express statements of bids and bidding strategies. Consequently, an applicant must take care to determine whether its auction-related communications may reach another applicant, unless the exception applies.

102. Applicants subject to § 1.21002 should take special care in circumstances where their officers, directors, and employees may receive information directly or indirectly relating to any other applicant's bids or bidding strategies. Information received by a party related to the applicant may

be deemed to have been received by the applicant under certain circumstances. For example, Commission staff have found that, where an individual serves as an officer and director for two or more applicants, the bids and bidding strategies of one applicant are presumed conveyed to the other applicant, and, absent a disclosed agreement that makes the rule's exception applicable, the shared officer creates an apparent violation of the rule. Commission staff have not addressed a situation where non-officers or directors receive information regarding a competing applicant's bids or bidding strategies and whether that information should be presumed to be communicated to the applicant.

103. *Prohibition Applies Until Long-Form Application Deadline.* The § 1.21002 prohibition of certain communications begins at the short-form application filing deadline and ends at the long-form application deadline. Long-form applications will be due within 10 business days after release of the Auction 903 closing public notice, unless otherwise provided by public notice.

104. *Prohibited Communications.* Section 1.21002 prohibits an applicant from communicating with another applicant only with respect to ''its own, or one another's, or any other competing applicant's bids or bidding strategies.'' Thus, the prohibition does not apply to all communications between or among applicants; it applies to any communication conveying, in whole or part, directly or indirectly, the applicant's or a competing applicant's bids or bidding strategies.

105. All applicants applying to obtain support are ''competing applicants'' under the rule. Parties apply to participate in Auction 903 to obtain support from a fixed budget that is insufficient to provide support at the reserve price to all eligible areas. The bidding system determines which areas will receive support based on the bids placed for any areas. As in the reverse auction portion of the broadcast incentive auction, applicants are competing with one another regardless of whether each seeks to serve different geographic areas with Phase II support.

106. A communication must convey ''bids or bidding strategies'' to be covered by the prohibition. The prohibition applies to the same subject matter included in ''joint bidding arrangements,'' as defined for purposes of determining impermissible state overlaps among applicants. Those arrangements (i) relate to any eligible area in the Phase II auction and (ii) address or communicate bids or bidding strategies, including arrangements regarding Phase II support levels (*i.e.,* bidding percentages) and specific areas on which to bid, as well as any arrangements relating to the post-auction market structure in an eligible area. Thus, covered parties should be careful to avoid direct or indirect communications with another applicant that (i) relate to any Phase II auction eligible area(s) and (ii) address Phase II support levels, including potential arrangements regarding the post-auction market structure in eligible areas.

107. Business discussions and negotiations that are unrelated to bidding in Auction 903 and that do not convey information about Phase II bids or bidding strategies are not prohibited by the rule. Moreover, not all auction-related information is covered by the prohibition. For example, communicating merely whether a party has or has not applied to participate in Auction 903 will not violate the rule. In contrast, communicating how a party will participate, including specific states and/or tier and latency combinations selected, specific percentages bid, and/or whether or not the party is placing bids, would convey bids or bidding strategies and would be prohibited.

108. While § 1.21002 does not prohibit business discussions and negotiations among auction applicants that are not auction related, each applicant must remain vigilant not to communicate, directly or indirectly, information that affects, or could affect, bids or bidding strategy. Certain discussions might touch upon subject matters that could convey cost information and bidding strategies. Such subject areas include, but are not limited to, management, sales, local marketing agreements, and other transactional agreements.

109. Bids or bidding strategies may be communicated outside of situations that involve one party subject to the prohibition communicating privately and directly with another such party. For example, the Commission has warned that prohibited ''communications concerning bids and bidding strategies may include communications regarding capital calls or requests for additional funds in support of bids or bidding strategies to the extent such communications convey information concerning the bids and bidding strategies directly or indirectly.'' Moreover, the Commission found a violation of the rule against prohibited communications when an applicant used the Commission's bidding system to disclose ''its bidding strategy in a manner that explicitly invited other auction participants to cooperate and collaborate . . . in specific markets,'' and has placed auction participants on notice that the use of its bidding system ''to disclose market information to competitors will not be tolerated and will subject bidders to sanctions.''

110. Likewise, when completing short-form applications, each applicant should avoid any statements or disclosures that may violate § 1.21002, particularly in light of the limited information procedures in effect for Auction 903. Specifically, an applicant should avoid including any information in its short-form application that might convey information regarding its state selection, such as referring to certain states or markets in describing bidding agreements, including any information in attachments that will be publicly available that may otherwise disclose the applicant's state selections, or, to the extent it has an alternative option, using applicant names that refer to states or locations within a state.

111. Applicants also should use caution in their dealings with other parties, such as members of the press, financial analysts, or others who might become conduits for the communication of prohibited bidding information. For example, even though communicating that it has applied to participate in the auction will not violate the rule, an applicant's statement to the press that it intends to stop bidding in the auction could give rise to a finding of a § 1.21002 violation. Similarly, an applicant's public statement of intent not to place bids during Auction 903 bidding could also violate the rule.

112. Applicants should be mindful that communicating non-public application or bidding information publicly or privately to another applicant may violate § 1.21002 even though that information subsequently may be made public during later periods of the application or bidding processes.

113. *Communicating with Third Parties.* Section 1.21002 does not prohibit an applicant from communicating bids or bidding strategies to a third-party, such as a consultant or consulting firm, counsel, or lender, provided that the applicant takes appropriate steps to ensure that any third party it employs for advice pertaining to its bids or bidding strategies does not become a conduit for prohibited communications to other applicants, unless both applicants are parties to a joint bidding arrangement disclosed on their respective applications. For example, an applicant might require a third party, such as a lender, to sign a non-disclosure

agreement before the applicant communicates any information regarding bids or bidding strategy to the third party. Within third-party firms, separate individual employees, such as attorneys or auction consultants, may advise individual applicants on bids or bidding strategies, as long as such firms implement firewalls and other compliance procedures that prevent such individuals from communicating the bids or bidding strategies of one applicant to other individuals representing separate applicants. Although firewalls and/or other procedures should be used, their existence is not an absolute defense to liability, if a violation of the rule has occurred.

114. As Commission staff have explained in the context of the broadcast incentive auction, in the case of an individual, the objective precautionary measure of a firewall is not available. As a result, an individual that is privy to bids or bidding information of more than one applicant presents a greater risk of engaging in a prohibited communication. The Commission will take the same approach to interpreting the prohibited communications rule in Auction 903. Whether a prohibited communication has taken place in a given case will depend on all the facts pertaining to the case, including who possessed what information, what information was conveyed to whom, and the course of bidding in the auction.

115. Separate Auction 903 applicants should not specify the same individual on their short-form applications to serve as an authorized bidder. A violation of § 1.21002 could occur if an individual acted as the authorized bidder for two or more applicants because a single individual may, even unwittingly, be influenced by the knowledge of the bids or bidding strategies of multiple applicants, in his or her actions on behalf of such applicants. Also, if the authorized bidders are different individuals employed by the same organization (*e.g.,* a law firm, engineering firm, or consulting firm), a violation similarly could occur. In the latter case, at a minimum, applicants should certify on their applications that precautionary steps have been taken to prevent communication between authorized bidders, and that the applicant and its bidders will comply with § 1.21002.

116. Whether a communication is prohibited is fact dependent and determined on a case-by-case basis. Therefore, the Commission cannot categorically announce more ''flexible'' or lenient enforcement intentions or speculate on whether hypothetical, broadly described conduct would constitute a violation of the rule. Nonetheless, Commission precedent makes clear that an individual consultant hired by multiple applicants to offer bidding advice during the auction presents a greater risk of violating § 1.21002 than an individual consultant who estimates the costs of individual projects for multiple applicants without weighing in on bidding strategies during the bidding.

117. Potential applicants may discuss the short-form application or bids for specific CBGs with the counsel, consultant, or expert of their choice before the short-form application deadline. Furthermore, the same third-party individual could continue to give advice after the short-form deadline regarding the application, provided that no information pertaining to bids or bidding strategies, including state(s) selected on the short-form application, is conveyed to that individual. With respect to bidding, the same third-party individual could, before the short-form application deadline, assist more than one potential applicant with calculating how much support the specific applicant would require to provide service in each CBG for which it is interested in bidding. If such work can be completed in advance of the short-form application deadline, it would eliminate the need for third-party bidding advice during the auction. Finally, to the extent potential applicants can develop bidding instructions prior to the short-form deadline that a third party could implement without changes during bidding, the third party could follow such instructions for multiple applicants provided that those applicants do not communicate with the third party during the prohibition period.

118. *Section 1.21001(b)(4) Certification.* By electronically submitting a short-form application, each applicant in Auction 903 certifies its compliance with §§ 1.21001(b)(4) and 1.21002. In particular, an applicant must certify under penalty of perjury that the application discloses all real parties in interest to any agreements involving the applicant's participation in the competitive bidding for Phase II support. Also, the applicant must certify that it and all applicable parties have complied with and will continue to comply with 47 CFR 1.21002.

119. Merely filing a certifying statement as part of an application will not outweigh specific evidence that a prohibited communication has occurred, nor will it preclude the initiation of an investigation when warranted. The Commission has stated that it ''intend[s] to scrutinize carefully any instances in which bidding patterns suggest that collusion may be occurring.'' Any applicant found to have violated § 1.21002(b) may be subject to sanctions.

120. *Duty to Report Prohibited Communications.* Section 1.21002(c) provides that any applicant that makes or receives a communication that appears to violate § 1.21002 must report such communication in writing to the Commission immediately, and in no case later than five business days after the communication occurs. An applicant's obligation to make such a report continues until the report has been made.

121. In addition, § 1.65 of the Commission's rules requires an applicant to maintain the accuracy and completeness of information furnished in its pending application and to notify the Commission of any substantial change that may be of decisional significance to that application. Thus, § 1.65 requires an Auction 903 applicant to notify the Commission of any substantial change to the information or certifications included in its pending short-form application. An applicant is therefore required by § 1.65 to report to the Commission any communication the applicant has made to or received from another applicant after the short-form application filing deadline that affects or has the potential to affect bids or bidding strategy, unless such communication is made to or received from an applicant that is a member of a joint bidding arrangement identified on the application pursuant to § 1.21001(b)(4).

122. Sections 1.65(a) and 1.21002 of the Commission's rules require each applicant in competitive bidding proceedings to furnish additional or corrected information within five days of a significant occurrence, or to amend its short-form application no more than five days after the applicant becomes aware of the need for amendment. These rules are intended to facilitate the auction process by making information that should be publicly available promptly accessible to all participants and to enable the Bureaus to act expeditiously on those changes when such action is necessary.

123. *Procedure for Reporting Prohibited Communications.* A party reporting any prohibited communication pursuant to § 1.65, § 1.21001(b), or § 1.21002(c) must take care to ensure that any report of the prohibited communication does not itself give rise to a violation of

§ 1.21002. For example, a party's report of a prohibited communication could violate the rule by communicating prohibited information to other applicants through the use of Commission filing procedures that allow such materials to be made available for public inspection.

124. Parties must file only a single report concerning a prohibited communication and must file that report with the Commission personnel expressly charged with administering the Commission's auctions. The Commission's rule is designed to minimize the risk of inadvertent dissemination of information in such reports. Any reports required by § 1.21002(c) must be filed consistent with the instructions set forth in the document. For Auction 903, such reports must be filed with Margaret W. Wiener, the Chief of the Auctions and Spectrum Access Division, Wireless Telecommunications Bureau, by the most expeditious means available. Any such report should be submitted by email to Ms. Wiener at the following email address: *auction903@fcc.gov.* If you choose instead to submit a report in hard copy, any such report must be delivered only to: Margaret W. Wiener, Chief, Auctions and Spectrum Access Division, Wireless Telecommunications Bureau, Federal Communications Commission, 445 12th Street SW, Room 6–C217, Washington, DC 20554.

125. A party seeking to report such a prohibited communication should consider submitting its report with a request that the report or portions of the submission be withheld from public inspection by following the procedures specified in § 0.459 of the Commission's rules. Such parties are encouraged to coordinate with the Auctions and Spectrum Access Division staff about the procedures for submitting such reports.

126. *Winning Bidders Must Disclose Terms of Agreements.* Each applicant that is a winning bidder may be required to disclose in its long-form application the specific terms, conditions, and parties involved in any agreement into which it has entered. This may apply to any bidding consortia, joint venture, partnership, or agreement, understanding, or other arrangement entered into relating to the competitive bidding process, including any agreement relating to the post-auction market structure. Failure to comply with the Commission's rules can result in enforcement action.

127. *Additional Information Concerning Prohibition of Certain Communications in Commission Auctions.* Section 1.21002 is consistent with similar rules the Commission has applied in other Commission auctions. Applicants may gain insight into the public policies underlying § 1.21002 by reviewing information about the application of these other rules. Decisions applying these rules by courts and by the Commission and its bureaus in other Commission auctions can be found at *http://wireless.fcc.gov/auctions/prohibited_communications.* Applicants utilizing these precedents should keep in mind the specific language of the rule applied in past decisions, as well as any differences in the context of the applicable auctions.

128. *Antitrust Laws.* Regardless of compliance with the Commission's rules, applicants remain subject to the antitrust laws, which are designed to prevent anticompetitive behavior in the marketplace. Compliance with the disclosure requirements of § 1.21002 will not insulate a party from enforcement of the antitrust laws. For instance, a violation of the antitrust laws could arise out of actions taking place well before any party submits a short-form application. The Commission has cited a number of examples of potentially anticompetitive actions that would be prohibited under antitrust laws: For example, actual or potential competitors may not agree to divide territories in order to minimize competition, regardless of whether they split a market in which they both do business, or whether they merely reserve one market for one and another market for the other. Similarly, Commission staff have previously reminded potential applicants and others that ''[e]ven where the applicant discloses parties with whom it has reached an agreement on the short-form application, thereby permitting discussions with those parties, the applicant is nevertheless subject to existing antitrust laws.''

129. To the extent the Commission becomes aware of specific allegations that suggest that violations of the federal antitrust laws may have occurred, the Commission may refer such allegations to the United States Department of Justice for investigation. If an applicant is found to have violated the antitrust laws or the Commission's rules in connection with its participation in the competitive bidding process, it may be subject to a forfeiture and may be prohibited from participating further in Auction 903 and in future auctions, among other sanctions.

130. *Red Light Rule.* The Commission adopted rules, including a provision referred to as the ''red light rule,'' that implement the Commission's obligation under the Debt Collection Improvement Act of 1996, which governs the collection of debts owed to the United States, including debts owed to the Commission. Under the red light rule, applications and other requests for benefits filed by parties that have outstanding debts owed to the Commission will not be processed. Applicants seeking to participate in Auction 903 are subject to the Commission's red light rule. Pursuant to the red light rule, unless otherwise expressly provided for, the Commission will withhold action on an application by any entity found to be delinquent in its debt to the Commission.

131. Because robust participation is critical to the success of the Phase II auction, the Commission finds good cause to provide a limited waiver of the red light rule for any applicant seeking to participate in Auction 903 that is red-lighted for debt owed to the Commission at the time it timely files a short-form application. Specifically, a red-lighted applicant seeking to participate in Auction 903 will have until the close of the application resubmission filing window to pay any debt(s) associated with the red light. No further opportunity to cure will be allowed. If an applicant has not resolved its red light issue(s) by the close of the initial filing window, its application will be deemed incomplete. If the applicant has not resolved its red light issue(s) by the close of the application resubmission window, Commission staff will immediately cease all processing of the applicant's short-form application, and the applicant will be deemed not qualified to bid in the auction. As noted above, this waiver is limited. It does not waive or otherwise affect the Commission's right or obligation to collect any debt owed to the Commission by an Auction 903 applicant by any means available to the Commission, including set off, referral of debt to the United States Treasury for collection, and/or by red lighting other applications or requests filed by an Auction 903 applicant.

132. Potential applicants for Auction 903 should review their own records, as well as the Commission's Red Light Display System (RLD), to determine whether they owe non-tax debt to the Commission and should try to resolve and pay any outstanding debt(s) prior to submitting a short-form application. The RLD enables a party to check the status of its account by individual FCC Registration Numbers (FRNs) and links other FRNs sharing the same Tax Identification Number (TIN) when determining whether there are outstanding delinquent debts. The RLD is available at *http://www.fcc.gov/*

redlight/. Additional information is available at *https://www.fcc.gov/debt_collection/.*

133. Additionally, an Auction 903 applicant may incur debt to the Commission after it files its short-form application and may fail to pay that debt when due. An applicant should note that the Commission will conduct additional red light checks prior to authorizing Phase II auction support. Qualified bidders are encouraged to continue to review their own records as well as the RLD periodically during the auction and to resolve and pay all outstanding debts to the Commission as soon as possible. The Commission will not authorize any winning bidder to receive Phase II auction support until its red light issues have been resolved.

134. *USF Debarment.* The Commission's rules provide for the debarment of those convicted of or found civilly liable for defrauding the high-cost support program. Auction 903 applicants are reminded that those rules apply with equal force to the Phase II auction.

135. *Modifications to FCC Form 183. Only Minor Modifications Allowed.* After the initial FCC Form 183 filing deadline, an Auction 903 applicant will be permitted to make only minor changes to its application consistent with the Commission's rules. Examples of minor changes include the deletion or addition of authorized bidders (to a maximum of three) and the revision of addresses and telephone numbers of the applicant, its responsible party, and its contact person. Major modification to an FCC Form 183 (*e.g.,* adding a state in which the applicant intends to bid, certain changes in ownership that would constitute an assignment or transfer of control of the applicant, change of certifying official, change in applicant's legal classification that results in a change in control) will not be permitted after the initial FCC Form 183 filing deadline. If an amendment reporting changes is a ''major amendment,'' as described in § 1.21001(d)(4), the major amendment will not be accepted and may result in the dismissal of the application.

136. *Duty to Maintain Accuracy and Completeness of FCC Form 183.* Pursuant to § 1.65 of the Commission's rules, each applicant has a continuing obligation to maintain the accuracy and completeness of information furnished in a pending application, including a pending application to participate in the Phase II auction. Consistent with the requirements for the Commission's spectrum auctions, an applicant for Auction 903 must furnish additional or corrected information to the Commission within five business days after a significant occurrence, or amend its FCC Form 183 no more than five business days after the applicant becomes aware of the need for the amendment. An applicant is obligated to amend its pending application even if a reported change may result in the dismissal of the application because it is subsequently determined to be a major modification.

137. *Modifying an FCC Form 183.* As noted above, an entity seeking to participate in Auction 903 must file an FCC Form 183 electronically via the FCC's Auction Application System. During the initial filing window, an applicant will be able to make any necessary modifications to its FCC Form 183 in the Auction Application System. An applicant that has certified and submitted its FCC Form 183 before the close of the initial filing window may continue to make modifications as often as necessary until the close of that window; however, the applicant must re-certify and resubmit its FCC Form 183 before the close of the initial filing window to confirm and effect its latest application changes. After each submission, a confirmation page will be displayed stating the submission time and submission date.

138. An applicant will also be allowed to modify its FCC Form 183 in the Auction Application System, except for certain fields, during the resubmission filing window and after the release of the public notice announcing the Auction 903 qualified bidders. During these times, if an applicant needs to make permissible minor changes to its FCC Form 183, or must make changes in order to maintain the accuracy and completeness of its application pursuant to § 1.65, it must make the change(s) in the Auction Application System and then re-certify and re-submit its application to confirm and effect the change(s).

139. An applicant's ability to modify its FCC Form 183 in the Auction Application System will be limited between the closing of the initial filing window and the opening of the application resubmission filing window and between the closing of the resubmission filing window and the release of the public notice announcing the Auction 903 qualified bidders. During these periods, an applicant will be able to view its submitted application, but will be permitted to modify only the applicant's address, responsible party address, and contact information (*e.g.,* name, address, telephone number, etc.) in the Auction Application System. An applicant will not be able to modify any other pages of FCC Form 183 in the Auction Application System during these periods. If, during these periods, an applicant needs to make other permissible minor changes to its FCC Form 183, or changes to maintain the accuracy and completeness of its application pursuant to § 1.65, the applicant must submit a letter briefly summarizing the changes to its FCC Form 183 via email to *auction903@fcc.gov.* The email summarizing the changes must include a subject line referring to Auction 903 and the name of the applicant, for example, ''Re: Changes to Auction 903 Auction Application of XYZ Corp.'' Any attachments to the email must be formatted as Adobe® Acrobat® (PDF) or Microsoft® Word documents. An applicant that submits its changes in this manner must subsequently modify, certify, and submit its FCC Form 183 application electronically in the Auction Application System once it is again open and available to applicants.

140. Applicants should also note that even at times when the Auction Application System is open and available to applicants, the system will not allow an applicant to make certain other permissible changes itself (*e.g.,* correcting a misstatement of the applicant's legal classification). This is the case because certain fields on the FCC Form 183 will no longer be available to/changeable by the applicant after the initial filing window closes. If an applicant needs to make a permissible minor change of this nature, it must submit a written request by email to *auction903@fcc.gov,* requesting that the Commission manually make the change on the applicant's behalf. Once Commission staff has informed the applicant that the change has been made in the Auction Application System, the applicant must then recertify and resubmit its FCC Form 183 in the Auction Application System to confirm and effect the change(s).

141. As with filing FCC Form 183, any amendment(s) to the application and related statements of fact must be certified by an authorized representative of the applicant with authority to bind the applicant. Applicants should note that submission of any such amendment or related statement of fact constitutes a representation by the person certifying that he or she is an authorized representative with such authority and that the contents of the amendment or statement of fact are true and correct.

142. Applicants must not submit application-specific material through the Commission's Electronic Comment Filing System. Further, as discussed above, parties submitting information

related to their applications should use caution to ensure that their submissions do not contain confidential information or communicate information that would violate § 1.21002 or the limited information procedures adopted for Auction 903. An applicant seeking to submit, outside of the Auction Application System, information that might reflect non-public information, such as an applicant's state and/or performance tier and latency selection(s) or specific information about bid(s), should consider including in its email a request that the filing or portions of the filing be withheld from public inspection until the end of the prohibition of certain communications pursuant to § 1.21002.

143. Questions about FCC Form 183 amendments should be directed to the Auctions and Spectrum Access Division at (202) 418–0660.

VI. Preparing for Bidding in Auction 903

144. *Bidder Education.* Prior to the deadline for applications to participate in Auction 903, detailed educational information will be provided in various formats to would-be participants.

145. The Commission will provide various materials on the pre-auction process in advance of the opening of the short-form application window, beginning with the release of step-by-step instructions for completing Form 183. In addition, the Commission will provide an online application procedures tutorial covering information on pre-auction preparation, completing short-form applications, the application review process, and Phase II rules. Moreover, the Commission will conduct a workshop or webinar on the pre-auction application process, with an opportunity for participants to ask questions.

146. The Commission will provide separate educational materials on the bidding process in advance of the start of the mock auction, beginning with release of a user guide for the bidding system, followed by an online bidding procedures tutorial. The Commission will also conduct a workshop or webinar on the bidding process with an opportunity for participants to ask questions.

147. Based on the Commission's experience with past auctions, parties interested in participating in this auction will find these educational opportunities an efficient and effective way to further their understanding of the application and bidding processes. The Auction 903 online tutorials will allow viewers to navigate the presentation outline, review written notes, listen to audio of the notes, and search for topics using a text search function. Additional features of this web-based tool include links to auction-specific Commission releases, email links for contacting Commission staff, and a timeline with deadlines for auction preparation. The online tutorials will be accessible on the ''Education'' tab of the Phase II auction website at *https://www.fcc.gov/connect-america-fund-phase-ii-auction.* Once posted, the tutorials will be accessible anytime.

148. Finally, the Commission's Office of Communications Business Opportunities will engage with small providers interested in the auction process.

149. *Short-Form Applications: Due Before 6:00 p.m. ET on March 30, 2018.* In order to be eligible to bid in this auction, applicants must first follow the procedures to submit a short-form application (FCC Form 183) electronically via the Auction Application System, following the instructions to be released with a public notice in advance of the opening of the filing window. This short-form application will become available with the opening of the initial filing window and must be submitted prior to 6:00 p.m. ET on March 30, 2018. Late applications will not be accepted. No application fee is required.

150. Applications may be filed at any time beginning at noon ET on March 19, 2018, until the filing window closes at 6:00 p.m. ET on March 30, 2018. Applicants are strongly encouraged to file early and are responsible for allowing adequate time for filing their applications. There are no limits or restrictions on the number of times an application can be updated or amended until the filing deadline on March 30, 2018.

151. An applicant must always click on the CERTIFY & SUBMIT button on the ''Certify & Submit'' screen to successfully submit its FCC Form 183 and any modifications; otherwise, the application or changes to the application will not be received or reviewed by Commission staff. Additional information about accessing, completing, and viewing the FCC Form 183 will be provided in a separate public notice. Applicants requiring technical assistance should contact FCC Auctions Technical Support at (877) 480–3201, option nine; (202) 414–1250; or (202) 414–1255 (text telephone (TTY)); hours of service are Monday through Friday, from 8:00 a.m. to 6:00 p.m. ET. In order to provide better service to the public, all calls to Technical Support are recorded.

152. *Application Processing and Minor Modifications. Public Notice of Applicant's Initial Application Status and Opportunity for Minor Modifications.* After the deadline for filing auction applications, the Bureaus will process all timely submitted applications to determine whether each applicant has complied with the application requirements and provided all information concerning its qualifications for bidding, and subsequently will issue a public notice with applicants' initial application status identifying (1) those that are complete and (2) those that are incomplete or deficient because of defects that may be corrected. The public notice will include the deadline for resubmitting corrected applications and a paper copy will be sent to the contact address listed in the FCC Form 183 for each applicant by overnight delivery. In addition, each applicant with an incomplete application will be sent information on the nature of the deficiencies in its application, along with the name and phone number of a Commission staff member who can answer questions specific to the application.

153. After the initial application filing deadline on March 30, 2018, applicants can make only minor modifications to their applications. Major modifications (*e.g.,* change control of the applicant, change the certifying official, or selecting additional states in which to bid) will not be permitted. After the deadline for resubmitting corrected applications, an applicant will have no further opportunity to cure any deficiencies in its application or provide any additional information that may affect Commission staff's ultimate determination of whether and to what extent the applicant is qualified to participate in Auction 903.

154. Commission staff will communicate only with an applicant's contact person or certifying official, as designated on the applicant's FCC Form 183, unless the applicant's certifying official or contact person notifies Commission staff in writing that another representative is authorized to speak on the applicant's behalf. Authorizations may be sent by email to *auction903@fcc.gov.*

155. *Public Notice of Applicant's Final Application Status.* After the Bureaus review resubmitted applications, they will release a public notice identifying applicants that have become qualified bidders. The Auction 903 Qualified Bidders Public Notice will be issued at least 15 business days before bidding in Auction 903 begins. Qualified bidders are those applicants

with submitted FCC Form 183 applications that are deemed timely filed and complete.

156. *Auction Registration.* All qualified bidders are automatically registered for the auction. Registration materials will be distributed prior to the auction by overnight delivery. The mailing will be sent only to the contact person at the contact address listed in the FCC Form 183 and will include the SecurID® tokens that will be required to place bids and the Auction Bidder Line phone number.

157. Qualified bidders that do not receive this registration mailing will not be able to submit bids. Therefore, any qualified bidder that has not received this mailing by noon on July 9, 2018, should call the Auctions Hotline at (717) 338–2868. Receipt of this registration mailing is critical to participating in the auction, and each applicant is responsible for ensuring it has received all the registration materials.

158. In the event that SecurID® tokens are lost or damaged, only a person who has been designated as an authorized bidder, the contact person, or the certifying official on the applicant's short-form application may request replacements. To request replacement of these items, call the Auction Bidder Line at the telephone number provided in the registration materials or the Auction Hotline at (717) 338–2868.

159. *Remote Electronic Bidding via the CAF II Bidding System.* Bidders will be able to participate in Auction 903 over the internet using the CAF II Bidding System. Only qualified bidders are permitted to bid. Each authorized bidder must have his or her own SecurID® token, which the Commission will provide at no charge. Each applicant with one authorized bidder will be issued two SecurID® tokens, while applicants with two or three authorized bidders will be issued three tokens. A bidder cannot bid without his or her SecurID tokens. For security purposes, the SecurID® tokens and a telephone number for bidding questions are only mailed to the contact person at the contact address listed on the FCC Form 183. Each SecurID® token is tailored to a specific auction. SecurID® tokens issued for other auctions or obtained from a source other than the FCC will not work for Auction 903. Please note that the SecurID® tokens can be recycled and the Bureaus encourage bidders to return the tokens to the FCC. Pre-addressed envelopes will be provided to return the tokens once the auction has ended.

160. The Commission makes no warranties whatsoever, and shall not be deemed to have made any warranties, with respect to the CAF II Bidding System, including any implied warranties of merchantability or fitness for a particular purpose. In no event shall the Commission, or any of its officers, employees, or agents, be liable for any damages whatsoever (including, but not limited to, loss of business profits, business interruption, loss of use, revenue, or business information, or any other direct, indirect, or consequential damages) arising out of or relating to the existence, furnishing, functioning, or use of the CAF II Bidding System. Moreover, no obligation or liability will arise out of the Commission's technical, programming, or other advice or service provided in connection with the CAF II Bidding System.

161. To the extent an issue arises with the CAF II Bidding System itself, the Bureaus will take all appropriate measures to resolve such issues quickly and equitably. Should an issue arise that is outside the CAF II Bidding System or attributable to a bidder, including, but not limited to, a bidder's hardware, software, or internet access problem that prevents the bidder from submitting a bid prior to the end of a round, the Commission shall have no obligation to resolve or remediate such an issue on behalf of the bidder. Similarly, if an issue arises due to bidder error using the CAF II Bidding System, the Commission shall have no obligation to resolve or remediate such an issue on behalf of the bidder. Accordingly, after the close of a bidding round, the results of bid processing will not be altered absent evidence of any failure in the CAF II Bidding System.

162. *Mock Auction.* All qualified bidders will be eligible to participate in a mock auction, which will be scheduled during the week before the first day of bidding in Auction 903. The mock auction will enable qualified bidders to become familiar with the CAF II Bidding System and to practice submitting bids prior to the auction. The Commission strongly recommends that all qualified bidders, including all their authorized bidders, participate to assure that they can log in to the bidding system and gain experience with the bidding procedures. Participating in the mock auction may reduce the likelihood of a bidder making a mistake during the auction. Details regarding the mock auction will be announced in the Auction 903 Qualified Bidders Public Notice.

VII. Bidding in Auction 903

163. *Auction Structure: Reverse Auction Mechanism. Multi-Round Reverse Auction Format.* The Commission will conduct Auction 903 using a multi-round, descending clock auction.

164. At a very high level, bidding in Auction 903 works as follows: In each round of the auction, a bidder will be asked whether it is willing to provide service to an area, at a performance tier and latency it indicates, in exchange for a support amount that is at least as high as an amount announced by the bidding system. In each subsequent round, the announced support amount will be less than the amount from the previous round. To the extent that the bidder is willing to accept the announced amount, it will so indicate by submitting a ''bid'' on a spreadsheet indicating the area, the tier and latency, and the current amount that it accepts. If the current round's announced support amount becomes too low for the bidder, the bidder can simply stop bidding for the area or alternatively, can enter a bid that indicates the lowest amount it will accept (an amount higher than the round's announced amount and lower than the last round's announced amount) in exchange for providing the service.

165. As set forth in the sections below, the announced support amount that the bidder responds to in a round depends on a percentage—applicable to bidding for all areas—as well as the reserve price for the specific area and the level of service that the bidder proposes to provide if it is assigned support for the area. These factors are linked through a formula. However, the bidding template—the spreadsheet—will show the support amount for a bid as well as the various factors determining that support amount in a given bidding round. Therefore, to bid effectively, a bidder need only determine the lowest amount of support it will accept in exchange for providing service to an area and bid for support that is at least that amount.

166. The Commission is mindful of the need to make the bidding process as simple as possible, while ensuring an orderly, fair, and transparent auction. The Commission will provide ample bidder education prior to the auction to help ensure that all potential auction participants are confident of the bidding procedures the Commission adopts.

167. *Minimum Geographic Area for Bidding.* The Commission will use CBGs containing one or more eligible census blocks as the minimum geographic area for bidding in the auction. In December 2017, WCB released a list of eligible census blocks based on December 31, 2016 FCC Form 477 data. This list included approximately 214,000 eligible

census blocks, which are located in approximately 30,300 CBGs. WCB will release a revised map and list of eligible census blocks.

168. *Auction Delay, Suspension, or Cancellation.* By announcement, the auction may be delayed, suspended, or cancelled in the event of natural disaster, technical obstacle, network disruption, evidence of an auction security breach or unlawful bidding activity, administrative or weather necessity, or for any other reason that affects the fair and efficient conduct of the competitive bidding. In such cases, the Bureaus, in their sole discretion, may elect to resume the auction starting from the point at which the auction was suspended or cancel the auction in its entirety.

169. *Bidding Procedures. Bidding Overview.* The Commission will use a descending clock auction to identify the providers that will be eligible to become authorized to receive Phase II support, subject to post-auction application review. This auction also will establish the amount of support that each winning bidder will be eligible to receive using a ''second-price'' rule. Pursuant to the *Phase II Auction Order,* 81 FR 44413, July 7, 2016, the auction assigns winning bids based on the percentage each bid represents of its respective area's reserve price and determines support amounts that take into account the performance tier and latency specified in the bid.

170. The Bureaus will conduct the Phase II auction over the internet, and bidders will upload bids in a specified file format for processing by the bidding system. Before each bidding round, the bidding system will announce a new base clock percentage, which will set a lower limit on the range of percentages for which bids will be accepted during that round. The percentage specified in a bid implies an annual support amount for the area, based on the specified performance tier and latency combination.

171. The opening base clock percentage implies a support amount that is equal to the full reserve price, and the base clock percentage then descends from one round to the next. In a round, a bidder can submit a bid for a given area at any percentage that is greater than or equal to the round's base clock percentage and less than the previous round's base clock percentage. As of the close of a round, each bid represents an irrevocable offer to meet the terms of the bid if it becomes a winning bid. That is, a bid indicates that the bidder is willing to provide service to the locations in the area in accordance with its specified performance tier and latency requirements in exchange for support. The support amount will be no less than the support amount implied by the bid percentage.

172. The base clock percentage will continue to descend in a series of bidding rounds, implying decreasing support amounts, until the aggregate amount of support represented by the bids placed in a round at the base clock percentage is no greater than the budget. At that point, when the budget ''clears,'' the bidding system will assign support to bidders in areas where there are no competing bids. Bidding will continue, however, for areas where there are competing bids, and the clock will continue to descend in subsequent rounds. When there is no longer competition for any area, the auction will end. A winning bidder may receive support in amounts at least as high, because of the second-price rule, as the support amounts corresponding to the percentages of their winning bids.

173. The bidding procedures implement the Commission's prior decisions on bidding in the Phase II auction in a straightforward and simple way. Accordingly, to compete effectively in the auction, a potential bidder need only determine the percentage corresponding to the lowest amount of support it will accept to serve a given area using its chosen technology and bid in the auction down to that percentage. The Commission sets forth the rules governing how the auction system collects bids and determines winning bids and support amounts. The Commission addresses these in detail so that potential participants can understand exactly how the auction works. Among the bidding rules the Commission addresses are procedures for two optional variations on the basic bid submission approach, namely, procedures for instructing the system to submit proxy bids on behalf of the bidder and procedures for a type of package bidding. The Commission includes these options because the Commission finds that they will simplify the bidding process for those bidders that choose to use them, without unfairly disadvantaging bidders that do not choose to use them.

174. *Reserve Prices.* The reserve price for each CBG is the sum of the amounts calculated for each eligible census block in that CBG. For all eligible high-cost census blocks (*i.e.,* census blocks with average costs above the funding threshold but below the extremely high-cost threshold), a reserve price is set based on the annual support per-location calculated by the CAM for that census block. For census blocks with average costs that exceed the extremely high-cost threshold, the Commission will impose a $146.10 per-location-per-month funding cap so that the reserve price will be equal to $146.10 multiplied by the number of locations in that census block as determined by the CAM multiplied by 12 months. These procedures will ensure that no census blocks will receive more Phase II support than the CAM calculates is necessary for deploying and operating a voice and broadband-capable network in that census block. The list of eligible census blocks is accompanied by the corresponding CBG list, which identifies the reserve price, on an annual basis, for each CBG.

175. Finally, for administrative simplicity, the Commission rounds the calculated reserve prices for each CBG (based on the sum of the reserve prices for each eligible census block in the CBG) to the nearest dollar. For example, if the calculated annual reserve price for a CBG is $15,000.49, the reserve price will be rounded down to $15,000 for the auction; and if a reserve price is $15,000.50, the reserve price will be rounded up to $15,001. Thus, any CBG with a calculated annual reserve price of less than $0.50 is ineligible for the Phase II auction.

176. *Bid Collection. Round Structure.* The Phase II descending clock auction will consist of sequential bidding rounds according to an announced schedule providing the start time and closing time of each bidding round. As is typical for Commission auctions, the Bureaus retain the discretion to change the bidding schedule—with advance notice to bidders—in order to foster an auction pace that reasonably balances speed with giving bidders sufficient time to review round results and plan their bidding. The Bureaus may modify the amount of time for bidding rounds, the amount of time between rounds, and/or the number of rounds per day, depending on bidding activity and other factors.

177. *Base Clock Percentage.* Before each bidding round, the bidding system announces a base clock percentage that determines the range of acceptable price point percentages for bids submitted in the round. Except in Round 1, a bid may be submitted at the base clock percentage, or at any higher price point percentage up to but not including, the base clock percentage from the previous round. In Round 1, a bid may be submitted at the base clock percentage or at any higher price point percentage, up to and including the opening base clock percentage.

178. A bid submitted at the base clock percentage indicates that the bidder is

willing to provide the required service in the bid area in exchange for a payment at least as large as that implied by the base clock percentage. A bid submitted at a higher price point percentage indicates that the bidder will provide service in the area at a support payment at least as great as that implied by the price point percentage of its bid, but not at lower support amounts.

179. *Opening Base Clock Percentage.* The bidding system will set the opening base clock percentage at 100 percent of an area's reserve price plus an additional percentage equal to the largest weight corresponding to the performance tier and latency combinations submitted by any qualified bidder in the auction. For example, if any applicant is qualified to bid to provide service at the Minimum performance tier and high latency—a T+L combination with an assigned weight of 90—the opening base clock percentage will be 190 percent. Starting the clock at this level will allow bidders with higher-weighted performance tier and latency combinations to compete, for multiple bidding rounds, with bidders offering performance tier and latency combinations with lower weights. At base clock percentages above 100, the implied support amounts of bids at higher performance tier and latency combinations with lower weights may not decrease from round to round, remaining instead at the area's full reserve price.

180. *Clock Decrements.* The bidding system will decrement the base clock percentage by 10 percentage points in each round. However, the Bureaus have the discretion to change that amount during the auction—within certain limits—if it appears that a lower or higher decrement would better manage the pace of the auction. For example, if bidding is proceeding particularly slowly, the bid decrement may be increased to speed up the auction, with advance notice to bidders, recognizing that a bidder has the option of bidding at an intra-round price point percentage if the base clock percentage falls to a percentage corresponding to an amount of support that is no longer sufficient. The bidding system will use a decrement of 10 percent at the start of the auction, and any further changes to the decrement will be limited to between 5 percent and 20 percent.

181. *Implied Support Amounts Based on Performance Tier and Latency Weights.* To calculate the implied annual support amount at a bid percentage, an area-specific reserve price is adjusted for the bid percentage and the weights for the performance tier and latency combination of the bid, set forth below, with implied support not to exceed the reserve price. This approach is consistent with previous Commission decisions regarding the Phase II auction.

182. The base clock percentage in each round will imply, for each performance tier and latency (T+L) combination, a total amount of annual support in dollars for each area available for bidding. The annual support amount implied at the base clock percentage will be the smaller of the reserve price and the annual support amount obtained by using a formula that incorporates the performance tier and latency weights. Specifically:

Implied Annual Support Amount (at the base clock percentage) =

$$\min\left\{R, \left(\frac{BC-(T+L)}{100}\right)R\right\}$$

Where:

R denotes the area's reserve price
T denotes the tier weight
L denotes the latency weight
BC denotes the base clock percentage

183. Minimum performance tier bids will have a 65 weight; Baseline performance tier bids will have a 45 weight; Above Baseline performance tier bids will have a 15 weight; and Gigabit performance tier bids will have zero weight. Moreover, high latency bids will have a 25 weight and low latency bids will have zero weight added to their respective performance tier weight. The lowest possible weight for a performance tier and latency combination is 0, and the highest possible weight is 90. Each weight uniquely defines a performance tier and latency (T+L) combination, as shown in the table below.

WEIGHTS FOR PERFORMANCE TIERS AND LATENCIES

Minimum		Baseline		Above baseline		Gigabit	
High latency	Low latency	High latency	Low latency	High latency	Low latency	High latency	Low latency
90	65	70	45	40	15	25	0

184. As the formula indicates, the implied support amount for an area cannot exceed an area's reserve price. As long as the base clock percentage remains at or above 100 plus the weight for the tier and latency combination of the bid (100+T+L), the implied annual support for a bid will be equal to the area's reserve price. Therefore, in some rounds when the base clock percentage is above 100, there may be a bid for a given area at a tier and latency combination with implied annual support equal to the reserve price, and another bid for the same area at a higher weighted performance tier and latency combination, with implied support below the area's reserve price. However, once the base clock percentage is decremented below 100, the implied annual support for all area, performance tier, and latency combinations will be below each area's respective reserve price.

185. The formula above (the ''implied support formula'') can be used to determine the implied support at any price point percentage by substituting a given percentage for the base clock percentage.

186. The clock auction format with a base clock percentage and weights for performance tier and latency combinations implements the Commission's prior decisions and provides a simple way to compare bids of multiple types.

187. *Acceptable Bids.* To submit a bid for support to provide service to an area in the auction, the bidding system will require that a bidder specify the area, a performance tier and latency combination, and a price point percentage, which will in turn correspond to an indicated implied support amount for the bid. Such a bid is an offer to serve the eligible census blocks within the specified CBG at the indicated performance tier and latency, for a total amount of annual support that is at least the implied support amount of the bid. Several requirements will also apply to bid submission; the bidding system will advise bidders if a bid that the bidder attempts to submit does not meet these conditions. A bid may optionally include additional information for package bidding, as described in the following section.

188. *One Bid per Geographic Area per Round.* A bidder will be able to place only one bid on a given CBG in a round, be it a bid for only that area or a package

bid including the area. Further, a bidder will be able to bid only for CBGs in states for which it is qualified to bid after review of its short-form application.

189. The restriction on overlapping bids by a single bidder will simplify bid strategies for bidders and eliminate the need for the bidding system to use mathematical optimization to consider multiple ways to assign winning bids to a bidder, thus simplifying bid processing. Accordingly, the bidding system will not accept multiple bids by a bidder in a round that include the same area.

190. The Commission prohibits commonly controlled applicants or applicants subject to joint bidding arrangements from selecting any of the same states on their applications. This prohibition will ensure that such entities jointly will not be able to submit overlapping bids for the same geographic areas. These application procedures, together with the requirement that a single bidder place only a single bid on a given area in a round, will reduce the potential for undesirable strategic bidding during the auction.

191. *Tier and Latency Combinations.* A bidder cannot change the performance tier and latency combination in a bid for a particular area from round to round. Instead, once a bidder has submitted a bid for a CBG at a particular performance tier and latency combination, any bids in subsequent rounds by that bidder for the same CBG must specify the same performance tier and latency combination. This restriction will simplify bidding strategies without an appreciable loss in useful flexibility for bidders that are eligible to bid for more than one performance tier and latency combination in a given area.

192. *Acceptable Bid Amounts.* In each round, a bidder may submit a bid at the base clock percentage for the round, or at any price point percentage greater than the base clock percentage and less than the previous round's base clock percentage. The price point percentage of the bid may be specified with up to two decimal places (*e.g.,* 98.44%).

193. By providing bidders the option to bid at intermediate price points, the Commission can shorten the bidding process by using larger decrements to the base clock percentage without running the risk that a large drop in aggregate implied support from one round to the next will leave a significant amount of the budget unspent. The option to bid at intermediate price point percentages will also allow a bidder to indicate more precisely the minimum amount of support it will accept for an area, and it reduces the likelihood of ties.

194. A bid must specify a percentage that implies a support amount that is one percent or more of an area's reserve price to be acceptable. In other words, the bidding system will only accept a bid for a price point percentage that is at least T+L+1. One percent represents a sufficiently small fraction of the model-derived reserve price to serve as a minimum acceptable bid for bidders with legitimate support needs.

195. *Bids for a Package of Areas.* Bidders have the option of placing a package bid to serve multiple CBGs. The bid processing procedures may assign fewer than all the areas in the bid to the bidder provided that the support associated with the assigned areas is at least equal to a bidder-specified minimum scale percentage of the support requested for the full list.

196. Under these procedures, a bidder will specify a package bid by specifying the CBGs in the bid, a performance tier and latency combination for each CBG, a single price point percentage for the bid, and a minimum scale percentage no higher than 75 percent that indicates the bidder's lowest acceptable partial assignment of the package.

197. Every CBG in a package bid must be in the same state, but there is no limit to the total amount of implied support that may be included in a single package. Different CBGs in the bid may have different performance tier and latency combinations. For a given round, a CBG can appear in at most one bid—either a single bid or a package bid—submitted by the bidder.

198. The use of package bidding is optional: A bidder that is not interested in package bidding can bid for support in individual areas just as though there were no package bidding provisions. The bidding experience for a bidder that chooses not to use package bidding will be no more complicated than if package bidding were not an option. Additionally, the package bidding procedures include measures that minimize complexity. Because all bidders will be limited to placing only one bid on a CBG in a round, and because the implied support amount of a package bid is simply the sum of the implied support amounts of the CBGs in the package—that is, the bidding system does not have any inherent bias toward assigning packages—the option of package bidding does not increase the number of options a bidder has to consider. Bid options regarding packages are also simplified by a constraint on the composition of packages after the clearing round: Once a bidder bids for a package, it can only bid on the same package or smaller subsets of the package in subsequent rounds.

199. To help all bidders—both large and small—understand the bidding procedures related to package bidding, the Bureaus will provide further educational opportunities and materials well in advance of the auction. This should help bidders determine how best to place their bids and whether to make use of package bidding.

200. *Bids Placed by Proxy Bidding Instructions.* A bidder has the option of placing bids via proxy bidding instructions in Auction 903. These procedures will reduce a bidder's need to submit bids manually every bidding round and provide the bidder with a safeguard against accidentally failing to submit a bid, as long as the bidding percentage of the proxy instruction is below the current round's base clock percentage. Proxy procedures will make it possible for a bidder to simplify greatly its auction participation by setting its proxy instruction at the lowest amount of support that the bidder is willing to accept, so that the bidder need not bid again in the auction.

201. Specifically, when a bidder places a bid, the bidder may specify a price point percentage that is below the base clock percentage for the round in which the bid is placed. Doing so results in both a bid at the current round's base clock percentage and proxy instructions for bids at lower percentages in subsequent rounds. The bidding system will generate a bid in any subsequent bidding round in which the percentage specified in the proxy instruction (the ''proxy bid percentage'') is equal to or below the base clock percentage for the round. If the proxy bid percentage is greater than the base clock percentage of a round but lower than the prior round's base clock percentage, then the bidding system will generate a bid at the proxy bid percentage. If the proxy instruction is not subsequently updated, this will be the last round in which the proxy instruction will automatically place a bid.

202. Bids generated according to proxy instructions will be processed in the same way as any other bids placed in the auction. Proxy instructions may be used for bids for individual areas and for package bids. Proxy instructions will carry forward in rounds after the clearing round for areas that have not been assigned, as long as the proxy bid percentage is still valid. A bidder may override a bid generated according to proxy instruction, cancel, or enter new

proxy bidding instructions at any time during a round.

203. Bidders are responsible for actively monitoring the status of their bids, including any proxy instructions as well as the overall progress of the auction, using the reports and files available in the bidding system. Providing bidding-related information only through the bidding system assures that non-public information is available only to individuals that are authorized bidders for entities that have been found qualified to bid through the Commission's pre-auction processes. This is consistent with the Commission's anonymous bidding procedures, protects against possible misuse of bidding information, and promotes auction integrity.

204. Proxy bidding instructions will be treated as confidential information and will not be disclosed to the public at any time after the auction concludes because they may reveal private cost information that would not otherwise be made public (*e.g.,* if proxy bidding instructions are not fully implemented because the base clock percentage does not fall as low as the specified proxy percentage).

205. *Activity Rules.* The Commission adopts activity rules to encourage bidders to express their bidding interests early and consistently, which will generate reliable information for bidders about the level of bidding in the various CBGs in the auction. A bidder's overall bidding activity in a round, measured as the sum of implied support dollars for all its bids, may not exceed the bidder's activity from the previous round. The Commission also adopts a switching rule to limit a bidder's ability in a round to switch to areas on which it did not bid at the base clock percentage of the previous round. This switching ability is based on a certain percentage of the implied support of the bidder's bids at the base clock percentage in the previous round. The Commission gives the Bureaus discretion to change the switching percentage, with notice, during the auction, although the Commission does not at this time anticipate needing to do so.

206. The Commission adopts a switching percentage of 20 percent for the second bidding round of the auction only. Therefore, a bidder's activity in the second round of the auction for areas on which it did not bid at the first round's base clock percentage may not exceed 20 percent of its total implied support from bids at the first round's base clock percentage. This change in the switching percentage for the second round gives bidders greater flexibility to shift their bidding as information is revealed about the extent of competition for various areas. In this regard, the ability to switch bidding areas will be most useful in the second round because the greatest amount of new information about bidding across CBGs will be made available after the first round of bidding.

207. The Commission limits the higher switching percentage to the second round, however, to encourage an orderly bidding process that generates reliable information about aggregate cost and competition across areas. Accordingly, for the third and subsequent rounds up until the budget has cleared, the switching percentage will be 10 percent. No switching of areas is permitted after the clearing round, since bidding in any additional round is limited to areas with bids at the previous base clock percentage that have not been assigned.

208. *Bid Processing.* Once a bidding round closes, the bidding system will consider the submitted bids to determine whether an additional round of bidding at a lower base clock percentage is needed to bring the amount of requested support down to a level within the Phase II auction budget. If the total requested support at the base clock percentage exceeds the budget, the bidding system will initiate another bidding round with a lower base clock percentage.

209. If, instead, the system determines that the total requested support from bids at the base clock percentage has fallen to an amount within the budget, the just-concluded round will be deemed the clearing round, and the bidding system will begin the process of assigning winning bids and determining support amounts using a second price rule. If, in the clearing round, there are multiple bids for any area at the base clock percentage, the bidding system will commence another round of bidding to resolve the competition for support in those areas only.

210. After the clearing round, bidding rounds will continue for these areas at lower base clock percentages until, for each of the contested areas, there is a single lowest bid. The winning bidder for an area will then generally be assigned support at the price point percentage of the second lowest bid.

211. As a result of these bid processing procedures, the bids that can be assigned under the budget in the clearing round and in any later rounds will determine the areas that will be provided support under Phase II. At most, one bid per area will be assigned support. The specifications of that bid, in turn, determine the performance tier and latency combination at which service will be provided to the locations in the eligible census blocks in the area.

212. The bid processing procedures fall into three categories: Before, during, and after the round in which the budget clears. Additional details and examples of bid processing will be provided in the technical guide released by the Bureaus.

213. *Bid Processing in Rounds Before the Clearing Round.* Aggregate Cost at the Base Clock Percentage. After each bidding round until the budget has cleared, in order to determine whether the budget will clear in that round, the bidding system will calculate an ''aggregate cost,'' an estimate of what it would cost to assign support at the base clock percentage to the bids submitted in the round. Specifically, the aggregate cost is the sum of the implied support amounts for all the areas receiving bids at the base clock percentage for the round, evaluated at the base clock percentage. The calculation counts support for each area only once, even if the area receives bids, potentially including package bids, from multiple bidders. If there are multiple bids for an area at different performance tier and latency combinations, the calculation uses the bid with the highest implied support amount. If the aggregate cost for the round exceeds the budget, the bidding system will implement another regular bidding round with a lower base clock percentage.

214. *Clearing Determination.* The first round in which the aggregate cost, as calculated above, is less than or equal to the overall support budget is deemed the clearing round. In the clearing round, the bidding system will further process bids submitted in the round, to determine those areas that can be assigned and the support amounts winning bidders will receive. Once the clearing round has been identified, the system no longer calculates the aggregate cost, even if there are subsequent bidding rounds.

215. *Bid Processing in the Clearing Round.* In the clearing round, the bidding system will consider bids in more detail to determine those bids that can be assigned in that round; the ''second prices'' corresponding to those bids, subject to post-auction application review; and those bids that will carry over for bidding in an additional bidding round or rounds.

216. Until the clearing round, the auction is generally driven by cross-area competition for the budget, and implied support amounts for all areas are reduced in proportion to the reduction in the base clock. In estimating cost, the system does not determine which of the multiple bids competing for support in

the same area will be assigned, although it does take into account that only one bid per area may be assigned. Processing during the clearing round and subsequent rounds considers intra-area competition as well, assigning support to bids at the lowest bid percentage for a given area, as long as any assigned package bids meet the bid's minimum scale percentage. Bid processing in the clearing round also determines support amounts for assigned bids according to a second-price rule, so that bids are supported at a price percentage at least as high as the bid percentage.

217. *Assignment.* Once the bid processing procedures establish that the current round is the clearing round, the bidding system will begin to assign winning bids with support to at most one bid for a given area. The system will first assign bids made at the base clock percentage for areas not bid on by another bidder at the base clock percentage. Any package bids at the base clock percentage that include areas bid on by another bidder at the base clock percentage must meet the package bidder's minimum scale percentage without those areas in order to be assigned.

218. The system then considers all other bids submitted in the round in ascending order of price point percentage to see if additional bids can be assigned and, considering the bids assigned so far, to determine the highest price point percentage at which the total support cost of the assigned bids does not exceed the budget (the ''clearing price point''). Recall that a bid may be placed at any price point percentage equal to or greater than the current base clock percentage and less than the previous round's base clock percentage. Bids at price point percentages above the clearing price point are not assigned.

219. As it considers bids in ascending price point percentage order, the system assigns a bid if no other bid for the same area has already been assigned, as long as the area did not receive any bid at the base clock percentage and the areas to be assigned in a package bid meet the bid's minimum scale percentage. Ties are broken by using the highest pseudo-random number. The bidding system also checks to ensure that sufficient budget is available to assign the bid. If the bidding system encounters a bid that cannot be supported within the remaining budget, it will skip that bid and continue to consider other bids in ascending price point percentage order.

220. To determine whether there is sufficient budget to support a bid as it is considered for assignment, the bidding system keeps a running sum of support costs.

221. At each ascending price point increment, starting at the base clock percentage, the running cost calculation is the sum of support for three types of bids. First, for assigned bids for which there were no other bids for support for their respective areas at price points lower than the currently considered price point percentage, the system calculates the cost of providing support as the amount of support implied by the currently considered price point. Second, for assigned bids for areas that did receive other bids at price points lower than the currently considered price point, support is generally calculated as the amount implied by the next-higher price point at which the area received a bid (where next-higher is relative to the price point of the assigned bid, not the currently considered price point). The only exception to this arises if there is a bid for the area with a bid percentage below the bid percentage of the assigned bid for the area and the former bid cannot be assigned because it is a package bid that does not meet the minimum scale percentage. In that case, the support is calculated as the amount implied by the bid percentage of the assigned bid. Third, areas bid at the base clock percentage that were not assigned in the round are evaluated as they are in the pre-clearing aggregate cost calculation: only one bid per area is included in the calculation, and if there are bids for an area at different performance tier and latency combinations, the calculation uses the bid with the highest implied support amount, all evaluated at the base clock percentage.

222. The bidding system continues to assign bids meeting the assignment criteria in ascending price point order as long as the cost calculation does not exceed the budget. The highest price point at which the running total cost will not exceed the budget is identified as the clearing price point.

223. *Support Amount Determination.* Bids that are assigned for areas that receive no other bids at less than the clearing price point are supported at an amount implied by the clearing price point percentage.

224. Bids assigned in the clearing round, when there is also a bid for the area at a price point below the clearing price point, are generally supported at an amount determined by the bid percentage of the lowest unassigned bid for the area. Exceptions are that if the bid percentage of the lowest unassigned bid for the area is less than (*e.g.,* a package bid that did not meet the minimum scale percentage) or equal to (*i.e.,* tied with) the bid percentage of the assigned bid, then the assigned bid is supported at its own bid percentage. For example, applying the second price rule, if there are two bids for an area, the lower bid is supported at the bid price point percentage of the higher bid.

225. *Bids and Bid Processing in Rounds After the Clearing Round. Carried-Forward and Acceptable Bids.* After the clearing round, there will be further bidding to resolve competition for areas where more than one bidder is still bidding for support at the base clock percentage in the clearing round. After the clearing round and any subsequent round, bidding will continue only for areas where there were multiple bids at the previous round's base clock percentage that could not be assigned. Such bids may have been for a given unassigned area that received multiple single bids, package bids that were not assigned because the bidder's minimum scale percentage for the package was not met, or remainders of package bids—unassigned areas from package bids that were partially assigned.

226. Bids at the base clock percentage for unassigned areas will carry over automatically to the next bidding round at the previous round's base clock percentage, since the bidder had previously placed a bid at that percentage. In the round into which the bids are carried forward, a bidder with a carried-forward bid for an area may also bid for support for these areas at the current round's base clock percentage or at intermediate price points. In rounds after the clearing round, a bidder cannot switch to bidding for an area for which it did not bid in the previous round.

227. Although a bid for an unassigned package will carry over at the previous clock percentage, the bidder for such a package may group the bids for the areas in the package into smaller packages and bid on those smaller packages at current round percentages. However, the unassigned remainders of assigned package bids—that is, the areas for which there are competing bids—will carry over as individual area bids. Any bids the bidder places for the remainder areas at the new round percentages must be submitted as individual area bids—that is, the bidder cannot create a new package of any of the unassigned remainders.

228. If a proxy instruction is at a price point percentage below the base clock percentage of the previous round, it will continue to apply in rounds after the clearing round under the same conditions that apply to other bids. For package bids made by proxy that are only partially assigned because there are multiple bids at the base clock percentage, the proxy instructions will

continue to apply to the unassigned areas in the package bid. That is, the price point percentage specified in the proxy instructions will apply to each of the individual remainder areas.

229. *Bid Processing in Rounds After the Clearing Round.* As in the clearing round, in subsequent rounds, the system considers bids for assignment and support amount determination in ascending price point percentage order. The system first considers bids at the new round's base clock percentage. The system will assign any bids for areas that received no other bids at the base clock percentage as long as any package bid meets the minimum scale percentage of the bid. The system then processes bids in ascending price point order, assigning those bids for as yet unassigned areas, as long as any package bids meet the minimum scale condition.

230. If there is only one bid for an area in a round in addition to a carried-forward bid or bids, the assigned bid is paid at the base clock percentage for the previous round, consistent with the second-price rule. If an assigned bid is for an area that received more than one bid in the round, the assigned bid is supported at the next higher price point percentage at which there is a bid for the area. The only exception to this arises when there is a bid for the area with a bid percentage below the bid percentage of the winning bid for the area and the former bid cannot be assigned because it is a package bid that does not meet the minimum scale percentage. In that case, the support is calculated as the amount implied by the bid percentage of the winning bid.

231. If there is more than one bid for an area at the current base clock percentage, there will be another bidding round at a lower base clock percentage, with the same restrictions on bids and following the same assignment and pricing procedures. If all bidders for an area with carried forward bids decline to submit lower bids in a subsequent round, the bid with the highest pseudo-random number will be considered first for assignment according to the Commission's tie breaking procedures.

232. *Availability of Bidding Information.* As in past Commission auctions, bidders will have secure access to certain non-public bidding information while bidding is ongoing. After each round ends, and before the next round begins, the Commission will make the following information available to individual bidders:

- The base clock percentage for the upcoming round.
- The aggregate cost at the previous round's base clock percentage up until the budget clears.
  - The aggregate cost at the base clock percentage is not disclosed for the clearing round or any later round.
- The bidder's activity, based on all bids in the previous round, and activity based on bids at the base clock percentage.
  - In rounds after the clearing round, the bidder's assigned support and the implied support of its carried-forward bids will be available.
- Summary statistics of the bidder's bidding in the previous round, including:
  - The number of CBGs for which it bid, at the base clock percentage and at other price points, and for which proxy instructions are in effect for future rounds.
  - After the clearing round, CBGs and support amounts it has been assigned and those for which it is still bidding, including a list of its carried-forward bids.
  - A bidder will also have access to a downloadable file with all its bids submitted for each round.
- For all eligible areas in all states, including those in which the bidder was not qualified to bid or is not bidding, whether the number of bidders that placed bids at the previous round's base clock percentage was 0, 1, or 2 or more.
  - The performance tier and latency combinations of the bids are not disclosed.
  - For the clearing round and any subsequent round, bidders are also informed about which areas have been assigned.

233. Prior to each round, the Commission will also make available to individual bidders the implied support amounts, corresponding to the areas and performance tier and latency combinations for which they are eligible to bid. These implied support amounts are calculated at the round's base clock percentage.

234. The Commission balances its interest in providing bidders with sufficient information about the status of their own bids and bidding across all eligible areas to allow them to bid confidently and effectively, while restricting the availability of information that may facilitate identification of bidders placing particular bids, which could potentially lead to undesirable strategic bidding.

235. The Commission will withhold information on the progress of the auction from the general public until after the close of bidding when auction results are announced. Accordingly, during the auction, the public will not have access to such interim information as the current round, base clock percentage, aggregate cost, or any summary statistics on bidding or assigned bids that may reveal or suggest the identities of bidders associated with any specific bids. Although auction participants will have access to information that is needed to inform their bidding, such information will be made publicly available only after the close of the auction in order to help preserve the integrity of the auction while it is in progress.

236. After the close of bidding and announcement of auction results, the Commission will make publicly available all bidding data, except for proxy bidding instructions. This promotes the Commission's interest in a transparent auction process and is consistent with the Commission's typical practice post-auction.

237. *Closing Conditions.* The auction will end once the overall budget has cleared and there are no longer competing bids for any areas.

238. *Auction Announcements.* The Bureaus will use auction announcements to report necessary information to bidders. All auction announcements will be available by clicking a link in the CAF II Bidding System.

239. *Auction Results.* After the Bureaus announce the auction results, they will provide a means for the public to view and download bidding and results data.

VIII. Post-Auction Procedures

240. *General Information Regarding Long-Form Applications.* For the Phase II auction, the Commission adopted a two-phase auction application process. Pursuant to § 1.21004(a), each Auction 903 winning bidder is required to file an application for Phase II support, referred to as a long-form application, by the applicable deadline. Shortly after bidding has ended, the Bureaus will issue a public notice declaring the auction closed, identifying the winning bidders, and establishing the deadline for the long-form application. Winning bidders will use the new FCC Form 683 and the Auction Application System to submit their long-form applications. Details regarding the submission and processing of long-form applications will be provided in a public notice after the close of the bidding. After a long-form applicant's application has been reviewed and is considered to be complete, and the long-form applicant has submitted an acceptable letter of credit and accompanying Bankruptcy Code opinion letter as described below, a public notice will be released

authorizing the long-form applicant to receive Phase II support.

241. *Long-Form Application: Disclosures and Certifications.* Unless otherwise provided by public notice, within 10 business days after release of the Auction 903 closing public notice, a long-form applicant must electronically submit a properly completed long-form application (FCC Form 683) for the areas for which it (or its parent/holding company or consortium/joint venture) was deemed a winning bidder. Further instructions and filing requirements will be provided to winning bidders in the auction closing public notice.

242. *Ownership Disclosure.* A long-form applicant must fully disclose in its long-form application its ownership structure as well as information regarding the real party- or parties-in-interest in the applicant or application as set forth in § 1.2112(a). A long-form applicant will already have ownership information on file with the Commission that was submitted in its short-form application during the pre-auction process, which may simply need to be updated as necessary.

243. *General Universal Service Certifications.* A long-form applicant must certify in its long-form application that it is in compliance with all statutory and regulatory requirements for receiving the universal service support that it seeks as of the long-form application filing deadline, or that it will be in compliance with such requirements before being authorized to receive Phase II support. A long-form applicant must also certify that it will comply with all program requirements, including service milestones.

244. In addition, a long-form applicant must certify that it is aware that if it is not authorized to receive support based on its application, the application may be dismissed without further consideration and penalties may apply.

245. *Financial and Technical Capability Certification.* As in its pre-auction short-form application, a long-form applicant must certify in its long-form application that it is financially and technically capable of meeting the relevant public interest obligations for each performance tier and latency combination in the geographic areas in which it seeks support. A long-form applicant should be aware that in making a certification to the Commission it exposes itself to liability for a false certification. A long-form applicant should take care to review its resources and its plans before making the required certification and be prepared to document its review, if necessary.

246. *Public Interest Obligations Certification.* A long-form applicant must certify in its long-form application that it will meet the relevant public interest obligations for each performance tier and latency combination for which it (or its parent/holding company or consortium/joint venture) was deemed a winning bidder, including the requirement that it will offer service at rates that are equal to or lower than the Commission's reasonable comparability benchmarks for fixed services offered in urban areas.

247. *Eligible Telecommunications Carrier Certification.* A long-form applicant must acknowledge in its long-form application that it must be designated as an ETC in the relevant areas prior to being authorized to receive Phase II support in those areas. Specifically, the long-form applicant must certify that, if it has already been designated as an ETC in the relevant areas, it has provided a certification of its status in each such area and the relevant documentation supporting that certification in its long-form application. If the long-form applicant has not yet been designated as an ETC in the relevant areas, the long-form applicant must certify that it will submit a certification of its status as an ETC in each such area and the relevant documentation supporting that certification prior to being authorized to receive such support. As described below, this certification of ETC status and documentation must be submitted within 180 days after the release of the Auction 903 closing public notice.

248. *Description of Technology and System Design.* Each long-form applicant will be required to demonstrate that it is technically qualified to meet the relevant Phase II public interest obligations in the areas covered by the winning bids by submitting technical information to support the operational assertions made in the short-form application. A long-form applicant is required to submit a detailed technology and system design description, including a network diagram that must be certified by a professional engineer. The professional engineer must certify that the network can deliver, to at least 95 percent of the required number of locations in each relevant state, voice and broadband service that meets the requisite performance requirements. Because it may take time for a long-form applicant to create a detailed technology and system design description that is tailored to such areas, it may submit its technology and system design description in two stages.

249. *Initial Overview.* First, an applicant must submit with its long-form application (due within 10 business days after the release of the Auction 903 closing public notice) an overview of its intended technology and system design for each state in which winning bids were made. The overview must describe at a high level how the long-form applicant will meet its Phase II public interest obligations for the relevant performance tier and latency combination(s) using Phase II support (*e.g.,* building a new network or expanding an existing network, deploying new technology or existing technology). This overview should avoid highly technical terminology or jargon unless such language is integral to the understanding of the project. The overview will be made publicly available.

250. *Detailed Description.* Second, within 60 calendar days after the release of the Auction 903 closing public notice, a long-form applicant must submit, for each state in which winning bids were made, a more detailed description of its technology and system design. This second submission must describe the network to be built or upgraded, demonstrate the project's feasibility, and include the network diagram certified by a professional engineer. A long-form applicant can submit the detailed description as early as its initial long-form application filing deadline (*i.e.,* within 10 business days after the release of the public notice announcing the close of Auction 903), but no later than 60 calendar days after the public notice's release. It must describe in detail a network that fully supports the delivery of consumer voice and broadband service that meets the requisite performance requirements to at least 95 percent of the required number of locations in each state by the end of the six-year build-out period and for the duration of the 10-year support term, assuming a 70 percent subscription rate by the final service milestone. It also must contain sufficient detail to demonstrate that the long-form applicant can meet the interim service milestones if it becomes authorized to receive support. If a long-form applicant submits a technology and system design description that lacks sufficient detail to demonstrate that the long-form applicant has the technical qualifications to meet the relevant Phase II obligations, the long-form applicant will be asked to provide further details about its proposed network. The Commission will treat all the information submitted with this second submission as confidential and will

withhold it from routine public inspection. As the Commission does with short-form applications, the Commission will treat long-form applicants that submit this information as having made a request to treat this information as confidential trade secrets and/or commercial information. If a request for public inspection under § 0.461 is made, however, the long-form applicant will be notified and will be required to justify confidential treatment of its request if the long-form applicant has any objections to disclosure.

251. Below, the Commission provides guidance on how a long-form applicant can successfully meet the requirement in § 54.315(b)(2)(iv) to provide a description of its technology and system design. Specifically, the Commission describes the types of information it would expect a long-form applicant to include, at a minimum, in a detailed description of its technology and system design in order to demonstrate that it has the technical qualifications to meet its Phase II obligations. The Commission recognizes that because a Phase II support recipient has six years to fully build out its network, the information submitted by the long-form applicant may be based on a preliminary network design that may be modified as the network is built out. The Commission's guidance is informed by the types of information that long-form applicants submitted for rural broadband experiment support during the long-form application stage to demonstrate that they had the technical qualifications to meet the relevant rural broadband experiment public interest obligations. These are also the types of information that the Commission expects a technically qualified long-form applicant will have made preliminary decisions about in order to determine how much support it would need to meet the relevant Phase II auction public interest obligations and also to begin planning how it will meet the required service milestones.

252. A long-form applicant, regardless of the technology (or technologies) it proposes to use, is expected to:

- Describe the proposed last mile architecture(s) and technologies (such architectures and technologies include, for example, wireless licensed or unlicensed, fiber, coaxial cable, satellite, digital subscriber line, hybrids, etc.), middle mile/backhaul topology (*e.g.,* describe ring, mesh, tree and branch, and hybrid topologies), and the architecture used to provide voice service. This description should include the long-form applicant's Session Initiation Protocol (SIP) proxies, session border controllers, and various network databases. If the long-form applicant obtains these or other voice service functions as services from another provider or providers (for example, an over-the-top VoIP provider, or an incumbent or competitive local exchange carrier), the description should so indicate.
- Describe the network's scalability and features that improve reliability (such as redundancy).
- Indicate whether parts of the network will use the long-form applicant's or another party's existing network facilities, including non-wireless facilities extending from the network to customers' locations. For non-wireless facilities that do not yet exist, the description should indicate whether the new facilities will be aerial, buried, or underground.
- Provide technical information about the methods, ''rules of thumb,'' and engineering assumptions used to size the capacity of the network's nodes (or gateways) and links. The information provided should demonstrate how the required performance for the relevant performance tier will be achieved during periods of peak usage, assuming a 70 percent subscription rate by the final service milestone.
- Provide a project plan that includes a network build-out schedule that includes but is not restricted to plans for construction of last mile and middle mile facilities. The build-out schedule should show the long-form applicant's projected milestones on an annual basis, including achievement of the interim service milestones described in § 54.310(c) of the Commission's rules and completion of the network by the end of the sixth year of funding authorization. The project plan and included schedule should incorporate detailed information showing how the long-form applicant plans to offer, to at least 95 percent of the required number of locations in each relevant state, voice and broadband service meeting the relevant performance requirements when the system is complete. The project plan and included schedule should also incorporate the long-form applicant's plans for monitoring and maintaining the performance of the service for the duration of the 10-year support term.

253. The network diagram, which must be certified by a professional engineer, should:

- Identify all wireline and wireless segments of the proposed networks.
- Uniquely identify (i) major network nodes including their manufacturer and model, as well as their functions, locations, and throughput/capacity; (ii) access nodes or gateways, including their technology, manufacturer and model, location, and throughput/capacity; and (iii) major inter-nodal links (not last mile), and their throughput/capacity.
- Indicate how many locations will be offered service from each access node or from each gateway, and which performance tier or tiers will be supported at each access node.
- Indicate what parts of the network will be new deployment and what parts will use the long-form applicant's or another party's existing network facilities.
- Identify specialized nodes used in providing voice service.
- Explain how nodes or gateways are connected to the internet backbone and Public Switched Telephone Network.

254. Additionally, a long-form applicant that proposes to use terrestrial fixed wireless technologies should:

- Explain, with technical detail, how the proposed spectrum can meet or exceed the relevant performance requirements at peak usage periods.
- Provide the calculations used, for each performance tier and frequency band, to design the last mile link budgets in both the upload and download directions at the cell edge, using the technical specifications of the expected base station and customer premise equipment.
- Provide coverage maps for the planned and/or existing networks that will be used to meet the Phase II public interest obligations, indicating where the upload and download speeds will meet or exceed the relevant performance tier speed(s). The coverage maps should be provided for each interim and final service milestone and should display the required service areas and target locations (or a representation thereof).
- Describe the underlying propagation model used to prepare the coverage maps and how the model incorporates the operating spectrum, antenna heights, distances, digital elevation, and clutter resolutions.
- Describe, for each relevant performance tier and latency combination, the base station equipment that the long-form applicant plans to use.
- Describe the planned customer premise equipment configuration.

255. Additionally, a long-form applicant that proposes to use primarily satellite technologies should:

- Describe how many satellites that are in view simultaneously from any specific location will be required to meet the relevant Phase II public interest obligations.

- Describe how many uplink and downlink gateway antenna beams will be required on each satellite, and the capacity of each beam in megabits per second.
- Describe how many uplink and downlink user antenna beams will be required on each satellite, and the capacity of each beam in megabits per second.
- Describe how the gateway capacity is connected to user beams on the satellite, in terms of beams and data capacity per beam.
- Describe whether the capacity on the uplink and downlink beams would be able to be reallocated once a satellite commences operation, if the subscription rate is less than 70 percent in one beam but more than 70 percent in another beam.

256. *Available Funds Certification and Description.* A long-form applicant must certify in its long-form application that it will have available funds for all project costs that exceed the amount of Phase II support to be received for the first two years of its support term. A long-form applicant must also describe how the required construction will be funded in each state. The description should include the estimated project costs for all facilities that are required to complete the project, including the costs of upgrading, replacing, or otherwise modifying existing facilities to expand coverage or meet performance requirements. The estimated costs must be broken down to indicate the costs associated with each proposed service area at the state level and must specify how Phase II support and other funds, if applicable, will be used to complete the project. The description must include financial projections demonstrating that the long-form applicant can cover the necessary debt service payments over the life of any loans. The Commission will treat all the information submitted with this submission as confidential and will withhold it from routine public inspection. The Commission will also treat long-form applicants that submit this information as having made a request to treat this information as confidential trade secrets and/or commercial information. If a request for public inspection under § 0.461 is made, however, the long-form applicant will be notified and will be required to justify confidential treatment of its request if the long-form applicant has any objections to disclosure.

257. *Spectrum Access.* A long-form applicant that intends to use wireless technologies to meet the relevant Phase II public interest obligations must demonstrate that it currently has sufficient access to spectrum. Specifically, as in its pre-auction short-form application, a long-form applicant must, in its long-form application (i) identify the spectrum band(s) it will use for the last mile, backhaul, and any other parts of the network; (ii) describe the total amount of uplink and downlink bandwidth (in megahertz) that it has access to in each spectrum band for the last mile; (iii) describe the authorizations (including leases) it has obtained to operate in the spectrum, if applicable; and (iv) list the call signs and/or application file numbers associated with its spectrum authorizations, if applicable. A long-form applicant may propose to use more than one spectrum band to meet its Phase II public interest obligations. Each applicant must identify for which part of the network (*e.g.,* last mile, backhaul, etc.) it intends to use each spectrum band. If the licensee is a different party than the long-form applicant, the licensee name and the relationship to the long-form applicant should be described. If the long-form applicant is leasing spectrum, the lease number should be provided along with the license information. As in the short-form application, an applicant that intends to provide service using satellite technology should describe its expected timing for applying for earth station license(s), and an applicant that intends to obtain microwave license(s) for backhaul should describe its expected timing for applying for microwave license(s) if these licenses have not already been obtained. To the extent that a long-form applicant will use licensed spectrum, it should provide details about how the licensed service area covers its winning bid area(s) (*e.g.,* provide a list of geographic areas that the spectrum license covers and describe how those areas relate to the winning bid area(s)).

258. A long-form applicant must also certify that the description of the spectrum access is accurate and that it will retain such access for at least 10 years after the date on which it is authorized to receive support. Applications will be reviewed to assess the reasonableness of the certification.

259. *Letter of Credit Commitment Letter.* Within 60 days after the release of the Auction 903 closing public notice, a long-form applicant must submit a letter from a bank acceptable to the Commission, as set forth in § 54.315(b)(3), committing to issue an irrevocable stand-by letter of credit, in the required form, to the long-form applicant. The letter must, at a minimum, provide the dollar amount of the letter of credit and the issuing bank's agreement to follow the terms and conditions of the Commission's model letter of credit in Appendix B of the *Phase II Auction Order,* 81 FR 44413, July 7, 2016.

260. *Documentation of ETC Designation.* Within 180 days after the release of the Auction 903 closing public notice, a long-form applicant is required to submit appropriate documentation of its high-cost ETC designation in all the areas for which it will receive support. Appropriate documentation should include the original designation order, any relevant modifications, *e.g.,* expansion of service area or inclusion of wireless, along with any name-change orders. A long-form applicant is also required to provide documentation showing that the designated areas (*e.g.,* census blocks, wire centers, etc.) cover the relevant winning bid areas so that it is clear that the long-form applicant has high-cost ETC status in each winning bid area. Such documentation could include maps of the long-form applicant's ETC designation area, map overlays of the winning bid areas, and/or charts listing designated areas. Additionally, a long-form applicant is required to submit a letter with its documentation from an officer of the company certifying that the long-form applicant's ETC designation for each state covers the relevant areas where the long-form applicant will receive support.

261. *Audited Financial Statements.* Within 180 days after the release of the Auction 903 closing public notice, a long-form applicant that did not submit audited financial statements in its pre-auction short-form application must submit the financial statements from the prior fiscal year that are audited by an independent certified public accountant. Any long-form applicant that fails to submit the audited financial statements as required by the 180-day deadline will be subject to a base forfeiture of $50,000, which will be subject to adjustment upward or downward as appropriate based on the criteria set forth in the Commission's forfeiture guidelines.

262. *Letter of Credit and Bankruptcy Code Opinion Letter.* After a long-form applicant's application has been reviewed and is considered to be complete, the Commission will issue a public notice identifying each long-form applicant that may be authorized to receive Phase II support. No later than 10 business days after the release of the public notice, a long-form applicant must obtain an irrevocable standby letter of credit at the value specified in § 54.315(c)(1) from a bank acceptable to the Commission as set forth in

§ 54.315(c)(2) for each state where the long-form applicant is seeking to be authorized. The letter of credit must be issued in substantially the same form as set forth in the model letter of credit provided in Appendix B of the *Phase II Auction Order,* 81 FR 44413, July 7, 2016.

263. In addition, a long-form applicant will be required to provide with the letter of credit an opinion letter from legal counsel clearly stating, subject only to customary assumptions, limitations, and qualifications, that, in a proceeding under the Bankruptcy Code, the bankruptcy court would not treat the letter of credit or proceeds of the letter of credit as property of the long-form applicant's bankruptcy estate, or the bankruptcy estate of any other bidder-related entity requesting issuance of the letter of credit, under section 541 of the Bankruptcy Code.

264. *Default Payment Requirements. Auction Forfeiture.* Any Auction 903 winning bidder or long-form applicant will be subject to a forfeiture in the event of a default before it is authorized to begin receiving support. A winning bidder or long-form applicant will be considered in default and will be subject to forfeiture if it fails to timely file a long-form application, fails to meet the document submission deadlines, is found ineligible or unqualified to receive Phase II support by the Bureaus on delegated authority, and/or otherwise defaults on its winning bids or is disqualified for any reason prior to the authorization of support. Any such determination by the Bureaus shall be final, and a winning bidder or long-form applicant shall have no opportunity to cure through additional submissions, negotiations, or otherwise. Agreeing to such payment in the event of a default is a condition for participating in bidding in the Phase II auction.

265. In the event of an auction default, the Commission will impose a base forfeiture per violation of $3,000 subject to adjustment upward or downward based on the criteria set forth in the Commissions forfeiture guidelines, as adopted in the Phase II Auction Order. A violation is defined as any form of default with respect to the minimum geographic unit eligible for bidding. In other words, there shall be separate violations for each CBG assigned in a bid. To ensure that the amount of the base forfeiture is not disproportionate to the amount of a winning bidder's bid, the total base forfeiture is limited to five percent of the bidder's total assigned support for the bid for the support term.

266. *Non-Compliance Measures Post-Authorization.* A long-form applicant that has received notice from the Commission that it is authorized to receive Phase II support will be subject to non-compliance measures once it becomes a support recipient if it fails or is unable to meet its minimum coverage requirement, other service requirements, or fails to fulfill any other term or condition of Phase II support. As described in the *December 2014 Connect America Order,* 80 FR 4445, January 27, 2015, and the *Phase II Auction Order,* 81 FR 44413, July 7, 2016, these measures will scale with the extent of non-compliance, and include additional reporting, withholding of support, support recovery, and drawing on the support recipient's letter of credit if the support recipient cannot pay back the relevant support by the applicable deadline. A support recipient may also be subject to other sanctions for non-compliance with the terms and conditions of Phase II support, including, but not limited to, potential revocation of ETC designations and suspension or debarment. Additionally, a support recipient will be subject to any non-compliance measures that are adopted in conjunction with a methodology for high-cost support recipients to measure and report speed and latency performance to fixed locations.

Auction 903 Short-Form Application Operational Questions

Responses to these questions and any supporting documentation will be withheld from public disclosure.

Operational History (if Applicable)

Answer on a nationwide basis:

Has the applicant previously deployed consumer broadband networks (Yes/No)? If so, identify the date range for when broadband service was offered and in which state(s) service was offered. What specific last mile and interconnection (backhaul) technologies were used? Provide an estimate of how many subscribers are currently served. (If the applicant is no longer providing service in any state, estimate the number of customers that were served at the beginning of the last full year that the applicant did provide service.) What services (*e.g.,* voice, video, broadband internet access) were provided?

Proposed Network(s) Using Funding From the Phase II Auction

Answer for each state the applicant selected in its application:

1. Which network architectures and technologies will be used in the applicant's proposed deployment? How will voice services be provided? How will broadband internet access service be provided?

2. What are the relevant industry standards, if any, for the last-mile technologies in the applicant's proposed deployment? If the applicant is proposing to use non-standard technologies, the applicant should identify which vendor(s) and product(s) are being considered, and provide links to the vendors' websites and to publicly available technical specifications of the product(s). (If technical specifications for the non-standard technologies are not available on a vendor's website, they may be submitted with this application.) Regardless of whether the applicant proposes to use standard or non-standard technologies—what capabilities of this technology and proposed network will enable performance tier (speed and usage allowance), latency and (where applicable) voice service mean opinion score (MOS) requirements to be met?

3. Can the applicant demonstrate that the technology and the engineering design will fully support the proposed performance tier, latency and voice service requirements for the requisite number of locations during peak periods (Yes/No)? What assumptions about subscription rate and peak period data usage is the applicant making in this assertion? Describe concisely the information that can be made available to support this assertion.

4. Can the applicant demonstrate that all the network buildout requirements to achieve all service milestones can be met (Yes/No)? The applicant will be required to submit a detailed project plan in the long-form application if it is named as a winning bidder. Describe concisely the information that the applicant would make available in such a detailed project plan.

5. For the proposed performance tier and latency combination, can the applicant demonstrate that potential vendors, integrators and other partners are able to provide commercially available and fully compatible network equipment/systems, interconnection, last mile technology and customer premise equipment (CPE) at cost consistent with applicant's buildout budget and in time to meet service milestones (Yes/No)? Describe concisely the information and sources of such information that the applicant could make available to support this response.

6. Can the applicant describe how the network will be maintained and services provisioned (Yes/No)? Can the applicant demonstrate that it can provide internally developed operations systems for provisioning and maintaining the

proposed network including equipment and segments, interconnections, CPE and customer services at cost consistent with applicant's buildout budget and in time to meet service milestones (Yes/No)? If not, can the applicant demonstrate that potential vendors, integrators, and other partners are able to provide commercially available and fully compatible operations systems and tools for provisioning and maintaining the proposed network at cost consistent with applicant's buildout budget and in time to meet service milestones (Yes/No)? Describe concisely the information and sources of such information that the applicant could make available to support these responses.

7. If the applicant is using satellite technologies, describe concisely the total satellite capacity available and possible methods the applicant will utilize to assign bandwidth and capacity for each spot beam.

AUCTION 903 SPECTRUM CHART

Spectrum band/service	Paired licensed		Unpaired licensed	Unlicensed
	Uplink freq. (MHz)	Downlink freq. (MHz)	Uplink & downlink freq. (MHz)	Unlicensed (MHz)
600 MHz	663–698	617–652.		
Lower 700 MHz	698–716	728–746	716–728 (Downlink only).	
Upper 700 MHz	776–787	746–757.		
800 MHz SMR	813.5/817–824	858.5/862–869.		
Cellular	824–849	869–894.		
Broadband PCS	1,850–1,915	1,930–1,995.		
AWS–1	1,710–1,755	2,110–2,155.		
AWS (H Block)	1,915–1,920	1,995–2,000.		
AWS–3	1,755–1,780	2,155–2,180	1,695–1,710 (Uplink only).	
AWS–4			2,000–2,020, 2,180–2,200 (Downlink only).	
BRS/EBS			2,496–2,690.	
WCS	2,305–2,315	2,350–2,360	2,315–2,320, 2,345–2,350.	
CBRS (3.5 GHz)			3,550–3,700.	
UMFUS (terrestrial)			27,500–28,350, 38,600–40,000.	
70–80–90 GHz unpaired & 70–80 GHz paired (point-to-point terrestrial).	Point-to-Point Pairs for 70–80 GHz, 71,000–76,000 with 81,000–86,000.		71,000–76,000, 81,000–86,000, 92,000–95,000.	
TV White Spaces				54–72, 76–88, 174–216, 470–698.
900 MHz				902–928.
2.4 GHz				2,400–2,483.5.
5 GHz				5,150–5,250, 5,250–5,350, 5,470–5,725, 5,725–5,850.
24 GHz				24,000–24,250.
57–71 GHz				57,000–71,000.
Ku Band (satellite)	12,750–13,250, 14,000–14,500.	10,700–12,700.		
Ka Band (satellite)	27,500–30,000	17,700–20,200.		
V Band (satellite)	47,200–50,200, 50,400–52,400.	37,500–42,000.		

Abbreviations

AWS Advanced Wireless Services
BRS/EBS Broadband Radio Service/Education Broadband Service
CBRS Citizens Broadband Radio Service
PCS Personal Communications Service/Specialized Mobile Radio
SMR Upper Microwave Flexible Use
UMFUS Service
WCS Wireless Communications Service

IX. Procedural Matters

267. *Paperwork Reduction Act Analysis.* This document seeks to implement the information collections adopted in the *Phase II Auction Order,* 81 FR 44413, July 7, 2016, and does not contain any additional information collection(s) subject to the Paperwork Reduction Act of 1995 (PRA), Public Law 104–13. The Commission is currently seeking PRA approval for information collections related to the short-form application process and will in the future seek PRA approval for information collections related to the long-form application process. In addition, therefore, this document does not contain any new or modified information collection burden for small business concerns with fewer than 25 employees, pursuant to the Small Business Paperwork Relief Act of 2002, Public Law 107–198.

268. *Supplemental Final Regulatory Flexibility Analysis.* As required by the Regulatory Flexibility Act of 1980, as amended (RFA), the Commission prepared Initial Regulatory Flexibility Analyses (IRFAs) in connection with the *USF/ICC Transformation FNPRM,* 76 FR 78384, December 16, 2011, the *April 2014 Connect America FNPRM,* 79 FR 39163, July 9, 2014, and the *Phase II Auction FNPRM,* 81 FR 44413, July 7, 2016 (collectively, Phase II FNPRMs). A Supplemental Initial Regulatory Flexibility Analysis (Supplemental IRFA) was also filed in the *CAF II Auction Comment Public Notice,* 82 FR 40520, August 25, 2017, in this proceeding. The Commission sought written public comment on the proposals in the Phase II FNPRMs and in the *CAF II Auction Comment Public Notice,* including comments on the IRFAs and the Supplemental IRFA. No comments were filed addressing the IRFAs. The Commission included Final Regulatory Flexibility Analyses (FRFAs)

in connection with the *April 2014 Connect America Order,* 79 FR 39163, July 9, 2014, the *Phase II Auction Order,* 81 FR 44413, July 7, 2016, and *the Phase II Auction FNPRM Order,* 82 FR 14466, March 21, 2017 (collectively, Phase II Orders). This Supplemental Final Regulatory Flexibility Analysis (Supplemental FRFA) supplements the FRFAs in the Phase II Orders to reflect the actions taken in the document and conforms to the RFA.

269. *Need for, and Objectives of, The Document.* The document establishes procedures for the Connect America Fund Phase II auction. In particular, the document establishes procedures for, among other things, how an applicant can become qualified to bid in the auction, how bidders will submit bids, and how bids will be processed to determine winners and assign support amounts.

270. Following the release of the Phase II FNPRMs and Phase II Orders, the Commission released the *CAF II Auction Comment Public Notice.* The *CAF II Auction Comment Public Notice* proposed specific procedures for implementing the rules proposed in the Phase II FNPRMs and adopted in the Phase II Orders. The *CAF II Auction Comment Public Notice* did not change matters adopted in the Phase II Orders, but did request comment on how the proposals in the *CAF II Auction Comment Public Notice* might affect the previous regulatory flexibility analyses in this proceeding.

271. The document establishes procedures for awarding Phase II support in Auction 903 through a multi-round, reverse auction, the minimum geographic area for bidding in the auction, aggregating eligible areas into larger geographic units for bidding, setting reserve prices, capping the amount of support per location provided to extremely high-cost census blocks, and the availability of application and auction information to bidders and to the public during and after the auction. The document also establishes detailed bidding procedures for conducting Auction 903 using a descending clock auction format, including bid collection, clock prices, bid format, package bidding format, proxy bidding, bidder activity rules, bid processing, and how support amounts are determined.

272. To implement the rules adopted by the Commission in the Phase II Orders for the pre-auction process, the document establishes specific procedures and requirements for applying to participate and becoming qualified to bid in Auction 903, including designating the state(s) and performance tier/latency combinations in which an applicant intends to bid, and providing operational and financial information designed to allow the Commission to assess the applicant's qualifications to meet the Phase II public interest obligations for each area for which it seeks support. The document also sets forth information that a winning bidder will be required to submit in its post-auction long-form application in order to become authorized to receive Phase II support.

273. Accordingly, the procedures established in the document are consistent with the Phase II Orders and the prior regulatory flexibility analyses set forth in this proceeding, and no changes to the Commission's earlier analyses are required.

274. *Summary of Significant Issues Raised by Public Comments in Response to the Supplemental IRFA.* There were no comments filed that specifically addressed the proposed procedures presented in the Supplemental IRFA.

275. *Response to Comments by the Chief Counsel for Advocacy of the Small Business Administration.* Pursuant to the Small Business Jobs Act of 2010, which amended the RFA, the Commission is required to respond to any comments filed by the Chief Counsel of the Small Business Administration (SBA), and to provide a detailed statement of any change made to the proposed procedures as a result of those comments.

276. The Chief Counsel did not file any comments in response to the auction procedures proposed in this proceeding.

277. *Description and Estimate of the Number of Small Entities to Which the Procedures Will Apply.* The RFA directs agencies to provide a description of and, where feasible, an estimate of the number of small entities that may be affected by the procedures adopted herein. The RFA generally defines the term ''small entity'' as having the same meaning as the terms ''small business,'' ''small organization,'' and ''small governmental jurisdiction.'' In addition, the term ''small business'' has the same meaning as the term ''small business concern'' under the Small Business Act. A ''small business concern'' is one which: (1) Is independently owned and operated; (2) is not dominant in its field of operation; and (3) satisfies any additional criteria established by the SBA.

278. As noted above, FRFAs were incorporated into the Phase II Orders. In those analyses, the Commission described in detail the small entities that might be significantly affected. In the document, the Commission hereby incorporates by reference the descriptions and estimates of the number of small entities from the previous FRFAs in the Phase II Orders.

279. *Description of Projected Reporting, Recordkeeping, and Other Compliance Requirements for Small Entities.* The data, information and document collection required by the Phase II Orders as described in the previous FRFAs and the Supplemental IRFA in the *CAF II Auction Comment Public Notice* in this proceeding are hereby incorporated by reference.

280. *Steps Taken To Minimize the Significant Economic Impact on Small Entities, and Significant Alternatives Considered.* The RFA requires an agency to describe any significant alternatives that it has considered in reaching its proposed approach, which may include the following four alternatives (among others): ''(1) The establishment of differing compliance or reporting requirements or timetables that take into account the resources available to small entities; (2) the clarification, consolidation, or simplification of compliance or reporting requirements under the rule for small entities; (3) the use of performance, rather than design, standards; and (4) and exemption from coverage of the rule, or any part thereof, for small entities.

281. The analysis of the Commission's efforts to minimize the possible significant economic impact on small entities as described in the previous Phase II Orders FRFAs are hereby incorporated by reference. In addition, in establishing the bidding and application procedures for Auction 903, the Commission anticipates the challenges faced by small entities. Specifically, the bidding procedures established in the document are designed to facilitate the participation of qualified service providers of all kinds, including small entities, in the Phase II program, and to give all bidders, including small entities, the flexibility to place bids that align with their intended network construction or expansion, regardless of the size of their current network footprints. For example, the Commission will use CBGs containing one or more eligible census blocks as the minimum geographic area for bidding in the auction in order to provide bidders, including small providers, with flexibility to target their intended areas of network expansion or construction without significantly complicating the bidding process. To help ensure that all bidders—both large and small—understand the bidding procedures, including those related to package bidding, the Bureaus will

provide further educational opportunities and materials well in advance of the auction.

282. Furthermore, the pre-auction application procedures set forth in the document are intended to require applicants to submit enough information to permit the Commission to determine their qualifications to participate in Auction 903, without requiring so much information that it is cost-prohibitive for any entity, including small entities, to participate. For example, the Commission adopts a modified version of the proposal in the *CAF II Auction Comment Public Notice* regarding an applicant's financial qualifications that no longer places added emphasis on an applicant's score for the current ratio and equity ratio metrics in light of concerns that those two thresholds are difficult for certain providers, including small providers, to meet.

283. Finally, recognizing that some entities may be new to Commission auctions, the Commission announces the types of materials and other information the Commission will make available to help educate parties that have not previously applied to participate or bid in a Commission auction. Specifically, the Bureaus will compile and release a guide that provides further technical and mathematical detail regarding the bidding, assignment, and support amount determination procedures. Two online tutorials will be available to serve as references for potential applicants and bidders, and two workshops/webinars will be held. Additionally, a mock auction will be conducted that will enable all qualified bidders, including small entities, to become familiar with the CAF II Bidding System and to practice submitting bids prior to the auction. By providing these resources, the Commission seeks to minimize any economic impact on small entities and help all entities—both large and small—fully understand the bidding and application procedures. The Bureaus also plan to work with the Commission's Office of Communications Business Opportunities to engage with small providers.

284. *Report to Congress.* The Commission will send a copy of the document, including this Supplemental FRFA, in a report to Congress pursuant to the Congressional Review Act. In addition, the Commission will send a copy of the document, including this Supplemental FRFA, to the Chief Counsel for Advocacy of the SBA. A copy of the document and Supplemental FRFA (or summaries thereof) will also be published in the **Federal Register**.

Federal Communications Commission.

Gary D. Michaels,

Deputy Chief, Auctions and Spectrum Access Division, WTB.

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FEDERAL REGISTER

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Part III

The President

Proclamation 9712—Education and Sharing Day, U.S.A., 2018

Federal Register
Vol. 83, No. 61
Thursday, March 29, 2018

Presidential Documents

Title 3—

The President

Proclamation 9712 of March 27, 2018

Education and Sharing Day, U.S.A., 2018

By the President of the United States of America

A Proclamation

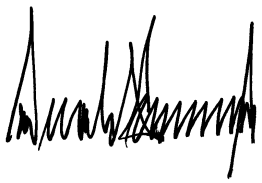
A quality education can give every child, regardless of his or her circumstances, the opportunity to grow, thrive, succeed, and achieve their version of the American Dream. On Education and Sharing Day, we acknowledge the power that a solid academic foundation, combined with the transformative power of time-honored values and ethics, can have in helping young people achieve lives of purpose and passion.

Today, we honor the life and legacy of Rabbi Menachem Mendel Schneerson. The Lubavitcher Rebbe was a widely respected scholar and leader of faith who believed in the potential of all persons and sought to empower young people through education, character development, and civic pride. Throughout his long and distinguished life, Rabbi Schneerson inspired millions of people, across multiple generations, through his example of compassion, wisdom, and courage in the face of oppression. He recognized that access to education, paired with moral and spiritual development, could transform the world for good, and he devoted his life to these principles. His commitment to invest in the lives of the next generation led to the establishment of academic and outreach centers to help grow and engage young minds and provide them with spiritual and material assistance. Thanks to his drive and dedication, these educational and social service centers can be found in every State and throughout the world.

The Lubavitcher Rebbe believed that even in the darkest place, ''the light of a single candle can be seen far and wide.'' His life is an example of the power of one person to influence the lives of many. May we strive to be that light for future generations, instilling in them the value of education and the virtues of courage and compassion that can impact our communities and the world for the better.

NOW, THEREFORE, I, DONALD J. TRUMP, President of the United States of America, by virtue of the authority vested in me by the Constitution and the laws of the United States, do hereby proclaim March 27, 2018, as ''Education and Sharing Day, U.S.A.'' I call upon government officials, educators, volunteers, and all the people of the United States to observe this day with appropriate programs, ceremonies, and activities.

IN WITNESS WHEREOF, I have hereunto set my hand this twenty-seventh day of March, in the year of our Lord two thousand eighteen, and of the Independence of the United States of America the two hundred and forty-second.



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H.R. 2154/P.L. 115–157

To rename the Red River Valley Agricultural Research Center in Fargo, North Dakota, as the Edward T. Schafer Agricultural Research Center. (Mar. 27, 2018; 132 Stat. 1241)

S. 188/P.L. 115–158
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