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This section of the FEDERAL REGISTER contains regulatory documents having general applicability and legal effect, most of which are keyed to and codified in the Code of Federal Regulations, which is published under 50 titles pursuant to 44 U.S.C. 1510.

The Code of Federal Regulations is sold by the Superintendent of Documents.

FEDERAL HOUSING FINANCE AGENCY

12 CFR Part 1290

RIN 2590–AA96

Federal Home Loan Bank Community Support Program—Administrative Amendments

AGENCY: Federal Housing Finance Agency.

ACTION: Final rule.

SUMMARY: The Federal Housing Finance Agency (FHFA) is issuing a final rule amending its community support regulation to require that FHFA establish relevant dates for FHFA's biennial community support review by written notice to the Federal Home Loan Banks (Banks). The amendments do not affect the substantive requirements of the regulation and do not change the criteria for determining member compliance with the community support standards and eligibility for access to long-term Bank advances.

DATES: This final rule will take effect on November 15, 2018.

FOR FURTHER INFORMATION CONTACT: Ted Wartell, Manager, Office of Housing and Community Investment, 202–649–3157, *ted.wartell@fhfa.gov;* Deattra Perkins, Senior Policy Analyst, Office of Housing and Community Investment, 202–649–3133, *deattra.perkins@fhfa.gov;* or Marshall Adam Pecsek, Senior Counsel, Office of General Counsel, 202–649–3380, *marshall.pecsek@fhfa.gov.* (These are not toll-free numbers.) The telephone number for the Telecommunications Device for the Hearing Impaired is (800) 877–8339.

SUPPLEMENTARY INFORMATION:

I. Background

A. Community Support Regulation Established Under the Bank Act

Section 10(g) of the Federal Home Loan Bank Act (Bank Act) requires FHFA to adopt regulations establishing standards of community investment or service for members of Banks to maintain access to long-term Bank advances. 12 U.S.C. 1430(g). Section 10(g) states that such regulations ''shall take into account factors such as a member's performance under the Community Reinvestment Act of 1977 (CRA) and the member's record of lending to first-time homebuyers.''

FHFA's current community support regulation implements section 10(g). 12 CFR part 1290. The regulation details the CRA and first-time homebuyer standards that have been established pursuant to section 10(g). Each Bank member, except as provided in the regulation, must meet these standards in order to maintain access to long-term Bank advances.[1] A long-term advance is defined as an advance with a term to maturity greater than one year. 12 CFR 1290.1. The regulation sets forth the process that FHFA follows in reviewing, evaluating, and communicating each member's community support performance. The regulation also requires each Bank to establish and maintain a community support program that includes providing technical assistance to its members.

B. Review Schedule Under the Current Regulation

Under the current community support regulation, each Bank member subject to community support review must submit to FHFA a completed Community Support Statement once every two years. The regulation establishes December 31 of each odd-numbered year as the submission deadline. FHFA provides instructions to the Banks each review cycle with detailed requirements for submissions, including the start date for the submission period. 12 CFR 1290.2(b)(1). For the 2017 review cycle, the instructions indicated that FHFA would begin accepting submissions on April 1, 2017.

The regulation also establishes two notice obligations for the Banks. Each Bank is required to provide notice to each of its members subject to community support review of the member's obligation to submit a Community Support Statement. Each Bank is also required to provide notice to its Advisory Council and other interested parties of the opportunity to submit comments on the activities of Bank members subject to community support review. The Banks are required to provide these notices by March 31 of each odd-numbered year.

[1] The regulation excepts non-depository Community Development Financial Institutions, and excepts new members. 12 CFR 1290.2(d), (e).

II. Analysis of Final Rule

A. Establishment of Review Schedule Via Written Notice

Submission Deadline

Under the current community support regulation, each Bank member subject to community support review must submit its completed Community Support Statement by December 31 of the applicable review year. 12 CFR 1290.2(b)(1). Many members submit their Community Support Statements close to the end of the calendar year. In the 2017 review, for example, 2,584 of the 6,690 Community Support Statements submitted by December 31 were submitted on or after November 1. This influx of submissions comes when both the Banks and FHFA face holiday-related staffing shortages and multiple end-of-year obligations, including those related to community support review. For example, the Banks must provide requested technical assistance to members in completing the Community Support Statements. 12 CFR 1290.2(a). FHFA must review each submitted Community Support Statement and notify the Bank of its determination, and the Bank must then promptly notify each member of FHFA's determination. 12 CFR 1290.4.

FHFA expects that many Bank members subject to community support review are likely to continue to submit their Community Support Statements near the submission deadline. Moving the submission deadline away from the year-end holidays will reduce the burden on FHFA and the Banks. However, the most appropriate deadline for future review cycles may change based on FHFA's experience and based on feedback from the Banks and Bank members. Codifying a specific date in the regulation would unnecessarily limit FHFA's flexibility. Therefore, the final rule replaces the December 31 Community Support Statement submission deadline with a requirement that FHFA establish the submission deadline for each biennial community support review by written notice to the Banks. The final rule does not change

the requirement that members subject to community support review be reviewed once every two years.

Notice Deadlines

The current regulation establishes March 31 of each odd-numbered year as the date by which each Bank must provide written notice to each of its members subject to community support review of the member's obligation to submit a Community Support Statement by the submission deadline. 12 CFR 1290.2(a). Because this date establishes the beginning of the biennial review cycle, retaining it in the regulation would limit FHFA's ability to provide an appropriate amount of time for members to submit their Community Support Statements. Therefore, the final rule replaces the March 31 date with a requirement that FHFA establish, via written notice to the Banks, the date by which each Bank must provide written notice to each of its members subject to community support review of the member's obligation to submit a Community Support Statement by the submission deadline.

The current regulation also establishes March 31 of each odd-numbered year as the date by which each Bank must provide notice to its Advisory Council and other interested parties of the opportunity to submit comments on the activities of Bank members subject to community support review. 12 CFR 1290.2(c)(1). This date need not coincide with the deadline for the Banks to notify their members. However, these two dates currently coincide, and FHFA would like to retain the ability to continue this practice in future review cycles. Therefore, the final rule replaces this date with a requirement that the deadline for notice to Advisory Councils and other interested parties also be established by FHFA via written notice to the Banks.

Submission Acceptance Date

The current regulation does not provide a date by which FHFA will begin accepting Community Support Statements for a particular biennial review cycle. For the 2017 community support review, FHFA began accepting Community Support Statements on April 1, 2017. While members that are on probation or restriction may submit a Community Support Statement at any time to demonstrate compliance with the requirements of the regulation, most members will submit only one Community Support Statement in each biennial review cycle. Proper administration of the community support review process requires the establishment of a starting point for each biennial review. Otherwise, submission at the discretion of the submitting members would effectively dictate the review schedule. Therefore, FHFA will continue to establish a date by which it will begin accepting Community Support Statements for review for each review cycle. The final rule requires that members submit their Community Support Statements in accordance with the submission dates designated by FHFA in the written notice to the Banks establishing the submission and notice deadlines.

Timing of FHFA Notice Establishing Review Schedule

While the final rule provides substantial flexibility for FHFA to establish appropriate deadlines for each step in the community support review process, FHFA recognizes that the Banks and Bank members will need adequate advance notice to allow them to prepare to meet their respective obligations under the regulation. To ensure that the Banks and members continue to have adequate time to prepare for the submission period, the final rule requires that FHFA notify the Banks of the applicable dates for the review period at least 90 days before the deadline for the Banks to notify their members.

2019 Community Support Review

For the 2019 biennial community support review, FHFA will issue the written notice establishing the applicable deadlines concurrently with or shortly after publication of this final rule in the **Federal Register**. FHFA intends to establish April 1, 2019 as the date on which FHFA will begin accepting Community Support Statements submitted for the 2019 review period. FHFA intends to establish October 31, 2019 as the date by which each member subject to community support review must submit a completed Community Support Statement for the 2019 review period. FHFA intends to establish March 29, 2019 as the date by which each Bank must notify each of its members subject to community support review of its obligation to submit a completed Community Support Statement by the submission deadline. Finally, March 29, 2019 would also be the date by which each Bank must provide notice to its Advisory Council and other interested parties of the opportunity to submit comments on the activities of Bank members subject to community support review.

B. Clarifications and Updates

The final rule makes certain clarifying revisions to the community support regulation and removes outdated text.

Clarifications

The current regulation provides that the Banks must provide a blank Community Support Statement form to each member, and that FHFA will maintain a blank copy of the form on its website. 12 CFR 1290.2(a). Starting with the 2017 review cycle, FHFA has established an online process for submission of the Community Support Statements. Members are strongly encouraged to use the online submission system for submitting their Community Support Statements, although FHFA will accept hard copy submissions from members experiencing technical difficulties in submitting via the online process. The final rule amends the regulation to remove the outdated requirement to provide blank forms to each member, and to require instead that Banks provide a copy of the blank form upon request. In addition, FHFA maintains an informational version of the form on its website, but it is overlaid with explanatory text and therefore not a blank version of the form which any member could complete and submit. The blank form referenced in the regulation is transmitted directly by FHFA to the Banks. The final rule amends the regulation to align with this practice.

Conforming Changes

The final rule removes an outdated transition provision in § 1290.2 that clarified the community support review obligations for the 2014–2015 review cycle of members who had already been selected for community support review during that review cycle. 12 CFR 1290.2(b)(2). The final rule also updates a cross-reference in § 1290.5 to reflect the revised paragraph numbering in § 1290.2.

C. Section-by-Section Analysis of Final Rule

Section 1290.2

Paragraph (a)

The final rule removes all references to specific dates in paragraph (a) and provides that the applicable deadline will be established pursuant to new paragraph (f). The final rule removes the reference to FHFA's website, providing instead that the referenced blank Community Support Statement form will be provided by FHFA to the Banks. The final rule also removes the requirement that each Bank provide a

blank copy of the Community Support Statement form to its members, replacing it with a requirement that each Bank provide the form upon request.

Paragraph (b)

The final rule removes all references to specific dates in paragraph (b)(1) and provides that the applicable deadline will be established pursuant to new paragraph (f). The final rule removes paragraph (b)(2) and redesignates paragraph (b)(1) as paragraph (b).

Paragraph (c)(1)

The final rule removes all references to specific dates in paragraph (c)(1) and provides that the applicable deadline will be established pursuant to new paragraph (f).

Paragraph (f)

The final rule adds new paragraph (f), which provides that FHFA will designate applicable dates for each biennial community support review via written notice to the Banks. Paragraph (f) provides that this notice will designate the dates referenced in paragraphs (a), (b) and (c)(1), and will be issued at least 90 days before the date by which each Bank must notify members of their community support review obligations under paragraph (a).

III. Notice and Public Participation

Section 553(b)(A) of the Administrative Procedures Act provides that when a regulation involves matters of agency organization, procedure, or practice, the agency may publish the regulation in final form without prior public notice and comment. 5 U.S.C. 553(b)(A). This final rule involves matters of agency procedure and practice. The final rule does not make any change to the substantive standards for compliance with the community support regulation. The changes in the final rule are limited to administrative changes in the process that FHFA uses to evaluate members. As a result, the final rule is exempt from the public notice and comment provisions of section 553.

IV. Considerations of Differences Between the Banks and the Enterprises

Section 1313(f) of the Safety and Soundness Act requires the FHFA Director, when promulgating regulations ''of general applicability and future effect'' relating to the Banks, to consider the differences between the Banks and the Enterprises as they may relate to the Banks' cooperative ownership structure, mission of providing liquidity to members, affordable housing and community development mission, capital structure, and joint and several liability. In preparing this final rule, the Director considered the differences between the Banks and the Enterprises as they relate to these factors. The rule would apply only to the Banks. There is no direct Enterprise-specific analog to the Banks' community support requirements. Under the existing community support regulation, it is possible that a Bank member's access to long-term advances may be restricted as a result of a failure to meet the community support standards. While such restrictions may affect an individual member's access through the Bank to liquidity for home mortgage financing, they do not fundamentally change the role of the Banks in providing such liquidity, and the restriction is mandated by the Bank Act in such a case. See 12 U.S.C. 1430(g). In any case, the final rule would not make any substantive change to these provisions governing member restriction. Consequently, the Director has determined the rule to be appropriate.

V. Regulatory Impacts

A. Paperwork Reduction Act

FHFA currently collects information from Bank members regarding their compliance with the community support requirements under existing part 1290. Existing part 1290 also permits Bank members whose access to long-term advances has been restricted for failure to meet the community support requirements to apply directly to FHFA to remove the restriction under certain circumstances. The current collection of information has been approved by the Office of Management and Budget (OMB), and the control number, OMB No. 2590–0005, will expire on March 31, 2020. The final rule amends the community support provisions in part 1290 but does not substantively or materially modify the approved information collection with respect to the members' information collection burden.

B. Regulatory Flexibility Act

The Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) requires that a regulation that has a significant economic impact on a substantial number of small entities, small businesses or small organizations must include an initial regulatory flexibility analysis describing the regulation's impact on small entities. Such an analysis need not be undertaken if the agency has certified that the regulation will not have a significant economic impact on a substantial number of small entities. 5 U.S.C. 605(b). FHFA has considered the impact of this final rule under the Regulatory Flexibility Act. FHFA certifies that this final rule will not have a significant economic impact on a substantial number of small business entities because the regulation is applicable only to the Banks, which are not small entities for purposes of the Regulatory Flexibility Act.

VI. Congressional Review Act

FHFA has determined that this regulatory action does not qualify as a ''rule'' under the Congressional Review Act. *See* 5 U.S.C. 804(3).

List of Subjects in 12 CFR Part 1290

Banks and banking, Credit, Federal home loan banks, Housing, Mortgages, Reporting and recordkeeping requirements.

Accordingly, for the reasons stated in the preamble, FHFA is amending title 12, chapter XII, part 1290, of the Code of Federal Regulations as follows:

PART 1290—COMMUNITY SUPPORT REQUIREMENTS

■ 1. The authority citation for part 1290 is revised to read as follows:

Authority: 12 U.S.C. 1430(g).

■ 2. Revise § 1290.2 to read as follows:

§ 1290.2 Community support requirements.

(a) *Bank notice to members.* By a date designated by FHFA notice pursuant to paragraph (f) of this section, each Bank must provide written notice to each of its members subject to community support review that each such member must submit to FHFA a completed Community Support Statement in accordance with the requirements of paragraph (b) of this section. Unless instructed otherwise by FHFA, the Bank must provide to each member a blank Community Support Statement Form upon request by the member. FHFA will provide a copy of this blank form to the Bank. Upon a member's request, the Bank must provide assistance to the member in completing the Community Support Statement.

(b) *Community Support Statement submission requirements.* Except as provided in paragraphs (d) and (e) of this section, in each odd-numbered year, each member must submit to FHFA a completed Community Support Statement (and any other related information FHFA may require) in accordance with the submission dates designated by FHFA notice pursuant to paragraph (f) of this section. The member's completed Community

Support Statement must be executed by an appropriate senior officer of the member and must be submitted to FHFA pursuant to FHFA's submission instructions.

(c) *Notice to public.*—(1) *By the Banks.* By a date designated by FHFA notice pursuant to paragraph (f) of this section, each Bank must provide written notice to its Advisory Council, and to interested nonprofit housing developers, community groups, and other interested parties in its district, and include a notice on its public website, of the opportunity to submit comments on the community support programs and activities of Bank members, with the name and address of each member subject to community support review, and the deadline and FHFA contact information for submission of any comments to FHFA.

(2) *By FHFA.* FHFA may publish a notice in the *Federal Register* notifying the public of the opportunity to submit comments on the community support programs and activities of Bank members, with the deadline and FHFA contact information for submission of any comments to FHFA.

(3) *Consideration of comments.* In reviewing a member for compliance with the community support requirements, FHFA will take into consideration any public comments it has received concerning the member.

(d) *Non-Depository Community Development Financial Institutions.* A member that has been certified as a community development financial institution by the CDFI Fund, other than a member that also is an insured depository institution or a CDFI credit union (as defined in 12 CFR 1263.1), is deemed to be in compliance with the community support requirements of section 10(g) of the Federal Home Loan Bank Act (12 U.S.C. 1430(g)) and this part, by virtue of that certification. Such non-depository CDFIs, therefore, are not required to submit Community Support Statements to FHFA under paragraph (b) of this section and are not subject to community support review under this part.

(e) *New Bank members.* A member of a Bank is not required to submit a Community Support Statement under paragraph (b) of this section if the institution has been a member of a Bank for a total of less than one year as of March 31 of the year in which submissions are due under paragraph (b) of this section.

(f) *Designation of submission and notice dates.* FHFA will designate applicable dates for each biennial review cycle via written notice to the Banks. The notice will designate the date by which FHFA will begin accepting Community Support Statements and the date by which Community Support Statements must be submitted, as well as the dates by which the Banks must notify members under paragraph (a) of this section and the public under paragraph (c)(1) of this section. FHFA's written notice to the Banks will be issued at least 90 days prior to the date by which the Banks must notify members under paragraph (a).

§ 1290.5 [Amended]

■ 3. Amend § 1290.5 by removing ''§ 1290.2(b)(1)'' in paragraph (b)(1) and adding in its place ''§ 1290.2(b).''

Dated: October 2, 2018.

Melvin L. Watt,

Director, Federal Housing Finance Agency.

[FR Doc. 2018–22451 Filed 10–15–18; 8:45 am]

BILLING CODE 8070–01–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2018–0449; Product Identifier 2018–NM–042–AD; Amendment 39–19452; AD 2018–20–18]

RIN 2120–AA64

Airworthiness Directives; Bombardier, Inc., Airplanes

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

ACTION: Final rule.

SUMMARY: We are adopting a new airworthiness directive (AD) for certain Bombardier, Inc., Model DHC–8–400 series airplanes. This AD was prompted by a report of uncommanded deployment of the ground spoilers when the power levers were advanced for takeoff, which was caused by faulty switches in the power lever module. This AD requires revising the maintenance or inspection program, as applicable. We are issuing this AD to address the unsafe condition on these products.

DATES: This AD is effective November 20, 2018.

The Director of the Federal Register approved the incorporation by reference of a certain publication listed in this AD as of November 20, 2018.

ADDRESSES: For service information identified in this final rule, contact Bombardier, Inc., Q-Series Technical Help Desk, 123 Garratt Boulevard, Toronto, Ontario M3K 1Y5, Canada; telephone 416–375–4000; fax 416–375–4539; email *thd.qseries@aero.bombardier.com;* internet *http://www.bombardier.com.* You may view this service information at the FAA, Transport 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–2018–0449.

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–2018–0449; 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: John P. DeLuca, Aerospace Engineer, Avionics and Administrative Services Section, FAA, New York ACO Branch, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; telephone 516–228–7369; fax 516–794–5531; email *9-avs-nyaco-cos@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 Bombardier, Inc., Model DHC–8–400 series airplanes. The NPRM published in the **Federal Register** on May 25, 2108 (83 FR 24248). The NPRM was prompted by a report of uncommanded deployment of the ground spoilers when the power levers were advanced for takeoff, which was caused by faulty switches in the power lever module. The NPRM proposed to require revising the maintenance or inspection program, as applicable.

We are issuing this AD to address faulty switches in the power lever module, which could result in uncommanded deployment of the ground spoilers and a possible runway excursion.

Transport Canada Civil Aviation (TCCA), which is the aviation authority for Canada, has issued Canadian AD

CF–2017–35, dated November 29, 2017 (referred to after this as the Mandatory Continuing Airworthiness Information, or ''the MCAI''), to correct an unsafe condition for certain Bombardier, Inc., Model DHC–8–400 series airplanes. The MCAI states:

> There has been an incident of uncommanded deployment of the ground spoilers when the power levers were advanced for take-off. The warning horn sounded and the pilot rejected the take-off. The subsequent investigation determined the root cause of the spoiler deployment was faulty switches in the power lever module. An uncommanded deployment of the ground spoilers may lead to a runway excursion.
>
> This [Canadian] AD mandates the incorporation of a new Certification Maintenance Requirement (CMR) task to check the ground spoiler switches in the power lever module.

Required actions include revising the maintenance or inspection program, as applicable. 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–2018–0449.

Comments

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

Request To Revise Requirements Related to Temporary Revision (TR)

Horizon Air requested that paragraph (g) of the proposed AD be revised to refer to Bombardier Certification Maintenance Requirements (CMR) Task 276000–110 of Q400 Dash 8 (Bombardier) TR ALI–0185, dated March 19, 2018. Horizon Air noted that TR ALI–0185, replaced TR ALI–0173, dated March 14, 2017, which was specified in the proposed AD.

Horizon Air also requested that we include a statement that, ''When this temporary revision has been included in general revisions of the PSM [product support manual], the general revisions may be inserted in the maintenance or inspection program, as applicable, provided the relevant information in the general revision is identical to that in [Q400 Dash 8] (Bombardier) TR ALI–0185 [, dated March 19, 2018].''

We agree to clarify. Paragraph (g) of this AD requires operators to incorporate ''the information specified in'' CMR Task 276000–110 of Q400 Dash 8 (Bombardier) TR ALI–0173, dated March 14, 2017. Task 27600–110 is the same in both TR ALI–0173, dated March 14, 2017; and TR ALI–0185, dated March 19, 2018. Therefore, if operators incorporate TR ALI–0185, dated March 19, 2018, into the maintenance or inspection program, as applicable, they are in compliance with paragraph (g) of this AD (*i.e.,* since the information specified in TR ALI–0185, dated March 19, 2018, contains the same information as TR ALI–0173, dated March 14, 2017, by incorporating TR ALI–0185, dated March 19, 2018, the operator is complying with the requirement to incorporate the information specified in TR ALI–0173, dated March 14, 2017). Similarly, if operators incorporate the PSM into the maintenance or inspection program, as applicable, they are in compliance with paragraph (g) of this AD. We have not changed this AD in this regard.

Conclusion

We reviewed the relevant data, considered the comment 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 NPRM for addressing the unsafe condition; and
- Do not add any additional burden upon the public than was already proposed in the NPRM.

Related Service Information Under 1 CFR Part 51

Bombardier has issued Q400 Dash 8 (Bombardier) Temporary Revision ALI–0173, dated March 14, 2017. This service information describes CMR Task 276000–110, ''Operational Check of the Ground Spoiler Switches in the Power Lever Module.'' 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 86 airplanes of U.S. registry.

We estimate the following costs to comply with this AD:

We have determined that revising the maintenance or inspection program takes an average of 90 work-hours per operator, although we recognize that this number may vary from operator to operator. In the past, we have estimated that this action takes 1 work-hour per airplane. Since operators incorporate maintenance or inspection program changes for their affected fleet(s), we have determined that a per-operator estimate is more accurate than a per-airplane estimate. Therefore, we estimate the total cost per operator to be $7,650 (90 work-hours × $85 per work-hour).

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 and associated appliances 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 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 adding the following new airworthiness directive (AD):

2018–20–18 Bombardier, Inc.: Amendment 39–19452; Docket No. FAA–2018–0449; Product Identifier 2018–NM–042–AD.

(a) Effective Date

This AD is effective November 20, 2018.

(b) Affected ADs

None.

(c) Applicability

This AD applies to Bombardier, Inc., Model DHC–8–400, –401, and –402 airplanes, certificated in any category, serial numbers 4001 and subsequent.

(d) Subject

Air Transport Association (ATA) of America Code 27, Flight controls.

(e) Reason

This AD was prompted by a report of uncommanded deployment of the ground spoilers when the power levers were advanced for takeoff, which was caused by faulty switches in the power lever module. We are issuing this AD to address faulty switches in the power lever module, which could result in uncommanded deployment of the ground spoilers and a possible runway excursion.

(f) Compliance

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

(g) Revision of Maintenance or Inspection Program

Within 30 days after the effective date of this AD: Revise the maintenance or inspection program, as applicable, to incorporate the information specified in Certification Maintenance Requirements (CMR) Task 276000–110 of Q400 Dash 8 (Bombardier) Temporary Revision ALI–0173, dated March 14, 2017.

(h) Initial Compliance Time

The initial compliance time for doing the CMR Task 276000–110 specified in paragraph (g) of this AD is within 8,000 flight hours after the effective date of this AD.

(i) No Alternative Actions or Intervals

After the maintenance or inspection program has been revised as required by paragraph (g) of this AD, no alternative actions (*e.g.,* inspections) or intervals may be used unless the actions or intervals are approved as an alternative method of compliance (AMOC) in accordance with the procedures specified in paragraph (j)(1) of this AD.

(j) Other FAA AD Provisions

The following provisions also apply to this AD:

(1) *Alternative Methods of Compliance (AMOCs):* The Manager, New York 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 ATTN: Program Manager, Continuing Operational Safety, FAA, New York ACO Branch, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; telephone 516–228–7300; fax 516–794–5531. Before using any approved AMOC, notify your appropriate principal inspector, or lacking a principal inspector, the manager of the local flight standards district office/certificate holding district office.

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

(k) Related Information

(1) Refer to Mandatory Continuing Airworthiness Information (MCAI) Canadian Airworthiness Directive CF–2017–35, dated November 29, 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–2018–0449.

(2) For more information about this AD, contact John P. DeLuca, Aerospace Engineer, Avionics and Administrative Services Section, FAA, New York ACO Branch, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; telephone 516–228–7369; fax 516–794–5531; email *9-avs-nyaco-cos@faa.gov.*

(l) 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.

(i) Q400 Dash 8 (Bombardier) Temporary Revision ALI–0173, dated March 14, 2017.

(ii) Reserved.

(3) For service information identified in this AD, contact Bombardier, Inc., Q-Series Technical Help Desk, 123 Garratt Boulevard, Toronto, Ontario M3K 1Y5, Canada; telephone 416–375–4000; fax 416–375–4539; email *thd.qseries@aero.bombardier.com;* internet *http://www.bombardier.com.*

(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 Des Moines, Washington, on September 20, 2018.

John P. Piccola,

Acting Director, System Oversight Division, Aircraft Certification Service.

[FR Doc. 2018–22144 Filed 10–15–18; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2018–0550; Product Identifier 2018–NM–024–AD; Amendment 39–19455; AD 2018–20–21]

RIN 2120–AA64

Airworthiness Directives; Bombardier, Inc., Airplanes

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

ACTION: Final rule.

SUMMARY: We are adopting a new airworthiness directive (AD) for certain Bombardier, Inc., Model CL–600–2B16 (CL–604 Variants) airplanes. This AD was prompted by reports of floodlight lamps found burned and the corresponding circuit breaker tripped as a result of fluid entering the cockpit floodlight fixtures. This AD requires installation of new gasket seals on floodlight fixtures. We are issuing this AD to address the unsafe condition on these products.

DATES: This AD is effective November 20, 2018.

The Director of the Federal Register approved the incorporation by reference of certain publications listed in this AD as of November 20, 2018.

ADDRESSES: For service information identified in this final rule, contact Bombardier, Inc., 400 Côte-Vertu Road West, Dorval, Québec H4S 1Y9, Canada; Widebody Customer Response Center North America toll-free telephone 1–

866–538–1247 or direct-dial telephone 1–514–855–2999; fax 514–855–7401; email *ac.yul@aero.bombardier.com;* internet *http://www.bombardier.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–2018–0550.

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–2018–0550; 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: Steven Dzierzynski, Aerospace Engineer, Avionics and Electrical Systems Services Section, FAA, New York ACO Branch, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; telephone 516–228–7367; fax 516–794–5531; email *9-avs-nyaco-cos@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 Bombardier, Inc., Model CL–600–2B16 (CL–604 Variants) airplanes. The NPRM published in the **Federal Register** on June 22, 2018 (83 FR 29061). The NPRM was prompted by reports of floodlight lamps found burned and the corresponding circuit breaker tripped as a result of fluid entering the cockpit floodlight fixtures. The NPRM proposed to require installation of new gasket seals on floodlight fixtures.

We are issuing this AD to address fluid entering the cockpit floodlight fixtures, which could cause short circuits and damage to electrical components, which may result in a fire in the cockpit.

Transport Canada Civil Aviation (TCCA), which is the aviation authority for Canada, has issued Canadian AD CF–2016–40, dated December 15, 2016; and Canadian AD CF–2018–06, dated February 19, 2018; to correct an unsafe condition for certain Bombardier, Inc., Model CL–600–2B16 (CL–604 Variants) airplanes. Canadian AD CF–2016–40 and Canadian AD CF–2018–06 are referred to after this as the Mandatory Continuing Airworthiness Information, or ''the MCAI.''

Canadian AD CF–2016–40 states:

Several operators have reported a burning odor and smoke emanating from the cockpit floodlights. Bombardier Aerospace (BA) has determined the cause to be fluid entering into the cockpit floodlight fixtures causing short circuits and damage to electrical components. If not corrected, this condition may result in a fire in the cockpit.

This [Canadian] AD is issued to mandate the installation of a new gasket seal on the floodlight fixture.

Canadian AD CF–2018–06 states:

[Canadian] AD CF–2016–40, applicable to Bombardier Inc. model CL–600–2B16 (604 [CL–604 Variants serial numbers 5301 through 5665 inclusive] and 605 [CL–604 Variants serial numbers 5701 through 5988 inclusive] variants) aeroplanes, was issued to address the potential of water penetrating into cockpit floodlight fixtures. A similar condition exists on the CL–600–2B16 (650 variant [CL–604 Variants serial numbers 6050 through 6070 inclusive]) aeroplanes. This condition can cause short circuits and damage to electrical components, which may result in a fire in the cockpit.

This [Canadian] AD mandates the installation of gasket seals on the pilot and co-pilot floodlight fixtures to prevent fluid from entering them.

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–2018–0550.

Comments

We gave the public the opportunity to participate in developing this final rule. We received no comments on the NPRM or on the determination of the cost to the public.

Conclusion

We reviewed the relevant data 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 NPRM for addressing the unsafe condition; and
- Do not add any additional burden upon the public than was already proposed in the NPRM.

Related Service Information Under 1 CFR Part 51

Bombardier has issued the following service information:

- Bombardier Service Bulletin 604–33–007, Revision 02, dated October 2, 2017.
- Bombardier Service Bulletin 605–33–005, Revision 02, dated October 2, 2017.
- Bombardier Service Bulletin 650–33–001, Revision 03, dated October 2, 2017.

The service information describes procedures to install new gasket seals on floodlight fixtures. These documents are distinct since they apply to different configurations of the same airplane model. 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 123 airplanes of U.S. registry. We estimate the following costs to comply with this AD:

ESTIMATED COSTS FOR REQUIRED ACTIONS

Labor cost	Parts cost	Cost per product	Cost on U.S. operators
Up to 2 work-hours × $85 per hour = Up to $170	$0	Up to $170	Up to $20,910.

According to the manufacturer, some or all 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 for affected individuals. As a result, we have included all known 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 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 and associated appliances 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 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 adding the following new airworthiness directive (AD):

2018–20–21 Bombardier, Inc.: Amendment 39–19455; Docket No. FAA–2018–0550; Product Identifier 2018–NM–024–AD.

(a) Effective Date

This AD is effective November 20, 2018.

(b) Affected ADs

None.

(c) Applicability

This AD applies to certain Bombardier, Inc., Model CL–600–2B16 (CL–604 Variants) airplanes, certificated in any category, serial numbers 5301 through 5665 inclusive, 5701 through 5988 inclusive, and 6050 through 6070 inclusive.

(d) Subject

Air Transport Association (ATA) of America Code 33, Lights.

(e) Reason

This AD was prompted by reports of floodlight lamps found burned and the corresponding circuit breaker tripped as a result of fluid entering the cockpit floodlight fixtures. We are issuing this AD to address fluid entering the cockpit floodlight fixtures, which could cause short circuits and damage to electrical components, which may result in a fire in the cockpit.

(f) Compliance

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

(g) Required Actions

(1) For airplanes identified in Bombardier Service Bulletin 604–33–007, Revision 02, dated October 2, 2017: Within 38 months after the effective date of this AD, install new gasket seals in accordance with the Accomplishment Instructions of Bombardier Service Bulletin 604–33–007, Revision 02, dated October 2, 2017.

(2) For airplanes identified in Bombardier Service Bulletin 605–33–005, Revision 02, dated October 2, 2017: Within 38 months after the effective date of this AD, install new gasket seals in accordance with the Accomplishment Instructions of Bombardier Service Bulletin 605–33–005, Revision 02, dated October 2, 2017.

(3) For airplanes identified in Bombardier Service Bulletin 650–33–001, Revision 03, dated October 2, 2017: Within 38 months after the effective date of this AD, install new gasket seals, Modification Summary 600–6537, in accordance with the Accomplishment Instructions of Bombardier Service Bulletin 650–33–001, Revision 03, dated October 2, 2017.

(h) Credit for Previous Actions

(1) This paragraph provides credit for actions required by (g)(1), if those actions were performed before the effective date using Bombardier Service Bulletin 604–33–007, dated September 29, 2015; or Bombardier Service Bulletin 604–33–007, Revision 01, dated November 30, 2015.

(2) This paragraph provides credit for actions required by (g)(2), if those actions were performed before the effective date using Bombardier Service Bulletin 605–33–005, dated September 29, 2015; or Bombardier Service Bulletin 605–33–005, Revision 01, dated November 30, 2015.

(3) This paragraph provides credit for actions required by (g)(3), if those actions were performed before the effective date using the service information specified in paragraphs (h)(3)(i), (h)(3)(ii), or (h)(3)(iii) of this AD.

(i) Bombardier Service Bulletin 650–33–001, dated October 1, 2015.

(ii) Bombardier Service Bulletin 650–33–001, Revision 01, dated November 30, 2015.

(iii) Bombardier Service Bulletin 650–33–001, Revision 02, dated March 11, 2016.

(i) Other FAA AD Provisions

The following provisions also apply to this AD:

(1) *Alternative Methods of Compliance (AMOCs):* The Manager, New York 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 ATTN: Program Manager, Continuing Operational Safety, FAA, New York ACO Branch, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; telephone 516–228–7300; fax 516–794–5531. Before using any approved AMOC, notify your appropriate principal inspector, or lacking a principal inspector, the manager of the local flight standards district office/certificate holding district office.

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

(j) Related Information

(1) Refer to Mandatory Continuing Airworthiness Information (MCAI) Canadian AD CF–2016–40, dated December 15, 2016; and Canadian AD CF–2018–06, dated February 19, 2018, 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–2018–0550.

(2) For more information about this AD, contact Steven Dzierzynski, Aerospace Engineer, Avionics and Electrical Systems Services Section, FAA, New York ACO Branch, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; telephone 516–228–7367; fax 516–794–5531; email *9-avs-nyaco-cos@faa.gov*.

(3) Service information identified in this AD that is not incorporated by reference is available at the addresses specified in paragraphs (k)(3) and (k)(4) of this AD.

(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 this AD specifies otherwise.

(i) Bombardier Service Bulletin 604–33–007, Revision 02, dated October 2, 2017.

(ii) Bombardier Service Bulletin 605–33–005, Revision 02, dated October 2, 2017.

(iii) Bombardier Service Bulletin 650–33–001, Revision 03, dated October 2, 2017.

(3) For service information identified in this AD, contact Bombardier, Inc., 400 Côte-Vertu Road West, Dorval, Québec H4S 1Y9, Canada; Widebody Customer Response Center North America toll-free telephone 1–866–538–1247 or direct-dial telephone 1–514–855–2999; fax 514–855–7401; email *ac.yul@aero.bombardier.com;* internet *http://www.bombardier.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 Des Moines, Washington, on September 27, 2018.

John P. Piccola,

Acting Director, System Oversight Division, Aircraft Certification Service.

[FR Doc. 2018–22275 Filed 10–15–18; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2018–0366; Product Identifier 2017–NM–166–AD; Amendment 39–19448; AD 2018–20–14]

RIN 2120–AA64

Airworthiness Directives; ATR–GIE Avions de Transport Régional Airplanes

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

ACTION: Final rule.

SUMMARY: We are adopting a new airworthiness directive (AD) for certain ATR–GIE Avions de Transport Régional Model ATR42–500 airplanes. This AD was prompted by a determination that more restrictive maintenance requirements and airworthiness limitations are necessary. This AD requires revising the maintenance or inspection program, as applicable, to incorporate new and/or more restrictive maintenance requirements and airworthiness limitations. We are issuing this AD to address the unsafe condition on these products.

DATES: This AD is effective November 20, 2018.

The Director of the Federal Register approved the incorporation by reference of certain publications listed in this AD as of November 20, 2018.

ADDRESSES: For service information identified in this final rule, contact ATR–GIE Avions de Transport Régional, 1, Allée Pierre Nadot, 31712 Blagnac Cedex, France; telephone +33 (0) 5 62 21 62 21; fax +33 (0) 5 62 21 67 18; email *continued.airworthiness@atr-aircraft.com;* internet *http://www.atr-aircraft.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–2018–0366.

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–2018–0366; 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 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: 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:

Discussion

We issued a notice of proposed rulemaking (NPRM) to amend 14 CFR part 39 by adding an AD that would apply to all ATR–GIE Avions de Transport Régional Model ATR42–500 airplanes. The NPRM published in the **Federal Register** on May 8, 2018 (83 FR 20748). The NPRM was prompted by a determination that more restrictive maintenance requirements and airworthiness limitations are necessary. The NPRM proposed to require revising the maintenance or inspection program, as applicable, to incorporate new and/or more restrictive maintenance requirements and airworthiness limitations.

We are issuing this AD to address reduced structural integrity 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 2017–0222R1, dated December 15, 2017 (referred to after this as the Mandatory Continuing Airworthiness Information, or ''the MCAI''), to correct an unsafe condition for ATR–GIE Avions de Transport Régional Model ATR42–500 airplanes. The MCAI states:

> The airworthiness limitations and certification maintenance requirements (CMR) for ATR aeroplanes, which are approved by EASA, are currently defined and published in the ATR42–400/–500 Time Limits (TL) document. These instructions have been identified as mandatory for continued airworthiness.
>
> Failure to accomplish these instructions could result in an unsafe condition [*i.e.,* reduced structural integrity of the airplane].
>
> Consequently, ATR published Revision 11 Temporary revision 01 of the ATR42–400/–500 TL document, which contains new and/or more restrictive CMRs and airworthiness limitations tasks.
>
> For the reasons described above, this [EASA] AD requires accomplishment of the actions specified in the ATR42–400/–500 TL document Revision 11 Temporary revision

01, hereafter referred to as 'the TLD' in this [EASA] AD.

This [EASA] AD, in conjunction with two other [EASA] ADs related to ATR42–200/–300/–320 (EASA AD 2017–0221) and ATR72–101/–102/–201/–202/–211/–212/–212A (EASA AD 2017–0223) aeroplanes, retains the requirements of EASA AD 2009–0242 [which corresponds to FAA AD 2008–04–19 R1, Amendment 39–16069 (74 FR 56713, November 3, 2009)] and EASA AD 2012–0193 [which corresponds to FAA AD 2015–26–09, Amendment 39–18357 (81 FR 1483, January 13, 2016)]. Once all these three [EASA] ADs are effective, EASA will cancel EASA AD 2009–0242 and EASA AD 2012–0193.

This [EASA] AD is revised to provide the correct issue date (03 May 2017) of the TLD. The original [EASA] AD inadvertently referenced the EASA approval date for that document.

The required actions include revising the maintenance or inspection program, as applicable, to incorporate new and/or more restrictive maintenance requirements and airworthiness limitations. The unsafe condition is reduced structural integrity of the airplane.

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–2018–0366.

Comments

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

Request To Refer to Revised Service Information

Empire Airlines requested that paragraphs (g) and (h) of the proposed AD be revised to refer to ATR ATR42–400/–500 Time Limits Temporary Revision TR02/17, dated October 2, 2017 (''TR02/17'') instead of ATR ATR42–400/–500 Time Limits Temporary Revision TR01/17, dated May 3, 2017 (''TR01/17''). The commenter stated that TR02/17 includes the information in TR01/17.

We do not agree with the commenter's request; however, we do acknowledge that TR02/17 has been issued. The intent of TR02/17 is to incorporate changes due to ATR42 Modification 7474, which relates to upgraded avionics and is not related to the requirements of this AD. The intent of TR01/17 is to incorporate missing certification maintenance requirements related to the air distribution system and cabin pressure and control monitoring. We have not changed this AD in regard to this issue.

Conclusion

We reviewed the relevant data, considered the comment 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 NPRM for addressing the unsafe condition; and
- Do not add any additional burden upon the public than was already proposed in the NPRM.

Related Service Information Under 1 CFR Part 51

ATR–GIE Avions de Transport Régional has issued ATR42–400/–500, Time Limits Document (TL), Revision 11, dated May 5, 2015. This service information describes life limits and maintenance requirements for the affected airplanes.

ATR–GIE Avions de Transport Régional has also issued ATR42–400/–500 Time Limits Temporary Revision TR01/17, dated May 3, 2017, to the ATR ATR42–400/–500 Time Limits Document (TL). This service information describes changes to life limits and maintenance requirements of certain tasks for the affected airplanes.

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 4 airplanes of U.S. registry.

We estimate the following costs to comply with this AD:

We have determined that revising the maintenance or inspection program takes an average of 90 work-hours per operator, although this figure may vary from operator to operator. In the past, we have estimated that this action takes 1 work-hour per airplane. Since operators incorporate maintenance or inspection program changes for their affected fleet(s), we have determined that a per-operator estimate is more accurate than a per-airplane estimate. Therefore, we estimate the total cost per operator to be $7,650 (90 work-hours × $85 per work-hour).

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 and associated appliances 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 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 adding the following new airworthiness directive (AD):

2018–20–14 ATR–GIE Avions de Transport Régional: Amendment 39–19448; Docket No. FAA–2018–0366; Product Identifier 2017–NM–166–AD.

(a) Effective Date

This AD is effective November 20, 2018.

(b) Affected ADs

This AD affects the ADs specified in paragraphs (b)(1), (b)(2), and (b)(3) of this AD.

(1) AD 2000–23–04 R1, Amendment 39–12174 (66 FR 19381, April 16, 2001) (''AD 2000–23–04 R1'').

(2) AD 2008–04–19 R1, Amendment 39–16069 (74 FR 56713, November 3, 2009) (''AD 2008–04–19 R1'').

(3) AD 2015–26–09, Amendment 39–18357 (81 FR 1483, January 13, 2016) (''AD 2015–26–09'').

(c) Applicability

This AD applies to ATR–GIE Avions de Transport Régional Model ATR42–500 airplanes, certificated in any category, with an original airworthiness certificate or original export certificate of airworthiness dated on or before May 3, 2017.

(d) Subject

Air Transport Association (ATA) of America Code 05, Time limits/maintenance checks.

(e) Reason

This AD was prompted by a determination that more restrictive maintenance requirements and airworthiness limitations are necessary. We are issuing this AD to prevent reduced structural integrity of the airplane.

(f) Compliance

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

(g) Maintenance or Inspection Program Revision

Within 90 days after the effective date of this AD, revise the maintenance or inspection program, as applicable, to incorporate the information specified in ATR ATR42–400/–500, Time Limits Document (TL), Revision 11, dated May 5, 2015; and ATR ATR42–400/–500 Time Limits Temporary Revision TR01/17, dated May 3, 2017. The initial compliance time for accomplishing the tasks is at the applicable times specified in ATR ATR42–400/–500, Time Limits Document (TL), Revision 11, dated May 5, 2015; and ATR ATR42–400/–500 Time Limits Temporary Revision TR01/17, dated May 3, 2017; or within 90 days after the effective date of this AD; whichever occurs later, except for those certification maintenance requirements (CMRs) tasks identified in figure 1 to paragraphs (g) and (h) of this AD.

Figure 1 to paragraphs (g) and (h) of this AD – *Grace period for CMR tasks*

CMR/Maintenance Significant Item (MSI) Task	Compliance Time
213100-2A	Within 550 flight hours or 90 days, whichever occurs first, after the effective date of this AD.
213100-2B	
213100-3A	
213100-3B	

(h) Initial Compliance Times for Certain CMR Tasks

For the CMR tasks listed in figure 1 to paragraphs (g) and (h) of this AD, the initial compliance time for accomplishing the tasks is at the applicable time specified in ATR ATR42–400/–500 Time Limits Temporary Revision TR01/17, dated May 3, 2017; or within the compliance time specified in figure 1 to paragraphs (g) and (h) of this AD; whichever occurs later.

(i) No Alternative Actions, Intervals, and/or Critical Design Configuration Control Limitations (CDCCLs)

After the maintenance or inspection program, as applicable, has been revised as required by paragraph (g) of this AD, no alternative actions (*e.g.,* inspections), intervals, and/or CDCCLs may be used unless the actions, intervals, and/or CDCCLs are approved as an alternative method of compliance (AMOC) in accordance with the procedures specified in paragraph (k)(1) of this AD.

(j) Terminating Action for Certain ADs

Accomplishing the actions required by paragraph (g) of this AD terminates all requirements of AD 2000–23–04 R1 and all requirements of the ADs specified in paragraphs (j)(1) and (j)(2) of this AD for ATR–GIE Avions de Transport Régional Model ATR42–500 airplanes only.

(1) AD 2008–04–19 R1.

(2) AD 2015–26–09.

(k) 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 (l)(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.

(l) Related Information

(1) Refer to Mandatory Continuing Airworthiness Information (MCAI) EASA AD 2017–0222R1, dated December 15, 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–2018–0366.

(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.

(m) Material Incorporated by Reference

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

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

(i) ATR ATR42–400/–500, Time Limits Document (TL), Revision 11, dated May 5, 2015.

(ii) ATR ATR42–400/–500 Time Limits Temporary Revision TR01/17, dated May 3, 2017.

(3) For service information identified in this AD, contact ATR GIE Avions de Transport Régional, 1, Allée Pierre Nadot, 31712 Blagnac Cedex, France; telephone +33 (0) 5 62 21 62 21; fax +33 (0) 5 62 21 67 18; email *continued.airworthiness@atr aircraft.com;* internet *http://www.atr-aircraft.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 Des Moines, Washington, on September 25, 2018.

John P. Piccola,

Acting Director, System Oversight Division, Aircraft Certification Service.

[FR Doc. 2018–22140 Filed 10–15–18; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2018–0583; Product Identifier 2018–NM–019–AD; Amendment 39–19453; AD 2018–20–19]

RIN 2120–AA64

Airworthiness Directives; Airbus SAS Airplanes

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

ACTION: Final rule.

SUMMARY: We are superseding Airworthiness Directive (AD) 2017–16–07, which applied to certain Airbus SAS Model A330–200, A330–200 Freighter, A330–300, A340–500, and A340–600 series airplanes; and Model A340–313 airplanes. AD 2017–16–07 required inspection of the fuselage bulk cargo door frames at specific locations, and corrective action if necessary. This AD requires new inspections of certain attachment holes for residual surface treatment and cracking, and corrective action if necessary; and provides an optional terminating action for the inspections. This AD also revises the applicability to add certain airplanes and remove others. This AD was prompted by a determination that only airplanes having certain manufacturer serial numbers (MSNs) are affected by tartaric sulfuric anodizing (TSA)/chromic acid anodizing (CAA) surface treatment in the door fitting attachment holes, and that airplanes having certain MSNs were excluded. This AD is intended to complete certain mandated programs intended to support the airplane reaching its limit of validity (LOV) of the engineering data that support the established structural maintenance program. We are issuing this AD to address the unsafe condition on these products.

DATES: This AD is effective November 20, 2018.

The Director of the Federal Register approved the incorporation by reference of certain publications listed in this AD as of November 20, 2018.

ADDRESSES: For service information identified in this final rule, contact Airbus SAS, Airworthiness Office—EAL, Rond-Point Emile Dewoitine No: 2, 31700 Blagnac Cedex, France, France; telephone +33 5 61 93 36 96; fax +33 5 61 93 45 80; email *airworthiness.A330-A340@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–2018–0583.

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–2018–0583; 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: Vladimir Ulyanov, Aerospace Engineer, International Section, Transport Standards Branch, FAA, 2200 South 216th St., Des Moines, WA 98198; telephone and fax 206–231–3229.

SUPPLEMENTARY INFORMATION:

Discussion

We issued a notice of proposed rulemaking (NPRM) to amend 14 CFR part 39 to supersede AD 2017–16–07, Amendment 39–18984 (82 FR 41874, September 5, 2017) (''AD 2017–16–07''). AD 2017–16–07 applied certain Airbus Model A330–200, A330–200 Freighter, A330–300, A340–500, and A340–600 series airplanes; and Model A340–313 airplanes. The NPRM published in the **Federal Register** on July 6, 2018 (83 FR 31499). The NPRM was prompted by a determination that only airplanes having certain MSNs are affected by TSA/CAA surface treatment in the door fitting attachment holes, and that airplanes having certain MSNs were excluded. The NPRM was intended to complete certain mandated programs intended to support the airplane reaching its LOV of the engineering data that support the established structural maintenance program. The NPRM proposed to require new inspections of certain attachment holes for residual surface treatment and cracking, and corrective action if necessary; and to provide an optional terminating action for the inspections. The NPRM also proposed to revise the applicability to add certain airplanes and remove others. We are issuing this AD to address fatigue cracks in the bulk cargo door frames, caused by TSA/CAA surface treatment in certain bulk cargo door frame holes. Cracks in the bulk cargo door frames can cause the in-flight loss of a bulk cargo door, damage to the airplane, and subsequent reduced control 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 AD 2018–0005, dated January 10, 2018 (referred to after this as the Mandatory Continuing Airworthiness Information, or ''the MCAI''), to correct an unsafe condition for certain Airbus SAS Model A330–200, A330–200 Freighter, and A330–300 series airplanes, and Airbus SAS Model A340–200 and A340–300 series airplanes. The MCAI states:

In the frame of the certification of the A330 Extended Service Goal exercise, it was

identified that Tartaric Sulfuric Anodising (TSA) or Chromic Acid Anodising (CAA) surface treatment is present in some frame holes, from aeroplane MSN [manufacturer serial number] 0400 and later MSN, following production process modification. On bulk cargo door frames (FR) 67 and FR 69 right hand (RH) side, the door fitting attachment holes have this TSA or CAA treatment, which leads to a detrimental effect on fatigue behaviour.

This condition, if not detected and corrected, could lead to cracks in the primary structure, possibly resulting in in-flight loss of a bulk cargo door, consequent decompression and potential damage to, and reduced control of, the aeroplane.

To initially address this potential unsafe condition, Airbus issued Alert Operators Transmission (AOT) A53L012–16 to provide instructions to inspect the fuselage bulk cargo door frames at specific locations. Consequently, EASA issued AD 2016–0102 [which corresponds to FAA AD 2017–16–07], requiring repetitive non-destructive test (rototest and high-frequency eddy-current (HFEC)) inspection or visual detailed (DET) inspections [to detect cracking] of the affected areas, and, depending on findings, accomplishment of a repair.

Since that [EASA] AD was issued, it was determined that only aeroplanes from MSN 0400 to MSN 1779 are affected by CAA or TSA surface treatment issue in the door fitting attachment holes. However, it was also determined that aeroplanes MSN 0001 to MSN 0399 are affected in the same attachment holes due to a fatigue issue, therefore, the same inspections must also be accomplished on these aeroplanes. In addition, based on inspection results and calculation, Airbus redefined inspection thresholds and intervals, depending on aeroplane type, model and utilisation. Airbus published SB A330–53–3278 and SB A340–53–4239 providing the inspection instructions at the specific locations with extended inspection thresholds and intervals. Airbus also determined that the actions should not be required for A340–500 and –600 models, as for these aeroplanes, the unsafe condition would only develop beyond the Design Service Goal of these aeroplanes. Finally, Airbus developed modification (mod) 206409 and published associated SB A330–53–3275 and SB A340–53–4238, as applicable, as optional terminating action.

For the reasons described above, this [EASA] AD retains the requirements of EASA AD 2016–0102, which is superseded, expands the Applicability and requires redefined repetitive inspections of the holes at the upper and lower door support fittings of FR 67 and FR 69 RH and the holes at door latch fitting of FR 69 RH. This [EASA] AD also introduces an optional modification, which constitutes terminating action for the repetitive inspections as required by this [EASA] AD.

The optional modification involves related investigative actions of eddy current rotating probe testing for cracks of the support fittings and the frame holes at frame (FR) 67 and FR 69. 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–2018–0583.

Comments

We gave the public the opportunity to participate in developing this final rule. We received no comments on the NPRM or on the determination of the cost to the public.

Conclusion

We reviewed the relevant data 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 NPRM for addressing the unsafe condition; and
- Do not add any additional burden upon the public than was already proposed in the NPRM.

Related Service Information Under 1 CFR Part 51

Airbus SAS has issued the following service information.

- Service Bulletin A330–53–3275, dated September 8, 2017.
- Service Bulletin A330–53–3278, dated August 22, 2017.
- Service Bulletin A340–53–4238, dated September 8, 2017.
- Service Bulletin A340–53–4239, dated September 5, 2017.

Airbus Service Bulletins A330–53–3278 and A340–53–4239 describe procedures for rototest, HFEC/ultrasonic and detailed inspections for residual surface treatment and cracking of the upper and lower right-hand fuselage bulk cargo door support fitting attachment holes at FR 67 and FR 69 and the right-hand fuselage bulk cargo door latch fitting attachment holes at FR 69. Airbus Service Bulletins A330–53–3275 and A340–53–4238 describe procedures for a modification, which includes eddy current rotating probe testing for cracks of the support fittings and the frame holes at FR 67 and FR 69, and removal of TSA or CAA in the final holes of the bulk door frames FR 67 and FR 69. 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.

Costs of Compliance

We estimate that this AD affects 102 airplanes of U.S. registry. We estimate the following costs to comply with this AD:

ESTIMATED COSTS

Action	Labor cost	Parts cost	Cost per product	Cost on U.S. operators
Inspections and modification	Up to 40 work-hours × $85 per hour = $3,400.	$5,100	Up to $8,500	Up to $867,000.

We have received no definitive data that enables us to provide cost estimates for the on-condition actions specified in this AD.

Authority for This Rulemaking

Title 49 of the United States Code specifies the FAA's authority to issue rules on aviation safety. Subtitle I, section 106, describes the authority of the FAA Administrator. Subtitle VII: Aviation Programs, describes in more detail the scope of the Agency's authority.

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

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 and associated appliances 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 (AD) 2017–16–07, Amendment 39–18984 (82 FR 41874, September 5, 2017), and adding the following new AD:

2018–20–19 Airbus SAS: Amendment 39–19453; Docket No. FAA–2018–0583; Product Identifier 2018–NM–019–AD.

(a) Effective Date

This AD is effective November 20, 2018.

(b) Affected ADs

This AD replaces AD 2017–16–07, Amendment 39–18984 (82 FR 41874, September 5, 2017) (''AD 2017–16–07'').

(c) Applicability

This AD applies to the following Airbus SAS airplanes, certificated in any category, manufacturer serial numbers (MSNs) 0001 to 1779 inclusive; except airplanes on which Airbus Service Bulletin A330–53–3275 or Airbus Service Bulletin A340–53–4238 has been embodied.

(1) Model A330–201, –202, –203, –223, and –243 airplanes.

(2) Model A330–223F and –243F airplanes.

(3) Model A330–301, –302, –303, –321, –322, –323, –341, –342, and –343 airplanes.

(4) Model A340–211, –212, and –213 airplanes.

(5) Model A340–311, –312, and –313 airplanes.

(d) Subject

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

(e) Reason

This AD is prompted by a determination that only airplanes having certain MSNs are affected by tartaric sulfuric anodizing (TSA)/chromic acid anodizing (CAA) surface treatment in the door fitting attachment holes, and that airplanes having certain MSNs were excluded from AD 2017–16–07. This AD is intended to complete certain mandated programs intended to support the airplane reaching its limit of validity (LOV) of the engineering data that support the established structural maintenance program. We are issuing this AD to detect and correct fatigue cracks in the bulk cargo door frames, caused by TSA/CAA surface treatment in certain bulk cargo door frame holes. Cracks in the bulk cargo door frames can cause the in-flight loss of a bulk cargo door, damage to the airplane, and subsequent reduced control of the airplane.

(f) Compliance

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

(g) Repetitive Inspections

Before exceeding the thresholds specified in table 1 to paragraph (g) of this AD, or within the applicable time specified in paragraph (g)(1) or (g)(2) of this AD, whichever is later: Do a rototest, high frequency eddy current (HFEC), ultrasonic, or detailed inspection, as applicable, for residual surface treatment and cracking of the upper and lower right-hand fuselage bulk cargo door support fitting attachment holes at FR 67 and FR 69 and the right-hand fuselage bulk cargo door latch fitting attachment holes at FR 69, in accordance with the Accomplishment Instructions of Airbus Service Bulletin A330–53–3278, dated August 22, 2017; or Airbus Service Bulletin A340–53–4239, dated September 5, 2017; as applicable. Thereafter, depending on the areas and inspection methods as defined in table 2 to paragraph (g) of this AD, repeat the inspection at intervals not exceeding those specified in table 3 to paragraph (g) of this AD.

(1) For airplanes having MSN 0001 through 0399 inclusive: Within 200 flight cycles after the effective date of this AD.

(2) For airplanes having MSN 0400 through 1779 inclusive: Within 800 flight cycles after the effective date of this AD.

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Table 1 to paragraph (g) of this AD – *Initial Inspection*

Affected Airplanes	MSN	Operation: Short-range (SR); Long-range (LR)*	Inspection Threshold (flight cycles [FC] or flight hours [FH], whichever occurs first, since airplane first flight)
A330 (except -200F), A340-200, and A340-300	0001 to 0399 inclusive	SR	27,100 FC or 83,900 FH
		LR	23,600 FC or 133,100 FH
A330 (except -200F), A340-200, and A340-300	0400 to 1779 inclusive	SR	16,000 FC or 49,500 FH
		LR	13,900 FC or 78,600 FH
A330-223F and -243F	All	SR or LR	11,300 FC or 34,000 FH

*Guidance for determining whether an airplane is operated in short-range or long-range operations can be found in Airbus Operator Information Telex 999.0086/11.

Table 2 to paragraph (g) of this AD – *Areas and Inspection Methods*

Action	Areas to be Inspected	Inspection Methods*
1	Any	Detailed
2	Upper and lower door support fitting holes	Rototest
	Latch fitting holes	HFEC
3	Upper door support fitting hole	HFEC and ultrasonic

*The inspection interval, as specified in table 3 to paragraph (g) of this AD, is based on the kind of inspection (action) applied to an area, along with the airplane model. Alternating between inspection methods is allowed, provided that the applicable inspection interval is based on the method used during the latest inspection.

Table 3 to paragraph (g) of this AD – *Inspection Intervals*

Action/ Area(s)	Affected Airplanes	Operation: Short-range (SR); Long-range (LR)*	Inspection Interval (FC or FH, whichever occurs first)
1	All	SR or LR	150 FC
2	A330 (except -200F), A340-200, and A340-300	SR	3,300 FC or 10,300 FH
		LR	2,900 FC or 16,400 FH
	A330-223F and -243F	SR or LR	2,700 FC or 8,300 FH
3	A330 (except -200F), A340-200, and A340-300	SR	1,700 FC or 6,100 FH
		LR	1,400 FC or 8,400 FH
	A330-223F and -243F	SR or LR	1,700 FC or 5,200 FH

*Guidance for determining whether an airplane is operated in short-range or long-range operations can be found in Airbus Operator Information Telex 999.0086/11.

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(h) Corrective Action

If any discrepancy is found during any inspection required by paragraph (g) of this AD, before further flight, repair using a method approved by the Manager, International Section, Transport Standards Branch, FAA; or the European Aviation Safety Agency (EASA); or Airbus SAS's EASA Design Organization Approval (DOA). If approved by the DOA, the approval must include the DOA-authorized signature.

(i) Non-Terminating Action for Repairs

Accomplishment of a repair on an airplane, as required by paragraph (h) of this AD, does not constitute terminating action for the inspections required by paragraph (g) of this AD for that airplane, unless otherwise specified in repair instructions approved by the Manager, International Section, Transport Standards Branch, FAA; or EASA; or Airbus SAS's EASA DOA. If approved by the DOA, the approval must include the DOA-authorized signature.

(j) Optional Terminating Action

Accomplishment of the modification, including applicable related investigative and corrective actions and removal of TSA or CAA in the final holes of the bulk door frames FR 67 and FR 69, as applicable, specified in, and in accordance with the AI of Airbus Service Bulletin A330–53–3275, dated September 8, 2017; or Airbus Service Bulletin A340–53–4238, dated September 8, 2017; as applicable; constitutes terminating action for the inspections required by paragraph (g) of this AD for that airplane, unless otherwise specified in the repair instructions approved by the Manager, International Section, Transport Standards Branch, FAA; or EASA; or Airbus SAS's EASA DOA. If approved by the DOA, the approval must include the DOA-authorized signature.

(k) Credit for Previous Actions

This paragraph provides credit for the actions required by paragraph (g) of this AD, if those actions were performed before the effective date of this AD using Airbus Alert Operators Transmission (AOT) A53L012–16, dated May 30, 2016; or Rev 01, dated March 9, 2017.

(l) Other FAA AD Provisions

(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 manager of the International Section, send it to the attention of the person identified in paragraph (m)(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 EASA; or Airbus SAS's EASA DOA. If approved by the DOA, the approval must include the DOA-authorized signature.

(m) Related Information

(1) Refer to Mandatory Continuing Airworthiness Information (MCAI) EASA AD 2018–0005, dated January 10, 2018, 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–2018–0583.

(2) For more information about this AD, contact Vladimir Ulyanov, Aerospace Engineer, International Section, Transport Standards Branch, FAA, 2200 South 216th St., Des Moines, WA 98198; telephone and fax 206–231–3229.

(3) Service information identified in this AD that is not incorporated by reference is available at the addresses specified in paragraphs (n)(3) and (n)(4) of this AD.

(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. 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.

(i) Airbus Service Bulletin A330–53–3275, dated September 8, 2017.

(ii) Airbus Service Bulletin A330–53–3278, dated August 22, 2017.

(iii) Airbus Service Bulletin A340–53–4238, dated September 8, 2017.

(iv) Airbus Service Bulletin A340–53–4239, dated September 5, 2017.

(3) For service information identified in this AD, contact Airbus SAS, Airworthiness Office—EAL, Rond-Point Emile Dewoitine No: 2, 31700 Blagnac Cedex, France, France;

telephone +33 5 61 93 36 96; fax +33 5 61 93 45 80; email *airworthiness.A330-A340@airbus.com;* internet *http://www.airbus.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 Des Moines, Washington, on September 26, 2018.

John P. Piccola,

Acting Director, System Oversight Division, Aircraft Certification Service.

[FR Doc. 2018–22147 Filed 10–15–18; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2017–0771; Product Identifier 2016–NM–212–AD; Amendment 39–19449; AD 2018–20–15]

RIN 2120–AA64

Airworthiness Directives; The Boeing Company Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: We are superseding Airworthiness Directive (AD) 2015–09–07, which applied to all The Boeing Company Model 787 airplanes. AD 2015–09–07 required a repetitive maintenance task for electrical power deactivation. This AD requires installing new software for the generator control unit (GCU). This AD also removes certain airplanes from the applicability. This AD was prompted by the determination that a Model 787 airplane that has been powered continuously for 248 days can lose all alternating current (AC) electrical power due to the GCUs simultaneously going into failsafe mode. We are issuing this AD to address the unsafe condition on these products.

DATES: This AD is effective November 20, 2018.

The Director of the Federal Register approved the incorporation by reference of certain publications listed in this AD as of November 20, 2018.

The Director of the Federal Register approved the incorporation by reference of certain other publications listed in this AD as of May 1, 2015 (80 FR 24789, May 1, 2015).

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 90740–5600; 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–2017–0771.

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–2017–0771; 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: Joe Salameh, Aerospace Engineer, Systems and Equipment Section, FAA, Seattle ACO Branch, 2200 South 216th St., Des Moines, WA 98198; phone and fax: 206–231–3536; email: *joe.salameh@faa.gov.*

SUPPLEMENTARY INFORMATION:

Discussion

We issued a notice of proposed rulemaking (NPRM) to amend 14 CFR part 39 to supersede AD 2015–09–07, Amendment 39–18153 (80 FR 24789, May 1, 2015) (''AD 2015–09–07''). AD 2015–09–07 applied to all The Boeing Company Model 787 airplanes. The NPRM published in the **Federal Register** on August 15, 2017 (82 FR 38629). The NPRM was prompted by the determination that a Model 787 airplane that has been powered continuously for 248 days can lose all AC electrical power due to the GCUs simultaneously going into failsafe mode. This condition is caused by a software counter internal to the GCUs that will overflow after 248 days of continuous power. The NPRM proposed to require installing the new GCU software developed to address the software counter overflow anomaly. The NPRM also proposed to remove certain airplanes from the applicability. We are issuing this AD to address loss of all AC electrical power, which could result in loss of control of the airplane.

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.

Support for the NPRM

The Air Line Pilots Association, International (ALPA) and American Airlines indicated their support for the NPRM.

Request To Update Number of Affected Airplanes

Boeing requested that we update the Costs of Compliance section of the proposed AD to state that ''55 airplanes of U.S. registry'' are affected. Boeing noted that its records show 55 N-registered airplanes, not 47 as stated in the proposed AD.

We agree with the commenter's request for the reason provided. We have updated the Costs of Compliance section of this AD accordingly.

Request To Revise Warranty Information in Costs of Compliance Section

Boeing requested that we revise the Costs of Compliance section of the proposed AD to state that warranty remedies are not available for Boeing Service Bulletin B787–81205–SB240063–00, Issue 002, dated June 7, 2016. Boeing noted that Boeing Service Bulletin B787–81205–SB240063–00, Issue 002, dated June 7, 2016, states ''Boeing warranty remedies are not available for the configuration changes set forth in this service bulletin. Notwithstanding, Boeing will provide the supplier software referenced in this service bulletin at no charge. This offer will expire eight years from the original issue date of this service bulletin.''

We acknowledge the commenter's request and agree to clarify. The warranty information in the Costs of Compliance section of this AD is meant to be informational, and is included when the manufacturer's service information states warranty coverage may be available. We do not control warranty coverage and operators must work with the manufacturer to determine if they are eligible for a warranty. We have revised the warranty information in the Costs of Compliance section of this AD to note that some of the software costs may be covered under warranty.

Request To Clarify Requirements Related to Software Installation

Boeing requested that we clarify or confirm that requiring operators to concurrently install new software as specified in paragraph (i) of the proposed AD will not require operators to request alternative methods of compliance (AMOCs) for installing later-approved software revisions in accordance with future service bulletins. Boeing noted that Boeing Service Bulletin B787–81205–SB420006–00 includes instructions to install several software part numbers that will bring airplanes up to common interface control document (ICD) 9.3 configuration, which is not a safety-related project. Boeing further noted that several other service bulletins call out common ICD 9.3 as a concurrent requirement.

Based on the commenter's request, we have changed paragraphs (h), (i)(1)(i), (i)(1)(ii), and (i)(2) of this AD to allow operators to install later-approved software versions, provided those later-approved versions meet certain conditions. Therefore, operators will not be required to obtain AMOCs to install newer versions of the software required by paragraph (i) of this AD. Similarly, operators will not be required to obtain AMOCs to install newer versions of the software required by paragraph (h) of this AD.

Request To Provide Additional Credit

Boeing and United Airlines (UAL) requested that we provide credit for certain actions done in accordance with Issue 002 of Boeing Service Bulletin B787–81205–SB420006–00. Boeing also requested that we provide credit for certain actions done in accordance with Issue 001 of Boeing Service Bulletin B787–81205–SB420006–00. UAL noted that it had accomplished Boeing Service Bulletin B787–81205–SB420006–00, Issue 002, dated February 13, 2015, on its fleet. UAL added that Boeing Service Bulletin B787–81205–SB420006–00, Issue 003, dated October 15, 2015, was issued to correct software part numbers for certain groups of airplanes, and none of those airplanes are in its fleet. Boeing noted that Issue 002 and Issue 003 of Boeing Service Bulletin B787–81205–SB420006–00 were issued to provide clarification and to provide additional required work for a limited group of airplanes. Boeing suggested that we revise paragraph (j) of the proposed AD to provide credit for the earlier service bulletin revisions for certain airplanes and provide credit for the earlier revisions for certain other airplanes provided that additional work is done on those airplanes.

We agree with the commenters' requests for the reasons provided. We have changed paragraphs (j)(1) and (j)(2) of this AD and added paragraph (j)(3) to this AD to provide credit for actions required by paragraphs (i)(1)(ii) and (i)(2) of this AD for certain airplanes.

Conclusion

We reviewed the relevant data, considered 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 minor changes:

- Are consistent with the intent that was proposed in the NPRM for addressing 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

We reviewed the following service information.

- Boeing Service Bulletin B787–81205–SB240063–00, Issue 002, dated June 7, 2016, which describes procedures for installing operational program software (OPS) into each of the six GCUs and doing a software check. This service information specifies to concurrently accomplish the following two service bulletins.
- Boeing Service Bulletin B787–81205–SB280018–00, Issue 001, dated April 17, 2014, which describes procedures for installing fuel quantity management program software and doing a software check.
- Boeing Service Bulletin B787–81205–SB420006–00, Issue 003, dated October 15, 2015, which describes procedures for installing common interface control document 9.3 software and doing a software check.
- Boeing Multi Operator Message MOM–MOM–15–0248–01B, dated April 19, 2015; and Boeing Multi Operator Message MOM–MOM–15–0248–01B(R1), dated April 20, 2015. This service information describes procedures for electrical power deactivation of Model 787 airplanes. These documents are distinct due to editorial revisions.

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 55 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
Electrical power deactivation (actions retained from AD 2015-09-07).	1 work-hour × $85 per hour = $85 per deactivation cycle.	$0	$85 per deactivation cycle	$4,675 per deactivation cycle.
Software installation (new required action).	5 work-hours × $85 per hour = 425	0	$425	$23,375.

ESTIMATED COSTS FOR CONCURRENT ACTIONS

Action	Labor cost	Parts cost	Cost on U.S. operators
Install fuel quantity management program software	1 work-hour × $85 per hour = $85	[1]	Up to $4,675.

ESTIMATED COSTS FOR CONCURRENT ACTIONS—Continued

Action	Labor cost	Parts cost	Cost on U.S. operators
Install common interface control document 9.3 software.	Up to 15 work-hours × $85 per hour = $1,275	[1]	Up to $70,125.

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

According to the manufacturer, some of the software costs of this 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 available 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 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 and associated appliances to the Director of the System Oversight Division.

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, 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) 2015–09–07, Amendment 39–18153 (80 FR 24789, May 1, 2015), and adding the following new AD:

2018–20–15 The Boeing Company: Amendment 39–19449; Docket No. FAA–2017–0771; Product Identifier 2016–NM–212–AD.

(a) Effective Date

This AD is effective November 20, 2018.

(b) Affected ADs

This AD replaces AD 2015–09–07, Amendment 39–18153 (80 FR 24789, May 1, 2015) (''AD 2015–09–07'').

(c) Applicability

This AD applies to The Boeing Company Model 787–8 and 787–9 airplanes, certificated in any category, as identified in Boeing Service Bulletin B787–81205–SB240063–00, Issue 002, dated June 7, 2016.

(d) Subject

Air Transport Association (ATA) of America Code 24, Electrical power.

(e) Unsafe Condition

This AD was prompted by the determination that a Model 787 airplane that has been powered continuously for 248 days can lose all alternating current (AC) electrical power due to the generator control units (GCUs) simultaneously going into failsafe mode. This condition is caused by a software counter internal to the GCUs that will overflow after 248 days of continuous power. We are issuing this AD to address loss of all AC electrical power, which could result in loss of control of the airplane.

(f) Compliance

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

(g) Retained Repetitive Maintenance Task: Electrical Power Deactivation With a New Reference to Terminating Action

This paragraph restates the actions required by paragraph (g) of AD 2015–09–07, with a new reference to terminating action. At the latest of the times specified in paragraphs (g)(1), (g)(2), and (g)(3) of this AD, accomplish electrical power deactivation on the airplane, in accordance with step 2) in ''DESIRED ACTION'' of Boeing Multi Operator Message MOM–MOM–15–0248–01B, dated April 19, 2015; or Boeing Multi Operator Message MOM–MOM–15–0248–01B(R1), dated April 20, 2015. The main and auxiliary power unit (APU) batteries do not need to be disconnected when performing the electrical power deactivation. Repeat the electrical power deactivation thereafter at intervals not to exceed 120 days until the software installation required by paragraph (h) of this AD is done.

(1) Within 120 days after the last electrical power deactivation in accordance with step 2) in ''DESIRED ACTION'' of Boeing Multi Operator Message MOM–MOM–15–0248–01B, dated April 19, 2015; or Boeing Multi Operator Message MOM–MOM–15–0248–01B(R1), dated April 20, 2015.

(2) Within 120 days after the date of issuance of the original certificate of airworthiness or the date of issuance of the original export certificate of airworthiness.

(3) Within 7 days after May 1, 2015 (the effective date of AD 2015–09–07).

(h) New Requirement of This AD: Software Installation

Within 12 months after the effective date of this AD: Install new operational program software (OPS), or later-approved version, into each of the six GCUs, do a software check, and do all applicable corrective actions before further flight, in accordance with the Accomplishment Instructions of Boeing Service Bulletin B787–81205–SB240063–00, Issue 002, dated June 7, 2016.

Later-approved versions of the software are only those Boeing software versions that are approved as a replacement for the applicable software, and are approved as part of the type design by the FAA or the Boeing Commercial Airplanes Organization Designation Authorization (ODA) after issuance of Boeing Service Bulletin B787–81205–SB240063–00, Issue 002, dated June 7, 2016. If any software check fails, before further flight, do corrective actions, repeat the check, and do applicable corrective actions until the software passes the check. Accomplishment of the actions required by this paragraph on all six GCUs on an airplane terminates the requirements of paragraph (g) of this AD for that airplane.

(i) New Requirement of This AD: Concurrent Actions

(1) For Group 1 airplanes as identified in Boeing Service Bulletin B787–81205–SB240063–00, Issue 002, dated June 7, 2016: Prior to or concurrently with accomplishing the actions required by paragraph (h) of this AD, do the actions specified in paragraph (i)(1)(i) and (i)(1)(ii) of this AD.

(i) Install new fuel quantity management program software, or later-approved version, and do a software check, in accordance with the Accomplishment Instructions of Boeing Service Bulletin B787–81205–SB280018–00, Issue 001, dated April 17, 2014. Later-approved versions of the software are only those Boeing software versions that are approved as a replacement for the applicable software, and are approved as part of the type design by the FAA or the Boeing Commercial Airplanes ODA after issuance of Boeing Service Bulletin B787–81205–SB280018–00, Issue 001, dated April 17, 2014. If any software check fails, before further flight, do corrective actions, repeat the check, and do applicable corrective actions until the software passes the check.

(ii) Install new common interface control document 9.3 software, or later-approved version, and do software checks, in accordance with the Accomplishment Instructions of Boeing Service Bulletin B787–81205–SB420006–00, Issue 003, dated October 15, 2015. Later-approved versions of the software are only those Boeing software versions that are approved as a replacement for the applicable software, and are approved as part of the type design by the FAA or the Boeing Commercial Airplanes ODA after issuance of Boeing Service Bulletin B787–81205–SB420006–00, Issue 003, dated October 15, 2015. If any software check fails, before further flight, do corrective actions, repeat the check, and do applicable corrective actions until the software passes the check.

(2) For Group 2 airplanes as identified in Boeing Service Bulletin B787–81205–SB240063–00, Issue 002, dated June 7, 2016: Prior to or concurrently with accomplishing the actions required by paragraph (h) of this AD, install new common interface control document 9.3 software, or later-approved version, and do software checks, in accordance with the Accomplishment Instructions of Boeing Service Bulletin B787–81205–SB420006–00, Issue 003, dated October 15, 2015. Later-approved versions of the software are only those Boeing software versions that are approved as a replacement for the applicable software, and are approved as part of the type design by the FAA or the Boeing Commercial Airplanes ODA after issuance of Boeing Service Bulletin B787–81205–SB420006–00, Issue 003, dated October 15, 2015. If any software check fails, before further flight, do corrective actions, repeat the check, and do applicable corrective actions until the software passes the check.

(j) Credit for Previous Actions

(1) This paragraph provides credit for the actions specified in paragraph (h) of this AD, if those actions were performed before the effective date of this AD using Boeing Service Bulletin B787–81205–SB240063–00, Issue 001, dated December 22, 2015.

(2) This paragraph provides credit for the actions specified in paragraph (i)(1)(ii) and (i)(2) of this AD, if those actions were performed before the effective date of this AD using Boeing Service Bulletin B787–81205–SB420006–00, Issue 001, dated January 22, 2015, provided that the applicable actions specified in Table 13 and Table 14, as applicable, of paragraph 4, ''Description,'' of Boeing Service Bulletin B787–81205–SB420006–00, Issue 003, dated October 15, 2015, are done within 12 months after the effective date of this AD.

(3) This paragraph provides credit for the actions specified in paragraph (i)(1)(ii) and (i)(2) of this AD, if those actions were performed before the effective date of this AD using Boeing Service Bulletin B787–81205–SB420006–00, Issue 002, dated February 13, 2015, provided that the applicable actions specified in Table 14 of paragraph 4, ''Description,'' of Boeing Service Bulletin B787–81205–SB420006–00, Issue 003, dated October 15, 2015, are done within 12 months after the effective date of this AD.

(k) Alternative Methods of Compliance (AMOCs)

(1) The Manager, Seattle 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 (l)(1) of this AD. Information may be emailed to: *9-ANM-Seattle-ACO-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 ODA that has been authorized by the Manager, Seattle 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) AMOCs approved previously for AD 2015–09–07 are approved as AMOCs for the corresponding provisions of paragraph (g) of this AD.

(5) For service information that contains steps that are labeled as Required for Compliance (RC), the provisions of paragraphs (k)(5)(i) and (k)(5)(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.

(l) Related Information

(1) For more information about this AD, contact Joe Salameh, Aerospace Engineer, Systems and Equipment Section, FAA, Seattle ACO Branch, 2200 South 216th St., Des Moines, WA 98198; phone and fax: 206–231–3536; email: *joe.salameh@faa.gov.*

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

(m) Material Incorporated by Reference

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

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

(3) The following service information was approved for IBR on November 20, 2018.

(i) Boeing Service Bulletin B787–81205–SB240063–00, Issue 002, dated June 7, 2016.

(ii) Boeing Service Bulletin B787–81205–SB280018–00, Issue 001, dated April 17, 2014.

(iii) Boeing Service Bulletin B787–81205–SB420006–00, Issue 003, dated October 15, 2015.

(4) The following service information was approved for IBR on May 1, 2015 (84 FR 24789, May 1, 2015).

(i) Boeing Multi Operator Message MOM–MOM–15–0248–01B, dated April 19, 2015. The date appears only on the first page of this document.

(ii) Boeing Multi Operator Message MOM–MOM–15–0248–01B(R1), dated April 20, 2015. The date appears only on the first page of this document.

(5) 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 90740–5600; telephone 562–797–1717; internet *https://www.myboeingfleet.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 Des Moines, Washington, on September 25, 2018.

John P. Piccola,

Acting Director, System Oversight Division, Aircraft Certification Service.

[FR Doc. 2018–22152 Filed 10–15–18; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2018–0415; Product Identifier 2017–NM–149–AD; Amendment 39–19466; AD 2018–21–08]

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 all The Boeing Company Model 737–100, –200, –200C, –300, –400, –500 series airplanes. This AD was prompted by the results of a fleet survey that revealed cracking in the bulkhead frame web at a certain body station. This AD requires repetitive inspections of the bulkhead frame web at a certain station, and applicable on-condition actions. We are issuing this AD to address the unsafe condition on these products.

DATES: This AD is effective November 20, 2018.

The Director of the Federal Register approved the incorporation by reference of a certain publication listed in this AD as of November 20, 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 90740–5600; 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–2018–0415.

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–2018–0415; 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: George Garrido, Aerospace Engineer, Airframe Section, FAA, Los Angeles ACO Branch, 3960 Paramount Boulevard, Lakewood, CA 90712–4137; phone: 562–627–5232; fax: 562–627–5210; email: *george.garrido@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 all The Boeing Company Model 737–100, –200, –200C, –300, –400, –500 series airplanes. The NPRM published in the **Federal Register** on May 25, 2018 (83 FR 24242). The NPRM was prompted by the results of a fleet survey that revealed cracking in the bulkhead frame web at a certain body station. The NPRM proposed to require repetitive inspections of the bulkhead frame web at a certain station, and repair if necessary.

We are issuing this AD to address cracking in the station (STA) 259.5 bulkhead frame web from the first stiffener above stringer S–10 to S–13. Such cracking 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.

Request To Clarify Corrective Actions

Boeing requested that the Summary section and Related Service Information paragraph in the NPRM be revised to clarify that the corrective actions include more than just repairs. Boeing stated that the service information does not describe defined repairs but indicates that if any crack is found, contact Boeing for repair instructions and do the repair and repeat the instructions.

We agree with the commenter's request for the reasons provided by the commenter. We have revised the Summary section of this final rule by changing ''repair if necessary'' to ''applicable on-condition actions.'' We have revised the ''Related Service Information under 1 CFR part 51'' paragraph of this final rule by clarifying the description of the service information to ''. . . low frequency eddy current inspections of the STA 259.5 bulkhead frame web from the first stiffener above stringer S–10 to S–13, on the left and right sides of the airplane and applicable on-condition actions.''

Request To Include Group 1 Airplanes as Specified in the Service Information

Boeing requested that Group 1 airplanes, as specified in Boeing Alert Requirements Bulletin 737–53A1369 RB, dated October 12, 2017, be addressed in the body of the proposed AD. Boeing stated that this change would allow operators with airplanes that are not subject to the limit of validity a means to comply with the requirements specified in the proposed AD.

We agree with the commenter's request for the reasons provided by the commenter. Group 1 airplanes are those having line numbers 1 through 291 that have accumulated flight cycles beyond the limit of validity of the maintenance program. We have revised paragraph (g) of this AD to address Group 1 airplanes, added paragraph (h) of this AD to address Group 2 and 3 airplanes, and redesignated the subsequent paragraphs accordingly.

Effect of Winglets on Accomplishment of the Proposed Actions

Aviation Partners Boeing stated that accomplishing the Supplemental Type Certificate (STC) ST01219SE does not affect the ability to accomplish the actions specified in the NPRM.

We concur with the commenter. We have redesignated paragraph (c) of the proposed AD as (c)(1) and added paragraph (c)(2) to this AD to state that installation of STC ST01219SE does not affect the ability to accomplish the actions required by this final rule. Therefore, for airplanes on which STC ST01219SE is installed, a ''change in product'' alternative method of compliance (AMOC) approval request is not necessary to comply with the requirements of 14 CFR 39.17.

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 addressing 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 Requirements Bulletin 737–53A1369 RB, dated October 12, 2017. The service information describes procedures for repetitive high frequency eddy current inspections and low frequency eddy current inspections of the STA 259.5 bulkhead frame web from the first stiffener above stringer S–10 to S–13, on the left and right sides of the airplane and applicable on-condition actions. 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 411 airplanes of U.S. registry. We estimate the following costs to comply with this AD:

ESTIMATED COSTS FOR REQUIRED ACTIONS

Action	Labor cost	Parts cost	Cost per product	Cost on U.S. operators
Inspections	57 work-hours × $85 per hour = $4,845 per inspection cycle.	$0	$4,845 per inspection cycle.	$1,991,295 per inspection cycle.

We have received no definitive data that would enable us to provide cost estimates for the on-condition actions specified in this AD.

Authority for This Rulemaking

Title 49 of the United States Code specifies the FAA's authority to issue rules on aviation safety. Subtitle I, section 106, describes the authority of the FAA Administrator. Subtitle VII: Aviation Programs, describes in more detail the scope of the Agency's authority.

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

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 and associated appliances 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):

2018–21–08 The Boeing Company: Amendment 39–19466; Docket No. FAA–2018–0415; Product 2017–NM–149–AD.

(a) Effective Date

This AD is effective November 20, 2018.

(b) Affected ADs

None.

(c) Applicability

(1) This AD applies to all The Boeing Company Model 737–100, –200, –200C, –300, –400, and –500 series airplanes, certificated in any category.

(2) Installation of Supplemental Type Certificate (STC) ST01219SE does not affect the ability to accomplish the actions required by this AD. Therefore, for airplanes on which STC ST01219SE is installed, a ''change in product'' alternative method of compliance (AMOC) approval request is not necessary to comply with the requirements of 14 CFR 39.17.

(d) Subject

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

(e) Unsafe Condition

This AD was prompted by the results of a fleet survey that revealed cracking in the bulkhead frame web at a certain body station. We are issuing this AD to address cracking in the station (STA) 259.5 bulkhead frame web from the first stiffener above stringers S–10 to S–13. Such cracking could result in reduced structural integrity of the airplane.

(f) Compliance

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

(g) Required Actions for Group 1 Airplanes

For airplanes identified as Group 1 in Boeing Alert Requirements Bulletin 737–53A1369 RB, dated October 12, 2017: Within 120 days after the effective date of this AD, inspect the airplane and do all applicable on-condition actions using a method approved in accordance with the procedures specified in paragraph (j) of this AD.

(h) Required Actions for Group 2 and 3 Airplanes

For airplanes identified as Group 2 and 3 in Boeing Alert Requirements Bulletin 737–53A1369 RB, dated October 12, 2017: Except as required by paragraph (i) of this AD, at the applicable times specified in the ''Compliance'' paragraph of Boeing Alert Requirements Bulletin 737–53A1369 RB, dated October 12, 2017, do all applicable actions identified in, and in accordance with, the Accomplishment Instructions of Boeing Alert Requirements Bulletin 737–53A1369 RB, dated October 12, 2017.

Note 1 to paragraph (h) of this AD: Guidance for accomplishing the actions required by this AD is included in Boeing Alert Service Bulletin 737–53A1369, dated October 12, 2017, which is referred to in Boeing Alert Requirements Bulletin 737–53A1369 RB, dated October 12, 2017.

(i) Exceptions to Service Information Specifications

(1) For purposes of determining compliance with the requirements of this AD: Where Boeing Alert Requirements Bulletin 737–53A1369 RB, dated October 12, 2017, uses the phrase ''the original issue date of Requirements Bulletin 737–53A1369,'' this AD requires using the effective date of this AD.

(2) Where Boeing Alert Requirements Bulletin 737–53A1369 RB, dated October 12, 2017, specifies contacting Boeing, this AD requires repair using a method approved in accordance with the procedures specified in paragraph (j) of this AD.

(j) 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 (k) of this AD. Information may be emailed to: *9-ANM-LAACO-ACO-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, FAA, 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.

(k) Related Information

For more information about this AD, contact George Garrido, Aerospace Engineer, Airframe Section, FAA, Los Angeles ACO Branch, 3960 Paramount Boulevard, Lakewood, CA 90712–4137; phone: 562–627–5232; fax: 562–627–5210; email: *george.garrido@faa.gov.*

(l) Material Incorporated by Reference

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

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

(i) Boeing Alert Requirements Bulletin 737–53A1369 RB, dated October 12, 2017.

(ii) Reserved.

(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 90740–5600; 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 Des Moines, Washington, on September 20, 2018.

John P. Piccola,

Acting Director, System Oversight Division, Aircraft Certification Service.

[FR Doc. 2018–21965 Filed 10–15–18; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2018–0587; Product Identifier 2018–NM–054–AD; Amendment 39–19451; AD 2018–20–17]

RIN 2120–AA64

Airworthiness Directives; Bombardier, Inc., Airplanes

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

ACTION: Final rule.

SUMMARY: We are superseding Airworthiness Directive (AD) 2012–22–10, which applied to certain Bombardier, Inc., Model CL–600–2C10 (Regional Jet Series 700, 701, & 702) airplanes, Model CL–600–2D15 (Regional Jet Series 705) airplanes, Model CL–600–2D24 (Regional Jet Series 900) airplanes, and Model CL–600–2E25 (Regional Jet Series 1000) airplanes. AD 2012–22–10 required repetitive inspections to determine that cotter pins are installed at affected wing-to-fuselage attachment joints and replacement if necessary. This AD retains the initial inspection of the wing-to-fuselage attachment joints, and removes the repetitive inspections of all but the forward keel beam attachment joint. This AD also changes the repetitive inspection interval for the forward keel beam attachment joint. This AD was prompted by a determination that additional nuts of the forward keel beam attachment joint should be inspected, and that repetitive inspections of certain wing-to-fuselage attachment joints are not necessary. We are issuing this AD to address the unsafe condition on these products.

DATES: This AD is effective November 20, 2018.

The Director of the Federal Register approved the incorporation by reference of a certain publication listed in this AD as of November 20, 2018.

ADDRESSES: For service information identified in this final rule, contact Bombardier, Inc., 400 Côte-Vertu Road West, Dorval, Québec H4S 1Y9, Canada; Widebody Customer Response Center North America toll-free telephone 1–866–538–1247 or direct-dial telephone 514–855–5000; fax 514–855–7401; email *ac.yul@aero.bombardier.com;* internet *http://www.bombardier.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–2018–0587.

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–2018–0587; 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: Andrea Jimenez, Aerospace Engineer, Airframe and Mechanical Systems Section, FAA, New York ACO Branch, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; telephone 516–228–7330; fax 516–794–5531.

SUPPLEMENTARY INFORMATION:

Discussion

We issued a notice of proposed rulemaking (NPRM) to amend 14 CFR part 39 to supersede AD 2012–22–10, Amendment 39–17246 (77 FR 67267, November 9, 2012) (''AD 2012–22–10''). AD 2012–22–10 applied to certain Bombardier, Inc., Model CL–600–2C10 (Regional Jet Series 700, 701, & 702) airplanes, Model CL–600–2D15 (Regional Jet Series 705) airplanes, Model CL–600–2D24 (Regional Jet Series 900) airplanes, and Model CL–600–2E25 (Regional Jet Series 1000) airplanes. The NPRM published in the **Federal Register** on July 9, 2018 (83 FR 31705). The NPRM was prompted by a determination that additional nuts of the forward keel beam attachment joint should be inspected, and that repetitive inspections of certain wing-to-fuselage attachment joints are not necessary. The NPRM proposed to retain the initial inspection of the wing-to-fuselage attachment joints, and remove the repetitive inspections of all but the forward keel beam attachment joint. The NPRM also proposed to change the repetitive inspection interval for the forward keel beam attachment joint. We are issuing this AD to address loss of the wing-to-fuselage attachment joints, which could result in loss of the wing, and consequent reduced, or complete loss of, controllability of the airplane.

Transport Canada Civil Aviation (TCCA), which is the aviation authority for Canada, has issued Canadian AD CF–2012–10R1, dated January 22, 2018 (referred to after this as the Mandatory Continuing Airworthiness Information, or ''the MCAI''), to correct an unsafe condition for certain Bombardier, Inc., Model CL–600–2C10 (Regional Jet Series 700, 701, & 702) airplanes, Model CL–600–2D15 (Regional Jet Series 705) airplanes, Model CL–600–2D24 (Regional Jet Series 900) airplanes, and Model CL–600–2E25 (Regional Jet Series 1000) airplanes. The MCAI states:

> The manufacturer has determined that wing-to-fuselage attachment nuts, part number (P/N) SH670–35635–1, SH670–35440–951, SH670–35440–3, SH670–35635–1, and 95136D–2412, installed at six attachment joint locations, do not conform to the certification design requirements for dual locking features. The nuts are not of the self-locking type as required and do not provide the frictional thread interference required to prevent the nut from backing off the bolt. As a result, only a single locking device, the cotter pin, is provided at these critical joints. In the case where a nut becomes loose, in combination with a missing or broken cotter pin, the attachment bolt at the wing-to-fuselage joint could migrate and fall out. Loss of two attachment joints could potentially result in the loss of the wing.
>
> The original version of this [Canadian] AD [which corresponds to FAA AD 2012–22–10] mandated initial and repeat detailed visual inspections (DVIs) of each affected wing-to-fuselage attachment joint to ensure that a cotter pin was installed.
>
> Design review and analysis of the inspection findings since the original issue of this [Canadian] AD have led us to determine that additional nuts at the forward keel beam joint should also be included in the inspection and that the repetitive inspection of some wing-to-fuselage attachment joints is not required. This [Canadian] AD maintains the initial inspection requirements [for missing or failed (. . .) cotter pins] for six attachment joint locations, and removes the repetitive inspection requirements for all but the forward keel beam attachment joint. This [Canadian] AD also requires a different repetitive inspection interval, and the [Canadian] AD applicability has been changed for the initial inspection to account for changes made in production.

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–2018–0587.

Comments

We gave the public the opportunity to participate in developing this final rule. We have considered the comment received. The Air Line Pilots Association, International (ALPA) reviewed and expressed support for the NPRM.

Clarification of Credit Paragraph

We have removed paragraph (j)(2) of the proposed AD and redesignated paragraph (j)(1) of the proposed AD as paragraph (j) of this AD because the airplanes identified in paragraph (j)(2) of the proposed AD are included in paragraph (j)(1) of the proposed AD. We have also clarified in paragraph (j) of this AD that any previous inspection done using earlier revisions of the service information is acceptable.

Conclusion

We reviewed the relevant data, considered the comment 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 addressing 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

Bombardier, Inc. has issued Service Bulletin 670BA–53–042, Revision B, dated October 20, 2017. This service information describes procedures for detailed inspections of the wing-to-fuselage attachment joints, and of the attachment nuts at the forward keel beam attachment joint for missing or failed cotter pins. 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 274 airplanes of U.S. registry. We estimate the following costs to comply with this AD:

ESTIMATED COSTS FOR REQUIRED ACTIONS

Labor cost	Parts cost	Cost per product	Cost on U.S. operators
11 work-hours × $85 per hour = $935	$100	$1,035	$283,590

We have received no definitive data that would enable us to provide cost estimates for the on-condition actions specified in this AD. We have no way of determining the number of aircraft that may need these actions.

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 and associated appliances 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 (AD) 2012–22–10, Amendment 39–17246 (77 FR 67267, November 9, 2012), and adding the following new AD:

2018–20–17 Bombardier, Inc.: Amendment 39–19451; Docket No. FAA–2018–0587; Product Identifier 2018–NM–054–AD.

(a) Effective Date

This AD is effective November 20, 2018.

(b) Affected ADs

This AD replaces AD 2012–22–10, Amendment 39–17246 (77 FR 67267, November 9, 2012) (''AD 2012–22–10'').

(c) Applicability

This AD applies to the airplanes identified in paragraphs (c)(1), (c)(2), and (c)(3) of this AD, certificated in any category.

(1) Bombardier, Inc., Model CL–600–2C10 (Regional Jet Series 700, 701, & 702) airplanes, serial numbers 10002 and subsequent.

(2) Bombardier, Inc., Model CL–600–2D15 (Regional Jet Series 705) airplanes and Model CL–600–2D24 (Regional Jet Series 900) airplanes, serial numbers 15001 and subsequent.

(3) Bombardier, Inc., Model CL–600–2E25 (Regional Jet Series 1000) airplanes, serial numbers 19001 and subsequent.

(d) Subject

Air Transport Association (ATA) of America Code 57, Wings.

(e) Reason

This AD was prompted by a report that certain wing-to-fuselage attachment nuts do not conform to the certification design requirements for dual locking features, and a determination that additional nuts of the forward keel beam attachment joint should be inspected, and that repetitive inspections of certain wing-to-fuselage attachment joints are not necessary. We are issuing this AD to address loss of the wing-to-fuselage attachment joints, which could result in loss of the wing, and consequent reduced, or complete loss of, controllability of the airplane.

(f) Compliance

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

(g) Initial Inspection of the Wing-to-Fuselage Attachment Joint

For airplanes identified in paragraphs (g)(1), (g)(2), and (g)(3) of this AD: Within 3,000 flight hours or 18 months, whichever occurs first after December 14, 2012 (the effective date of AD 2012–22–10), perform a detailed inspection for missing or failed cotter pins at each affected wing-to-fuselage attachment joint, in accordance with Part A through Part C of the Accomplishment Instructions of Bombardier Service Bulletin 670BA–53–042, Revision B, dated October 20, 2017.

(1) Bombardier, Inc., Model CL–600–2C10 (Regional Jet Series 700, 701, & 702) airplanes, serial numbers 10002 through 10337 inclusive.

(2) Bombardier, Inc., Model CL–600–2D15 (Regional Jet Series 705) airplanes and Model CL–600–2D24 (Regional Jet Series 900) airplanes, serial numbers 15001 through 15299 inclusive.

(3) Bombardier, Inc., Model CL–600–2E25 (Regional Jet Series 1000) airplanes, serial numbers 19001 through 19037 inclusive.

(h) Initial and Repetitive Inspections of the Attachment Nuts at the Forward Keel Beam Attachment Joint

Within the compliance time specified in figure 1 to paragraph (h) of this AD: Perform a detailed inspection of the attachment nuts at the forward keel beam attachment joint for missing or failed cotter pins, in accordance with Part D of the Accomplishment Instructions of Bombardier Service Bulletin 670BA–53–042, Revision B, dated October 20, 2017. Repeat the inspection thereafter at intervals not to exceed 8,800 flight hours, in accordance with Part E of the Accomplishment Instructions of Bombardier Service Bulletin 670BA–53–042, Revision B, dated October 20, 2017.

Figure 1 to Paragraph (h) of this AD –

Compliance Time for Initial Inspection of Attachment Nuts at Forward Keel Beam Attachment Joint

Airplane Model and Serial Numbers (S/Ns)	Compliance Time
Model CL-600-2C10 S/Ns 10002 through 10337 inclusive	Within 3,000 flight hours or 18 months, whichever occurs first after December 14, 2012 (the effective date of AD 2012-22-10)
Model CL-600-2C10 S/Ns 10338 and subsequent	Within 8,800 flight hours after the effective date of this AD
Model CL-600-2D15 and CL-600-2D24 S/Ns 15001 and subsequent	
Model CL-600-2E25 S/Ns 19001 and subsequent	

(i) Corrective Action

If any cotter pin is found missing or failed during any inspection required by this AD: Before further flight, replace the cotter pin using a method approved by the Manager, New York ACO Branch FAA; or Transport Canada Civil Aviation (TCCA); or Bombardier, Inc.'s TCCA Design Approval Organization (DAO). If approved by the DAO, the approval must include the DAO-authorized signature.

(j) Credit for Previous Actions

This paragraph provides credit for the inspections required by paragraphs (g) and (h) of this AD, if the inspection was performed before the effective date of this AD, using Bombardier Service Bulletin 670BA–53–042, dated December 21, 2011; or Bombardier Service Bulletin 670BA–53–042, Revision A, dated April 27, 2012.

(k) Other FAA AD Provisions

(1) *Alternative Methods of Compliance (AMOCs):* The Manager, New York 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 ATTN: Program Manager, Continuing Operational Safety, FAA, New York ACO Branch, 1600 Stewart Avenue, Suite 410, Westbury, New York 11590; telephone: 516–228–7300; fax: 516–794–5531.

(i) 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.

(ii) AMOCs approved previously for AD 2012–22–10, are approved as AMOCs for the corresponding provisions in paragraphs (g) and (h) of this AD.

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

(l) Related Information

(1) Refer to Mandatory Continuing Airworthiness Information (MCAI) Canadian AD CF–2012–10R1, dated January 22, 2018, 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–2018–0587.

(2) For more information about this AD, contact Andrea Jimenez, Aerospace Engineer, Airframe and Mechanical Systems Section, FAA, New York ACO Branch, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; telephone 516–228–7330; fax 516–794–5531.

(3) Service information identified in this AD that is not incorporated by reference is available at the addresses specified in paragraphs (m)(3) and (m)(4) of this AD.

(m) Material Incorporated by Reference

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

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

(i) Bombardier Service Bulletin 670BA–53–042, Revision B, dated October 20, 2017.

(ii) Reserved.

(3) For service information identified in this AD, contact Bombardier, Inc., 400 Côte-Vertu Road West, Dorval, Québec H4S 1Y9, Canada; Widebody Customer Response Center North America toll-free telephone 1–866–538–1247 or direct-dial telephone 514–855–5000; fax 514–855–7401; email *ac.yul@aero.bombardier.com;* internet *http://www.bombardier.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 Des Moines, Washington, on September 25, 2018.

John P. Piccola,

Acting Director, System Oversight Division, Aircraft Certification Service.

[FR Doc. 2018–22136 Filed 10–15–18; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2018–0397; Product Identifier 2017–NM–163–AD; Amendment 39–19454; AD 2018–20–20]

RIN 2120–AA64

Airworthiness Directives; Bombardier, Inc., Airplanes

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

ACTION: Final rule.

SUMMARY: We are adopting a new airworthiness directive (AD) for certain Bombardier, Inc., Model BD–700–1A10 and BD–700–1A11 airplanes. This AD

was prompted by a report of cracking at the fastener holes of the left-hand-side support bracket of the elevator bell crank for the control linkage in the vertical stabilizer. This AD requires an eddy current inspection on certain support brackets of the elevator bell crank for any cracking at the fastener holes, a measurement to confirm that the fastener hole diameters are within tolerance, and replacement with a new support bracket of the elevator bell crank if necessary. We are issuing this AD to address the unsafe condition on these products.

DATES: This AD is effective November 20, 2018.

The Director of the Federal Register approved the incorporation by reference of certain publications listed in this AD as of November 20, 2018.

ADDRESSES: For service information identified in this final rule, contact Bombardier, Inc., 400 Côte-Vertu Road West, Dorval, Québec H4S 1Y9, Canada; telephone 514–855–5000; fax 514–855–7401; email *thd.crj@aero.bombardier.com;* internet *http://www.bombardier.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–2018–0397.

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–2018–0397; 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: Aziz Ahmed, Aerospace Engineer, FAA, New York ACO Branch, 1600 Stewart Avenue, Suite 410, Westbury, New York 11590; telephone: 516–287–7329; fax: 516–794–5531; email: *Aziz.Ahmed@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 Bombardier, Inc., Model BD–700–1A10 and BD–700–1A11 airplanes. The NPRM published in the **Federal Register** on May 8, 2018 (83 FR 20745). The NPRM was prompted by a report of cracking at the fastener holes of the left-hand-side support bracket of the elevator bell crank for the control linkage in the vertical stabilizer. The NPRM proposed to require an eddy current inspection on certain support brackets of the elevator bell crank for any cracking at the fastener holes, a measurement to confirm that the fastener hole diameters are within tolerance, and replacement with a new support bracket of the elevator bell crank if necessary.

We are issuing this AD to address any cracking in the support bracket of the elevator bell crank, which could lead to detachment of the bracket and loss of functionality of the elevator on the affected side, and result in reduced controllability of the airplane. Failure of both brackets could result in loss of pitch control of the airplane.

Transport Canada Civil Aviation (TCCA), which is the aviation authority for Canada, has issued Canadian AD CF–2017–32, dated October 10, 2017 (referred to after this as the Mandatory Continuing Airworthiness Information, or ''the MCAI''), to correct an unsafe condition on certain Bombardier, Inc., Model BD–700–1A10 and BD–700–1A11 airplanes. The MCAI states:

> During a repair on an aircraft in-service, cracking was observed at the fastener holes of the left hand side elevator bell crank support bracket for the control linkage in the vertical stabilizer. Further investigation confirmed the presence of similar cracking on other aircraft on both the left and right hand side brackets. An investigation found that the fastener holes on some brackets did not conform to the required tolerance and fastener installation resulted in fastener hole cracks.
>
> This [Canadian] AD requires an inspection of both elevator bell crank support brackets, and replacement if they are found cracked or do not meet the required fastener hole tolerance. Left unrepaired, cracking of an elevator bell crank support bracket could lead to detachment of the bracket and loss of functionality of the elevator on the affected side, resulting in reduced controllability of the aircraft. Failure of both brackets could result in loss of pitch control of the aircraft.

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–2018–0397.

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.

Request To Incorporate the Latest Service Information

Bombardier requested that we revise the NPRM to incorporate the latest service information. Bombardier stated that Service Bulletin 700–27–5009, Revision 02, dated June 15, 2018, corrects a typographical error made to the affected airplane serial number listing. Bombardier also requested that we add Bombardier Service Bulletin 700–27–5009, Revision 01, dated July 18, 2017, to the ''Credit for Previous Actions'' paragraph.

We agree with the commenter's request. We have revised paragraph (g) of this AD to incorporate Bombardier Service Bulletin 700–27–5009, Revision 02, dated June 15, 2018, for accomplishing the actions in this AD. Bombardier Service Bulletin 700–27–5009, Revision 02, dated June 15, 2018, revises the effectivity to include an airplane already included in the applicability of this AD, and includes minor edits that do not affect the scope of this AD. We have also revised paragraph (h) of this AD to include Bombardier Service Bulletin 700–27–5009, Revision 01, dated July 18, 2017.

Request To Clarify a Certain Serial Number

NetJets requested that we clarify the omission of a certain serial number in the service information. NetJets commented that serial number 9732 is specified in the applicability paragraph of the NPRM, but it is not specified in Bombardier Service Bulletin 700–27–5009, Revision 01, dated July 18, 2017; or Bombardier Service Bulletin 700–27–6009, Revision 01, dated July 18, 2017.

We agree to provide clarification for the commenter. Serial number 9732 is not specified in the effectivity of Bombardier Service Bulletin 700–27–5009, Revision 01, dated July 18, 2017; or Bombardier Service Bulletin 700–27–6009, Revision 01, dated July 18, 2017, but Bombardier Service Bulletin 700–27–5009, Revision 02, dated June 15, 2018, adds serial number 9732 to the effectivity. As we stated previously, we have revised this AD to include Bombardier Service Bulletin 700–27–5009, Revision 02, dated June 15, 2018, for accomplishing the actions in this AD. Serial number 9732 was previously included in paragraph (c) of this AD, and the applicability of an AD takes

precedence over the effectivity listed in any service information. Therefore, the actions in this AD is required for the airplane having serial number 9732, regardless of what service information is specified in this AD. We have not changed the 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 addressing 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

Bombardier has issued Service Bulletin 700–27–5009, Revision 02, dated June 15, 2018; and Service Bulletin 700–27–6009, Revision 01, dated July 18, 2017. This service information describes an eddy current inspection on certain support brackets of the elevator bell crank for any cracking at the fastener holes, a measurement to confirm that the fastener hole diameters are within tolerance, and replacement with a new support bracket of the elevator bell crank. 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.

Costs of Compliance

We estimate that this AD affects 109 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 and measurement	10 work-hours × $85 per hour = $850	$19	$869	$94,721

We estimate the following costs to do any necessary replacement 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 this replacement:

ON-CONDITION COSTS

Action	Labor cost	Parts cost	Cost per product
Replacement	2 work-hours × $85 per hour = $170	$4,798	$4,968

According to the manufacturer, all 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 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 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 and associated appliances 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 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 adding the following new airworthiness directive (AD):

2018–20–20 Bombardier, Inc.: Amendment 39–19454; Docket No. FAA–2018–0397; Product Identifier 2017–NM–163–AD.

(a) Effective Date

This AD is effective November 20, 2018.

(b) Affected ADs

None.

(c) Applicability

This AD applies to Bombardier, Inc., Model BD–700–1A10 and BD–700–1A11 airplanes, certificated in any category, serial numbers 9492 through 9711 inclusive, 9713 through 9717 inclusive, 9719 through 9726 inclusive, 9728, 9730, 9732, 9733, 9743, and 9751.

(d) Subject

Air Transport Association (ATA) of America Code 27, Flight controls.

(e) Reason

This AD was prompted by a report of cracking at the fastener holes of the left-hand-side support bracket of the elevator bell crank for the control linkage in the vertical stabilizer. We are issuing this AD to address any cracking in the support bracket of the elevator bell crank, which could lead to detachment of the bracket and loss of functionality of the elevator on the affected side, and result in reduced controllability of the airplane. Failure of both brackets could result in loss of pitch control of the airplane.

(f) Compliance

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

(g) Inspection, Measurement, and Corrective Action

Within 60 months after the effective date of this AD, or before accumulating 7,500 total flight cycles, whichever occurs first: Do an eddy current inspection of the support brackets of the elevator bell crank, part number (P/N) GD248–8750–3 and P/N GD248–8750–4, for any cracking at the fastener holes, and do a measurement to confirm that the fastener hole diameters are within tolerance, as applicable, in accordance with the Accomplishment Instructions of Bombardier Service Bulletin 700–27–5009, Revision 02, dated June 15, 2018 (for Model BD–700–1A11 airplanes); or Bombardier Service Bulletin 700–27–6009, Revision 01, dated July 18, 2017 (for Model BD–700–1A10 airplanes). If any cracking is found or if any fastener hole is out of tolerance, before further flight, replace with a new support bracket, in accordance with the Accomplishment Instructions of Bombardier Service Bulletin 700–27–5009, Revision 02, dated June 15, 2018 (for Model BD–700–1A11 airplanes); or Bombardier Service Bulletin 700–27–6009, Revision 01, dated July 18, 2017 (for Model BD–700–1A10 airplanes).

(h) Credit for Previous Actions

This paragraph provides credit for actions required by paragraph (g) of this AD, if those actions were performed before the effective date of this AD using the service information specified in paragraphs (h)(1), (h)(2), and (h)(3), as applicable.

(1) Bombardier Service Bulletin 700–27–5009, dated May 29, 2017.

(2) Bombardier Service Bulletin 700–27–5009, Revision 01, dated July 18, 2017.

(3) Bombardier Service Bulletin 700–27–6009, dated May 29, 2017.

(i) Other FAA AD Provisions

The following provisions also apply to this AD:

(1) *Alternative Methods of Compliance (AMOCs):* The Manager, New York 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 ATTN: Program Manager, Continuing Operational Safety, FAA, New York ACO Branch, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; telephone 516–228–7300; fax 516–794–5531. Before using any approved AMOC, notify your appropriate principal inspector, or lacking a principal inspector, the manager of the local flight standards district office/certificate holding district office.

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

(j) Related Information

(1) Refer to Mandatory Continuing Airworthiness Information (MCAI) Canadian AD CF–2017–32, dated October 10, 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–2018–0397.

(2) For more information about this AD, contact Aziz Ahmed, Aerospace Engineer, FAA, New York ACO Branch, 1600 Stewart Avenue, Suite 410, Westbury, New York 11590; telephone: 516–287–7329; fax: 516–794–5531; email: *Aziz.Ahmed@faa.gov.*

(3) Service information identified in this AD that is not incorporated by reference is available at the addresses specified in paragraphs (k)(3) and (k)(4) of this AD.

(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 this AD specifies otherwise.

(i) Bombardier Service Bulletin 700–27–5009, Revision 02, dated June 15, 2018.

(ii) Bombardier Service Bulletin 700–27–6009, Revision 01, dated July 18, 2017.

(3) For service information identified in this AD, contact Bombardier, Inc., 400 Côte-Vertu Road West, Dorval, Québec H4S 1Y9, Canada; telephone 514–855–5000; fax 514–855–7401; email *thd.crj@aero.bombardier.com;* internet *http://www.bombardier.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 Des Moines, Washington, on September 27, 2018.

John P. Piccola,

Acting Director, System Oversight Division, Aircraft Certification Service.

[FR Doc. 2018–22154 Filed 10–15–18; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2018–0494; Product Identifier 2017–NM–182–AD; Amendment 39–19467; AD 2018–21–09]

RIN 2120–AA64

Airworthiness Directives; ATR–GIE Avions de Transport Régional Airplanes

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

ACTION: Final rule.

SUMMARY: We are superseding Airworthiness Directive (AD) 2006–07–26, which applied to all ATR–GIE Avions de Transport Régional Model ATR42 airplanes. AD 2006–07–26 required a one-time inspection to detect discrepancies (*e.g.,* cracking, loose/sheared fasteners, distortion) on the left-hand and right-hand wings, of the outer wing box upper skin and upper rib feet, and repair if necessary. Since we issued AD 2006–07–26, after initial findings had suggested the cracking was isolated to a few airplanes, we received reports of cracking in these same areas on other Model ATR42 airplanes. This AD requires repetitive inspections to detect discrepancies on the left-hand and right-hand wings, of the outer wing box upper

skin and upper rib feet, and repair if necessary. We are issuing this AD to address the unsafe condition on these products.

DATES: This AD is effective November 20, 2018.

The Director of the Federal Register approved the incorporation by reference of a certain publication listed in this AD as of November 20, 2018.

ADDRESSES: For service information identified in this final rule, contact ATR–GIE Avions de Transport Régional, 1 Allée Pierre Nadot, 31712 Blagnac Cedex, France; telephone +33 (0) 5 62 21 62 21; fax +33 (0) 5 62 21 67 18; email *continued.airworthiness@atr-aircraft.com;* internet *http://www.atr-aircraft.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–2018–0494.

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–2018–0494; 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: 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:

Discussion

We issued a notice of proposed rulemaking (NPRM) to amend 14 CFR part 39 to supersede AD 2006–07–26, Amendment 39–14553 (71 FR 18205, April 11, 2006) (''AD 2006–07–26''). AD 2006–07–26 applied to all ATR–GIE Avions de Transport Régional Model ATR42 airplanes. The NPRM published in the **Federal Register** on June 1, 2018 (83 FR 25419).

The European Aviation Safety Agency (EASA), which is the Technical Agent for the Member States of the European Union, has issued EASA AD 2017–0244, dated December 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 airplanes. The MCAI states:

> Occurrence was reported of detecting cracks on the wing of one in-service ATR 42 aeroplane in 2004. The cracks were found on the upper feet of ribs and on the upper skin of the wing outer boxes.
>
> This condition, if not detected and corrected, could adversely affect the structural integrity of the aeroplane.
>
> To address this potential unsafe condition, ATR issued Service Bulletin (SB) ATR42–57–0064 to provide inspection instructions and DGAC [Direction Générale de l'Aviation Civile] France issued [French] AD F–2004–191 (EASA approval 2004–12117) [which corresponds to FAA AD 2006–07–26] to require, for aeroplanes having accumulated more than 4,000 flight cycles (FC), a one-time Detailed Visual Inspection (DVI) of outer wing box upper skin and upper rib feet, on the right hand (RH) and left hand (LH) sides, from rib 24 to rib 29. After that [French] AD was issued, based on inspection results (all aeroplanes inspected, no similar case found), it was determined that these cracks were an isolated case.
>
> More recently, three other cases were reported, indicating that this may not be an isolated case and that cracks could occur in this area of the wings on other ATR 42 aeroplanes. Consequently, ATR published SB ATR42–57–0074 (hereafter referred as 'ATR SB' in this [EASA] AD) to provide inspection instructions.
>
> For the reasons described above, this [EASA] AD supersedes DGAC France AD F–2004–191 and requires repetitive DVI of the same wing areas and, depending on findings, accomplishment of a repair.

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–2018–0494.

Comments

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

Request To Refer to Latest Service Information

Empire Airlines stated that paragraphs (g) and (i) of the proposed AD refer to ATR Service Bulletin ATR42–57–0074, dated October 19, 2017. Empire Airlines also stated that service bulletin has been revised.

We infer that Empire Airlines requested that the references in paragraphs (g) and (i) of this AD be revised to refer to ATR Service Bulletin ATR42–57–0074, Revision 01, dated January 8, 2018. We agree to refer to the latest revision of the service information since the changes introduced in this revision do not affect the AD requirements. We have revised paragraphs (g) and (i) of this AD accordingly. We have also added paragraph (k) to this AD to provide credit for accomplishing ATR Service Bulletin ATR42–57–0074, dated October 19, 2017.

Conclusion

We reviewed the relevant data, considered the comment received, and determined that air safety and the public interest require adopting this final rule with the change 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 addressing 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

ATR–GIE Avions de Transport Régional has issued ATR Service Bulletin ATR42–57–0074, Revision 01, dated January 8, 2018. This service information describes procedures for inspecting the outer wing box upper skin and upper rib feet, on the left-hand and right-hand wings, for discrepancies. 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 37 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	6 work-hours × $85 per hour = $510 per inspection cycle.	$0	$510 per inspection cycle	$18,870 per inspection cycle.
Reporting	1 work-hour × $85 per hour = $85 per inspection cycle.	0	$85 per inspection cycle	$3,145 per inspection cycle.

We have received no definitive data that would enable us to provide cost estimates for the on-condition actions specified in this AD.

Paperwork Reduction Act

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

Authority for This Rulemaking

Title 49 of the United States Code specifies the FAA's authority to issue rules on aviation safety. Subtitle I, section 106, describes the authority of the FAA Administrator. Subtitle VII: Aviation Programs, describes in more detail the scope of the Agency's authority.

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

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 and associated appliances 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 (AD) 2006–07–26, Amendment 39–14553 (71 FR 18205, April 11, 2006), and adding the following new AD:

2018–21–09 ATR–GIE Avions de Transport Régional: Amendment 39–19467; Docket No. FAA–2018–0494; Product Identifier 2017–NM–182–AD.

(a) Effective Date

This AD is effective November 20, 2018.

(b) Affected ADs

This AD replaces AD 2006–07–26, Amendment 39–14553 (71 FR 18205, April 11, 2006) (''AD 2006–07–26'').

(c) Applicability

This AD applies to ATR–GIE Avions de Transport Régional Model ATR42–200, –300, –320, and –500 airplanes, certificated in any category, all manufacturer serial numbers.

(d) Subject

Air Transport Association (ATA) of America Code 57, Wings.

(e) Reason

This AD was prompted by reports of cracking on the left-hand and right-hand wings, of the outer wing box upper skin and upper rib feet. We are issuing this AD to address discrepancies (*e.g.,* cracking, loose/sheared fasteners, distortion) on the left-hand and right-hand wings, of the outer wing box upper skin and upper rib feet, 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) Repetitive Inspections

Within the initial compliance time specified in table 1 to paragraph (g) of this AD, and thereafter at intervals not to exceed 48 months or 6,000 flight cycles, whichever occurs first: Do a detailed visual inspection for discrepancies on the left-hand and right-hand wings, of the outer wing box upper skin and upper rib feet, between rib 24 and rib 29. Do the inspection in accordance with the Accomplishment Instructions of ATR Service Bulletin ATR42–57–0074, Revision 01, dated January 8, 2018.

Table 1 to paragraph (g) of this AD – *Initial Inspection*

Compliance Time (whichever occurs later, **A** or **B**)	
A	Within 48 months or 6,000 flight cycles, whichever occurs first since the airplane's first flight.
B	Within 12 months after the effective date of this AD.

(h) Corrective Actions

If any discrepancy is found during any inspection required by paragraph (g) of this AD: Before further flight, repair 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. Do the repair within the compliance time specified in the approved repair method.

(i) Reporting

At the applicable time specified in paragraph (i)(1) or (i)(2) of this AD: Report all findings (both positive and negative) of the inspections required by paragraph (g) of this AD to ATR–GIE Avions de Transport Régional, using the information in ATR Service Bulletin ATR42–57–0074, Revision 01, dated January 8, 2018.

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

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

(j) Repair Is Not Terminating Action

Unless the repair instructions specify otherwise, repair of an airplane as required by paragraph (h) of this AD is not considered terminating action for the repetitive detailed visual inspections required by paragraph (g) of this AD.

(k) Credit for Previous Actions

This paragraph provides credit for actions required by paragraphs (g) and (i) of this AD, if those actions were performed before the effective date of this AD using ATR Service Bulletin ATR42–57–0074, dated October 19, 2017.

(l) Paperwork Reduction Act Burden Statement

A federal agency may not conduct or sponsor, and a person is not required to respond to, nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a current valid OMB Control Number. The OMB Control Number for this information collection is 2120–0056. Public reporting for this collection of information is estimated to be approximately 1 hour per response, including the time for reviewing instructions, completing and reviewing the collection of information. All responses to this collection of information are mandatory. Comments concerning the accuracy of this burden and suggestions for reducing the burden should be directed to the FAA at: 800 Independence Ave. SW, Washington, DC 20591, Attn: Information Collection Clearance Officer, AES–200.

(m) Other FAA AD Provisions

(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:* 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 EASA; or ATR–GIE Avions de Transport Régional's EASA 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 AD 2017–0244, dated December 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–2018–0494.

(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) Service information identified in this AD that is not incorporated by reference is available at the addresses specified in paragraphs (o)(3) and (o)(4) of this AD.

(o) 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.

(i) ATR Service Bulletin ATR42–57–0074, Revision 01, dated January 8, 2018.

(ii) Reserved.

(3) For service information identified in this AD, contact ATR–GIE Avions de Transport Régional, 1 Allée Pierre Nadot, 31712 Blagnac Cedex, France; telephone +33 (0) 5 62 21 62 21; fax +33 (0) 5 62 21 67 18; email *continued.airworthiness@atr-aircraft.com;* internet *http://www.atr-aircraft.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 Des Moines, Washington, on October 2, 2018.

Michael Kaszycki,

Acting Director, System Oversight Division, Aircraft Certification Service.

[FR Doc. 2018–22153 Filed 10–15–18; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 71

[Docket No. FAA–2016–9377; Airspace Docket No. 16–AEA–8]

RIN 2120–AA66

Amendment of Class E Airspace for Lancaster, PA; and Williamsport, PA

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule; technical amendment.

SUMMARY: This action amends the legal description of Class E surface airspace at Lancaster Airport, Lancaster, PA, by removing the Lancaster VORTAC from the header, and rewording the description for clarity. Also, this action amends the legal description of Class E surface airspace at Williamsport Regional Airport, Williamsport, PA, by removing the Williamsport Regional Airport ILS localizer from the header, and rewording the description for clarity. Finally, this action amends the legal description of Class E airspace designated as an extension to Class D airspace at Williamsport Regional Airport by rewording the description for clarity. This action does not affect the boundaries or operating requirements of the airspace.

DATES: Effective 0901 UTC, November 8, 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 7400.11.C Airspace Designations and Reporting Points, and subsequent amendments can be viewed online at *http://www.faa.gov/airtraffic/publications/.* For further information, you can contact the Airspace Policy and Regulations 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 this material 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: John Fornito, Operations Support Group, Eastern Service Center, Federal Aviation Administration, 1701 Columbia Avenue, College Park, GA 30337; telephone (404) 305–6364.

SUPPLEMENTARY INFORMATION:

Authority for This Rulemaking

The FAA's authority to issue rules regarding aviation safety is found in Title 49 of the U.S. Code. Subtitle 1, 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 makes a clerical correction to the headers and descriptions of Lancaster Airport, Lancaster, PA, and Williamsport Regional Airport, Williamsport, PA.

History

The FAA Aeronautical Information Services branch found the Class E surface airspace descriptors for Lancaster Airport, Lancaster, PA, and Williamsport Regional Airport, Williamsport, PA required clarification as published in FAA Order 7400.11C, Airspace Designations and Reporting Points. The headers of Class E surface area airspace were incorrect in the Order. Also, a clerical amendment in the legal description also is made to the airspace designation, by adding verbiage to the description, for clarity.

Class E airspace designations are published in paragraph 6002, and 6004, respectively, of FAA Order 7400.11C dated August 13, 2018, and effective September 15, 2018, which is incorporated by reference in 14 CFR part 71.1. The Class E airspace designations listed in this document will be published subsequently in the Order.

Availability and Summary of Documents for Incorporation by Reference

This document amends FAA Order 7400.11C, Airspace Designations and Reporting Points, dated August 13, 2018, and effective September 15, 2018. FAA Order 7400.11C is publicly available as listed in the **ADDRESSES** section of this document. FAA Order 7400.11C lists Class A, B, C, D, and E airspace areas, air traffic service routes, and reporting points.

The Rule

This action amends Title 14 Code of Federal Regulations (14 CFR) part 71 by correcting the headers and descriptors of Class E surface airspace of Lancaster Airport, Lancaster, PA, and Williamsport Regional Airport, Williamsport, PA. The Lancaster VORTAC is removed from Lancaster, PA header, and the Williamsport Regional Airport ILS localizer is removed from the Williamsport, PA, header, as neither are used in the descriptors. Also, ''That airspace extending from the surface'' is added to the Class E surface airspace descriptor of both airports, and ''to a 7-mile radius of the airport ''is added to the Class E airspace designated as an extension to a Class D surface area of Williamsport Regional Airport's descriptor.

This is an administrative change and does not affect the boundaries, or operating requirements of the airspace, therefore, notice and public procedure under 5 U.S.C. 553(b) are unnecessary.

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. Therefore, this regulation: (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 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 qualifies for categorical exclusion under the National Environmental Policy Act in accordance with FAA Order 1050.1F, ''Environmental Impacts: Policies and Procedures,'' paragraph 5–6.5.a. This airspace action is not expected to cause any potentially significant environmental impacts, and no extraordinary circumstances exist that warrant preparation of an environmental assessment.

Lists of Subjects in 14 CFR Part 71

Airspace, Incorporation by reference, Navigation (air).

Adoption of 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(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 Federal Aviation Administration Order 7400.11C, Airspace Designations and Reporting Points, dated August 13, 2018, effective September 15, 2018, is amended as follows:

Paragraph 6002 Class E Surface Area Airspace.

* * * * *

AEA PA E2 Lancaster, PA [Amended]

Lancaster Airport, PA
(Lat. 40°07′21″ N, long. 76°17′40″ W)

That airspace extending from the surface within a 4.1-mile radius of Lancaster Airport, and that airspace extending upward from the surface. This Class E airspace area is effective during the specific dates and times established in advance by a Notice to Airmen. The effective date and time will thereafter be continuously published in the Chart Supplement.

* * * * *

AEA PA E2 Williamsport, PA [Amended]

Williamsport Regional Airport, PA
(Lat. 41°14′30″ N, long. 76°55′19″ W)

That airspace extending from the surface within a 4.2-mile radius of Williamsport Regional Airport. This Class E airspace area is effective during the specific dates and times established in advance by a Notice to Airmen. The effective date and time will thereafter be continuously published in the Chart Supplement.

Paragraph 6004 Class E Airspace Designated as an Extension to a Class D Surface Area.

* * * * *

AEA PA E4 Williamsport, PA [Amended]

Williamsport Regional Airport, PA
(Lat. 41°14′30″ N, long. 76°55′19″ W)

Williamsport Regional Airport ILS localizer
(Lat. 41°14′17″ N, long. 76°56′17″ W)

That airspace extending upward from the surface from the 4.2-mile radius of Williamsport Regional Airport to a 7-mile radius of the airport, extending clockwise from a 270° bearing to the 312° bearing from the airport and within an 11.3-mile radius of the airport extending clockwise from the 312° bearing to the 350° bearing from the airport and within an 11.3-mile radius of the airport extending clockwise from the 004° bearing to the 099° bearing from the airport and within 3.5 miles south of the airport east localizer course extending from the 4.2-mile radius of the airport east to the 099° bearing from the airport.

Issued in College Park, Georgia, on October 3, 2018.

Ryan W. Almasy,

Manager, Operations Support Group, Eastern Service Center, Air Traffic Organization.

[FR Doc. 2018–22254 Filed 10–15–18; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Part 117

[Docket No. USCG–2018–0434]

Drawbridge Operation Regulation; Dutch Kills, Queens, NY

AGENCY: Coast Guard, DHS.

ACTION: Notice of deviation from drawbridge regulation.

SUMMARY: The Coast Guard has issued a temporary deviation from the operating schedule that governs the Borden Avenue Bridge across Dutch Kills, mile 1.2, at Queens, NY. The deviation is necessary to facilitate bridge repairs. This temporary deviation allows the bridge to remain in the closed-to-navigation position during bridge repairs.

DATES: This deviation is effective without actual notice from October 16, 2018 to 11:59 p.m. on November 17, 2018. For enforcement purposes, actual notice will be used will be used from 12:01 a.m. on September 28, 2018 to October 16, 2018.

ADDRESSES: The docket for this deviation, USCG–2018–0434 is available at *http://www.regulations.gov.* Type the docket number in the ''SEARCH'' box and click ''SEARCH''. Click on Open Docket Folder on the line associated with this deviation.

FOR FURTHER INFORMATION CONTACT: If you have questions on this temporary deviation, call or email Stephanie E. Lopez, Bridge Management Specialist, First District Bridge Branch, U.S. Coast Guard; telephone 212–514–4335, email *Stephanie.E.Lopez@uscg.mil.*

SUPPLEMENTARY INFORMATION:

The owner of the bridge, the New York City Department of Transportation, requested a temporary deviation to facilitate punch list work involving the Borden Avenue Bridge control house roof repairs. The Borden Avenue Bridge across Dutch Kills, Queens, has a vertical clearance in the closed position of 4 feet at mean high water and 9 feet at mean low water. The existing bridge operating regulations are found at 33 CFR 117.801(c).

This temporary deviation allows the Borden Avenue Bridge to stay in the closed position from 12:01 a.m. on September 28, 2018 to 11:59 p.m. on November 17, 2018. At no time can the bridge open to marine traffic. No one has signaled to request that this bridge open to marine traffic since December 15, 2014. The bridge will not be able to open for emergencies and there is no immediate alternate route for vessels to pass.

The Coast Guard will also inform the users of the waterways through our Local and Broadcast Notices to Mariners of the change in operating schedule for the bridge so that vessel operators can arrange their transits to minimize any impact caused by the temporary deviation.

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

Dated: October 11, 2018.

C.J. Bisignano,

Supervisory Bridge Management Specialist, First Coast Guard District.

[FR Doc. 2018–22448 Filed 10–15–18; 8:45 am]

BILLING CODE 9110–04–P

DEPARTMENT OF EDUCATION

34 CFR Parts 611, 614, 636, 649, 680, 693, and 695–699

RIN 1840–AD32; 1840–AD33

Outdated Regulations—Teacher Quality Enhancement Grants Program and Preparing Tomorrow's Teachers to Use Technology (PT3) Program

AGENCY: Office of Postsecondary Education, Department of Education.

ACTION: Final regulations.

SUMMARY: The Secretary removes outdated regulations for two programs no longer authorized by Federal law: The Teacher Quality Enhancement Grants (TQE) program and the Preparing Tomorrow's Teachers to Use Technology (PT3) program. Therefore, the associated regulations are unnecessary.

DATES: This action is effective October 16, 2018.

FOR FURTHER INFORMATION CONTACT: Linda Byrd-Johnson, U.S. Department of Education, 400 Maryland Avenue SW, Room 270–02, Washington, DC 20202–6200. Telephone: (202) 453–6060. Email: *Linda.Byrd-Johnson@ed.gov.*

If you use a telecommunications device for the deaf (TDD) or a text telephone (TTY), call the Federal Relay Service (FRS), toll free, at 1–800–877–8339.

SUPPLEMENTARY INFORMATION: On February 24, 2017, President Trump signed Executive Order 13777, ''Enforcing the Regulatory Reform Agenda,'' which established a Federal policy ''to alleviate unnecessary regulatory burdens'' on the American people. Section 3(a) of the Executive order directed each Federal agency to establish a Regulatory Reform Task Force, the duty of which is to evaluate existing regulations and ''make recommendations to the agency head regarding their repeal, replacement, or modification.'' Section 3(d)(ii) of the Executive order specifically instructs the Task Force to identify regulations that are ''are outdated, unnecessary, or ineffective.'' The Department is undertaking this regulatory action consistent with that objective.

The TQE and PT3 programs are no longer authorized by the Higher Education Act of 1965, as amended (HEA). Pursuant to the Higher Education Opportunity Act (Pub. L. 110–315) enacted in 2008, these programs were replaced. The TQE program was replaced with the Teacher Quality Partnership program, and the PT3 program was replaced with the Preparing Teachers for Digital Age Learners program. Neither new program uses the regulations from the replaced programs. Accordingly, the Secretary removes 34 CFR parts 611 and 614 because they are obsolete. The Secretary also removes parts 636, 649, 680, 693, and 695–699, which had been reserved, to streamline the Department's regulations.

Waiver of Proposed Rulemaking and Delayed Effective Date

Under the Administrative Procedure Act (5 U.S.C. 553) (APA) the Department generally offers interested parties the opportunity to comment on proposed regulations. However, the APA provides that an agency is not required to conduct notice-and-comment rulemaking when the agency, for good cause, finds that the requirement is impracticable, unnecessary, or contrary to the public interest (5 U.S.C. 553(b)(B) and (d)(3)). There is good cause to waive rulemaking in this case because these final regulations have become obsolete. This regulatory action adopts no new regulations and does not establish or affect substantive policy. Therefore, under 5 U.S.C. 553(b)(B), the Secretary has determined that obtaining public comment on the removal of the regulations is unnecessary.

The APA also generally requires that regulations be published at least 30 days before their effective date, unless the agency has good cause to implement its regulations sooner (5 U.S.C. 553(d)(3)). Again, because this final regulatory action merely removes outdated regulations, the Secretary is also waiving the 30-day delay in the effective date of these regulatory changes under 5 U.S.C. 553(d)(3).

Executive Orders 12866, 13563, and 13771

Regulatory Impact Analysis

Under Executive Order 12866, the Secretary must determine whether this regulatory action is ''significant'' and, therefore, subject to the requirements of the Executive order and subject to review by the Office of Management and Budget (OMB). Section 3(f) of Executive Order 12866 defines a ''significant regulatory action'' as an action likely to result in a rule that may—

(1) Have an annual effect on the economy of $100 million or more, or adversely affect a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local, or Tribal governments or communities in a material way (also referred to as an ''economically significant'' rule);

(2) Create serious inconsistency or otherwise interfere with an action taken or planned by another agency;

(3) Materially alter the budgetary impacts of entitlement grants, user fees, or loan programs or the rights and obligations of recipients thereof; or

(4) Raise novel legal or policy issues arising out of legal mandates, the President's priorities, or the principles stated in the Executive order.

This final regulatory action is not a significant regulatory action subject to review by OMB under section 3(f) of Executive Order 12866.

Under Executive Order 13771, for each new regulation that the Department proposes for notice and comment or otherwise promulgates that is a significant regulatory action under Executive Order 12866 and that imposes total costs greater than zero, it must identify two deregulatory actions. For FY 2018, any new incremental costs associated with a new regulation must be fully offset by the elimination of existing costs through deregulatory actions, unless required by law or approved in writing by the Director of the OMB. Because this final rule is not a significant regulatory action, the requirement to offset new regulations in Executive Order 13771 does not apply.

We have also reviewed these regulations under Executive Order 13563, which supplements and explicitly reaffirms the principles, structures, and definitions governing regulatory review established in Executive Order 12866. To the extent permitted by law, Executive Order 13563 requires that an agency—

(1) Propose or adopt regulations only on a reasoned determination that their benefits justify their costs (recognizing that some benefits and costs are difficult to quantify);

(2) Tailor its regulations to impose the least burden on society, consistent with obtaining regulatory objectives and taking into account—among other things and to the extent practicable—the costs of cumulative regulations;

(3) In choosing among alternative regulatory approaches, select those approaches that maximize net benefits (including potential economic, environmental, public health and safety, and other advantages; distributive impacts; and equity);

(4) To the extent feasible, specify performance objectives, rather than the behavior or manner of compliance a regulated entity must adopt; and

(5) Identify and assess available alternatives to direct regulation, including economic incentives—such as user fees or marketable permits—to encourage the desired behavior, or provide information that enables the public to make choices.

Executive Order 13563 also requires an agency ''to use the best available techniques to quantify anticipated present and future benefits and costs as accurately as possible.'' The Office of Information and Regulatory Affairs of OMB has emphasized that these techniques may include ''identifying changing future compliance costs that might result from technological innovation or anticipated behavioral changes.''

We are issuing this final regulatory action only on a reasoned determination that its benefits justify its costs. In choosing among alternative regulatory approaches, we selected those approaches that maximize net benefits. Based on the analysis that follows, the Department believes that these final regulations are consistent with the principles in Executive Order 13563.

We also have determined that this regulatory action does not unduly interfere with State, local, and Tribal governments in the exercise of their governmental functions.

In accordance with both Executive orders, the Department has assessed the potential costs and benefits, both quantitative and qualitative, of this regulatory action. Because the rescinded regulations are obsolete, we do not believe that this action will result in any additional costs or benefits.

Regulatory Flexibility Act Certification

Pursuant to 5 U.S.C. 601(2), the Regulatory Flexibility Act applies only to rules for which an agency publishes a general notice of proposed rulemaking. The Regulatory Flexibility Act does not apply to this rulemaking because there is good cause to waive notice and comment under 5 U.S.C. 553.

Paperwork Reduction Act of 1995

These regulations do not contain any information collection requirements.

Intergovernmental Review

These programs are subject to Executive Order 12372 and the regulations in 34 CFR part 79. One of the objectives of the Executive order is to foster an intergovernmental partnership and a strengthened federalism. The Executive order relies on processes developed by State and local governments for coordination and review of proposed Federal financial assistance.

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List of Subjects

34 CFR Part 611

Colleges and universities, Elementary and secondary education, Grant programs-education.

34 CFR Part 614

Grant programs-education, colleges and universities.

Dated: October 10, 2018.

Diane Auer Jones,

Principal Deputy Under Secretary Delegated to Perform the Duties of Under Secretary and Assistant Secretary for the Office of Postsecondary Education.

For the reasons discussed in the preamble, and under the authority at 20 U.S.C. 3474 and 20 U.S.C. 1221e–3, the Secretary amends chapter VI of title 34 of the Code of Federal Regulations as follows:

PART 611—[Removed]

■ 1. Part 611 is removed.

PART 614—[Removed]

■ 2. Part 614 is removed.

PART 636—[Removed]

■ 3. Reserved part 636 is removed.

PART 649—[Removed]

■ 4. Reserved part 649 is removed.

PART 680—[Removed]

■ 5. Reserved part 680 is removed.

PART 693—[Removed]

■ 6. Reserved part 693 is removed.

PARTS 695–699—[REMOVED]

■ 7. Reserved parts 695–699 are removed.

[FR Doc. 2018–22413 Filed 10–15–18; 8:45 am]

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LIBRARY OF CONGRESS

Copyright Office

37 CFR Part 201

[Docket No. 2018–7]

Filing of Schedules by Rights Owners and Contact Information by Transmitting Entities Relating to Pre-1972 Sound Recordings

AGENCY: U.S. Copyright Office, Library of Congress.

ACTION: Interim rule with request for comments.

SUMMARY: The U.S. Copyright Office is issuing interim regulations pursuant to the Classics Protection and Access Act, title II of the recently enacted Orrin G. Hatch-Bob Goodlatte Music Modernization Act. These regulations pertain to the filing of schedules by rights owners listing their sound recordings fixed before February 15, 1972, and the filing of contact information by entities publicly performing these sound recordings by means of digital audio transmission. As required under the Act, the Office is also specifying how individuals may request timely notification of the filing of such schedules with the Office. These regulations are issued on an interim basis with opportunity for comment to comply with statutory requirements and to ensure that both rights owners and transmitting entities can promptly make use of these new filing mechanisms to protect their respective legal interests. The Office welcomes comment on these interim rules.

DATES: The effective date of the interim regulations is October 16, 2018. Written comments must be received no later than 11:59 p.m. Eastern Time on November 15, 2018.

ADDRESSES: For reasons of government efficiency, the Copyright Office is using the *regulations.gov* system for the submission and posting of public comments in this proceeding. All comments are therefore to be submitted electronically through *regulations.gov.* Specific instructions for submitting comments are available on the Copyright Office's website at *https://www.copyright.gov/rulemaking/pre1972-soundrecordings-schedules/.* If electronic submission of comments is not feasible due to lack of access to a computer and/or the internet, please contact the Office using the contact information below for special instructions.

FOR FURTHER INFORMATION CONTACT: Regan A. Smith, General Counsel and Associate Register of Copyrights, by email at *regans@copyright.gov,* Anna Chauvet, Assistant General Counsel, by email at *achau@copyright.gov,* or Jason E. Sloan, Assistant General Counsel, by email at *jslo@copyright.gov.* Each can be contacted by telephone by calling (202) 707–8350.

SUPPLEMENTARY INFORMATION:

I. Background

On October 11, 2018, the president signed into law the Orrin G. Hatch-Bob Goodlatte Music Modernization Act,

H.R. 1551 (''MMA''). Title II of the MMA, the Classics Protection and Access Act, created chapter 14 of the copyright law, title 17, United States Code, which, among other things, extends remedies for copyright infringement to owners of sound recordings fixed before February 15, 1972 (''Pre-1972 Sound Recordings''). Under the provision, rights owners may be eligible to recover statutory damages and/or attorneys' fees for the unauthorized use of their Pre-1972 Sound Recordings if certain requirements are met.

Specifically, to be eligible for these remedies, rights owners must typically file schedules listing their Pre-1972 Sound Recordings (''Pre-1972 Schedules'') with the U.S. Copyright Office (the ''Office''), which are then indexed into the Office's public records.[1] The remedies are only available for unauthorized uses of a recording that have occurred more than 90 days after indexing.[2] Pre-1972 Schedules must include the name of the rights owner, title, and featured artist for each recording listed, and ''such other information, as practicable, that the Register of Copyrights prescribes by regulation.'' [3] The filing requirement ''is designed to operate in place of a formal registration requirement that normally applies to claims involving statutory damages.'' [4] In addition, the Pre-1972 Schedules are important to the Act's new exemption for noncommercial uses of Pre-1972 Sound Recordings that are not being commercially exploited.[5] Under that provision, persons seeking to use the exemption are exempt from liability for unauthorized use if they make a ''good faith, reasonable search for'' a given sound recording in the Office's records of Pre-1972 Schedules before determining that the recording is not being commercially exploited.[6] In establishing a filing mechanism for Pre-1972 Schedules, the Office must also provide a means for individuals to request and receive timely notification when such filings are indexed into the Office's public record.[7]

In addition, rights owners must provide specific notice of unauthorized use to certain entities that were previously transmitting Pre-1972 Sound Recordings, before pursuing certain remedies against them. To be entitled to receive direct notice of unauthorized activity from a rights owner, an entity must have been publicly performing a Pre-1972 Sound Recording by means of digital audio transmission at the time of enactment of section 1401 and must file its contact information with the Copyright Office within 180 days of enactment, that is, by April 9, 2019.[8] Where a valid notice of contact information has been filed, the rights owner may be eligible to obtain statutory damages and/or attorneys' fees only after sending the transmitting entity a notice stating that it is not legally authorized to use the Pre-1972 Sound Recording, and identifying the Pre-1972 Sound Recording in a schedule conforming to the requirements by the Office for filing Pre-1972 Schedules.[9] In addition, the unauthorized use must have occurred 90 days after the entity receives the notice.[10] After April 9, 2019, the Office cannot accept any new filings of contact information by transmitting entities.[11] For any eligible transmitting entity that does not file its contact information by April 9, 2019, rights owners are not obligated to send it a direct notice of unauthorized use prior to becoming eligible for statutory damages and/or attorneys' fees.[12] Rather, as described above, rights owners would file Pre-1972 Schedules with the Copyright Office, and they would become eligible for these remedies for unauthorized uses of a recording occurring more than 90 days after indexing of the schedules.[13]

II. Interim Rule

The Office promulgates the following interim rule to establish and govern the filing of Pre-1972 Schedules, the filing of contact information by entities publicly performing Pre-1972 Sound Recordings by means of digital audio transmission at the time of enactment of section 1401 (''Notice of Contact Information''), and the means by which individuals may request and receive timely notification when Pre-1972 Schedules are indexed into the Office's public records.

A. Pre-1972 Schedules

Under the interim rule, rights owners may file Pre-1972 Schedules with the Office using a form provided on the Office's website. At present, the form is an Excel spreadsheet template. This format is required so that the Office can timely ingest the Pre-1972 Schedules and index them into a searchable database available to prospective users, including persons who may otherwise wish to make noncommercial uses of these works, and the general public. The database of Pre-1972 Schedules is available on the Office's website at *https://copyright.gov/music-modernization/pre1972-soundrecordings/search-soundrecordings.html.*

For each sound recording, the Pre-1972 Schedule must include the rights owner's name, the sound recording title, and the featured artist. Rights owners may also include additional optional information pursuant to the instructions on the form and the Office's website. For example, the Pre-1972 Schedule may include, for each sound recording, album title information, any alternate sound recording title(s), the publication date, the label name, and the rights owner's contact information. A rights owner may elect to include this optional information on a recording-by-recording basis. In addition, the individual submitting the Pre-1972 Schedule must certify that she has appropriate authority to submit the schedule and that all information submitted to the Office is true, accurate, and complete to the best of the individual's knowledge, and is made in good faith. The Office may reject any Pre-1972 Schedule that fails to comply with these requirements or any additional requirements provided on the Office's website or the form itself.

As noted above, for a rights owner to be eligible to recover statutory damages and/or attorneys' fees for the unauthorized use of a Pre-1972 Sound Recording, the use must occur at least 90 days after a Pre-1972 Schedule that includes the recording is ''indexed into the public records of the Copyright Office'' [14] (or 90 days after a transmitting entity receives direct notice of unauthorized use, if applicable [15]). Under the interim rule, a Pre-1972 Schedule will be considered ''indexed'' once it is made publicly available through the Office's online database of Pre-1972 Schedules.

[1] 17 U.S.C. 1401(f)(5)(A)(i)(I)–(II).

[2] *Id.* 1401(f)(5)(A)(i)(II).

[3] *Id.* 1401(f)(5)(A)(i)(I).

[4] H.R. Rep. No. 115–651, at 16 (2018); *see* S. Rep. No. 115–339, at 18 (2018); 17 U.S.C. 412 (stating that generally ''no award of statutory damages or of attorney's fees . . . Shall be made for . . . any infringement of copyright in an unpublished work commenced before the effective date of its registration'' or ''any infringement of copyright commenced after first publication of the work and before the effective date of its registration, unless such registration is made within three months after the first publication of the work'').

[5] 17 U.S.C. 1401(c)(1)(A)(i). The Copyright Office is separately issuing a notice of inquiry related to regulations the Register must promulgate regarding this exception. *See id.* 1401(c)(3), (5)(A).

[6] *Id.* 1401(c)(1)(A).

[7] *Id.* 1401(f)(5)(A)(ii)(II)–(III).

[8] *Id.* 1401(f)(5)(B)(i)–(ii).

[9] *Id.* 1401(f)(5)(B)(iii).

[10] *Id.* 1401(f)(5)(B)(iii)(I).

[11] *Id.* 1401(f)(5)(B)(ii).

[12] H.R. Rep. No. 115–651, at 16 (2018); *see* S. Rep. No. 115–339, at 19 (2018).

[13] 17 U.S.C. 1401(f)(5)(A).

[14] *Id.* 1401(f)(5)(A)(i)(II).

[15] *Id.* 1401(f)(5)(B)(iii)(I).

The interim rule also states that if ownership of a Pre-1972 Sound Recording changes after its inclusion in a Pre-1972 Schedule filed with the Office, the Office will consider the schedule to be effective as to any successor in interest. A successor in interest may, but is not required to file a new schedule. The Office invites public comments on whether it should accept transfers of rights ownership and other documents pertaining to a Pre-1972 Sound Recording (excluding Pre-1972 Schedules) for recordation, even though they are not transfers of copyright ownership or documents pertaining to a copyright under 17 U.S.C. 205.

At present, the Office has not implemented a means for rights owners to correct limited mistakes in Pre-1972 Schedules indexed into the Office's public records (*e.g.,* accidentally misspelling the title of a sound recording or including an errant title). Presently, rights owners can file a new Pre-1972 Schedule listing the sound recording for which incorrect information was indexed, but the original and new Pre-1972 Schedules would coexist in the Office's database of Pre-1972 Schedules, and each schedule would have its own index date. This treatment is consistent with the Copyright Office's recordation functions generally, although the Office is currently evaluating comments requesting a method for correcting errors, and has implemented a limited provision permitting corrections for electronic title lists.[16] The Office invites public comment on whether and how to provide a mechanism for the correction of limited mistakes in Pre-1972 Schedules, or adding supplemental information about a sound recording, including the potential effect on a Schedule's index date and how to keep administrative costs low.

As required by the Music Modernization Act, the interim regulations also confirm that persons may request timely notification of when Pre-1972 Schedules are indexed into the Office's public records by following the instructions provided by the Copyright Office on its website. Presently, individuals requesting such notification can subscribe to a weekly email through a service similar to the Office's NewsNet service, which will provide a link to the Office's online database of indexed Pre-1972 Schedules. The Office's searchable database defaults to listing the sound recordings with the most recent index dates first, so individuals should easily be able to identify recently indexed filings.

As with similar types of filings made with the Office, the interim rule states that the Office does not review Pre-1972 Schedules for legal sufficiency, interpret their content, or screen them for errors or discrepancies.[17] Rather, the Office's review is limited to whether the procedural requirements established by the Office (including payment of the proper filing fee) have been met. Rights owners are therefore cautioned to review and scrutinize schedules to assure their legal sufficiency before submitting them to the Office.

Regarding filing fees, the Copyright Act grants the Office authority to establish, adjust, and recover fees for services provided to the public.[18] The Office concludes that during the interim period, the appropriate fee to file a Pre-1972 Schedule will be the same as the current fee to record a notice of intention to make and distribute phonorecords under section 115 (''NOI'').[19] The Office anticipates that the processing of Pre-1972 Schedules will be analogous to that of processing electronic NOIs, and so the fee should be the same.[20] There will be no fee for individuals to request and receive timely notifications of when Pre-1972 Schedules are indexed into the Office's public records.

B. Notices of Contact Information

Under the interim rule, transmitting entities may file a Notice of Contact Information with the Office using a form and instructions specified on the Office's website. The Office is using *pay.gov* to receive these Notices after determining that it is the best available method to process these filings within the six-month window permitted under the statute.

The Notice of Contact Information must include the legal name, email address, and physical street address of the transmitting entity to which rights owners should send notifications of claimed violations of 17 U.S.C. 1401(a).[21] Related or affiliated transmitting entities that are separate legal entities (*e.g.,* corporate parents and subsidiaries) are considered separate transmitting entities, and each must file its own separate Notice of Contact Information. But the Notice of Contact Information may include alternate names for the transmitting entity that the public may use to identify a specific legal entity, including names under which the transmitting entity is doing business and other commonly used names. Separate legal entities are not considered alternate names. The Notice of Contact Information shall also include the website(s) and/or application(s) through which the transmitting entity publicly performs Pre-1972 Sound Recordings by means of digital audio transmission. Finally, the Notice of Contact Information must include a certification that the transmitting entity was publicly performing Pre-1972 Sound Recordings by means of digital audio transmission as of October 11, 2018, that the individual submitting the notice has appropriate authority to submit the notice, and that all information submitted to the Office is true, accurate, and complete to the best of the individual's knowledge, and is made in good faith. The Office may reject any Notice of Contact Information that fails to comply with these requirements or any additional requirements provided on the Office's website or the form itself.

If an entity submits a Notice of Contact Information following the instructions provided by the Office, including paying the appropriate fee, the Office will make the Notice publicly available in a searchable online directory, available on the Office's website at *https://copyright.gov/music-modernization/pre1972-soundrecordings/notices-contact-*

[16] *See* Modernizing Copyright Recordation, Interim Rule, 82 FR 52213, 52217 (Nov. 13, 2017). The Office notes, however, that permitting corrections in electronic title lists (''ETL'') would differ from permitting corrections in Pre-1972 Schedules. An ETL is not considered part of the recorded document; rather an ETL is only used administratively to populate the Office's public record (as opposed to manually inputting information about the document into the Office's public record).

[17] For example, the Office accepts statements of account under the section 111 cable license after a review for ''obvious errors or omissions appearing on the face of the documents'' (*see* 37 CFR 201.17(c)(2)), notices of intention under the section 115 compulsory license without review for ''legal sufficiency'' or ''errors or discrepancies'' (*see* 37 CFR 201.18(g)), and agent designations made pursuant to section 512(c)(2) without any examination.

[18] *See* 17 U.S.C. 708.

[19] 37 CFR 201.3(e)(1) (stating cost to record section 115 NOI is $75, with an additional $10 fee per group of 1 to 100 additional titles for electronic filing).

[20] Basing the cost of a service on the cost for a similar service is appropriate. *See* Copyright Office Fees, 83 FR 24045, 24059 (May 24, 2018) (proposing setting new fees at the same level for ''analogous'' services). In 2017, Booz Allen Hamilton conducted a study of the Office's most recent fee structure. When asked whether existing rates could be leveraged for new group registration options, it concluded it was appropriate if the work required was of a similar grade and compensation level. Booz Allen Hamilton, U.S. Copyright Office, Fee Study Question and Answers (Dec. 2017), *https://www.copyright.gov/rulemaking/feestudy2018/fee_study_q&a.pdf.*

[21] The Office is requiring a physical street address so that rights owners may use delivery methods that allow for tracking and/or delivery confirmation.

information.html. If a transmitting entity includes alternate names in its Notice of Contact Information, users will be able to search on those names to locate the transmitting entity's Notice of Contact Information.

The Office concludes that during the interim period, the appropriate fee to file a Notice of Contact Information will be similar to the fee previously in effect for service providers to designate an agent to receive notifications of claimed copyright infringement under 17 U.S.C. 512(c).[22] The Office anticipates that the processing of Notices of Contact Information will be analogous to how designations of agents were processed prior to the existing Digital Millennium Copyright Act (''DMCA'') designated agent directory.[23] Following that model, the interim rule assesses an additional cost to process alternate names submitted by the transmitting entity.[24]

III. Request for Comments

These interim regulations will go into effect immediately after publication of this document in the **Federal Register**. Comments will be due 30 days thereafter. The Copyright Office is issuing these interim regulations after finding, for good cause, that notice and public procedure prior to their issuance would be impracticable and contrary to the public interest.[25] The MMA requires swift action by the Office. The Office must issue regulations regarding the filing of Notices of Contact Information within 30 days of enactment, and transmitting entities have only 180 days within which they may file these Notices.[26] Similarly, while the Office has 180 days to establish regulations regarding the form and submission of Pre-1972 Schedules, this filing serves as a gating factor to rights owners being eligible for statutory damages and/or attorneys' fees for unauthorized uses of Pre-1972 Sound Recordings, as well as the ability of persons to search these schedules before determining whether a given sound recording is being commercialized or is available for the noncommercial use exception.[27] The interim rule will also inform the Office's concurrent rulemaking regarding the criteria for a good faith search to make use of the exception for noncommercial uses of sound recordings.[28] The Office concludes that a prompt interim rule best serves the legal interests of all relevant stakeholders as well as the general public. Thus, notice and comment is not required under the Administrative Procedure Act.[29]

List of Subjects in 37 CFR Part 201

Copyright, General provisions.

Interim Regulations

For the reasons set forth in the preamble, the Copyright Office amends 37 CFR part 201 as follows:

PART 201—GENERAL PROVISIONS

■ 1. The authority citation for part 201 continues to read as follows:

Authority: 17 U.S.C. 702.

■ 2. Amend § 201.3 as follows:

■ a. Redesignate paragraphs (c)(19) and (20) as paragraphs (c)(21) and (22), respectively.

■ b. Add new paragraphs (c)(19) and (20) to read as follows:

§ 201.3 Fees for registration, recordation, and related services, special services, and services performed by the Licensing Division.

* * * * *

(c) * * *

Registration, recordation and related services	Fees ($)
* * * * * * *	
(19) Notice of contact information for transmitting entities publicly performing pre-1972 sound recordings by means of digital audio transmission, or amendment of contact information	105
Alternate names (each)	35
(20) Schedule of pre-1972 sound recordings (single title)	75
Additional titles (per group of 1 to 100 titles)	10
* * * * * * *	

* * * * *

■ 3. Amend § 201.4 by adding paragraphs (b)(12) and (13) to read as follows:

§ 201.4 Recordation of transfers and other documents pertaining to copyright.

* * * * *

(b) * * *

(12) Notices of contact information for transmitting entities publicly performing pre-1972 sound recordings by means of digital audio transmission (17 U.S.C. 1401(f)(5)(B); see § 201.36).

(13) Schedules of pre-1972 sound recordings (17 U.S.C. 1401(f)(5)(A); see § 201.35).

* * * * *

■ 4. Add § 201.35 to read as follows:

§ 201.35 Schedules of pre-1972 sound recordings.

(a) *General.* This section prescribes the rules under which rights owners, pursuant to 17 U.S.C. 1401(f)(5)(A), may file schedules listing their pre-1972 sound recordings with the Copyright Office to be eligible for statutory damages and/or attorneys' fees for violations of 17 U.S.C. 1401(a).

(b) *Definitions.* For purposes of this section:

(1) Unless otherwise specified, the terms used have the meanings set forth in 17 U.S.C. 1401.

[22] 37 CFR 201.3(c)(17) (2016) (cost of $105 to record designation of agent under section 512(c)(2), with additional $35 fee per group of 1 to 10 additional names). In 2016, the Office launched a new database to designate an agent, which required less Office processing and so the Office lowered the filing fee to $6. 37 CFR 201.3(c)(17) (2017).

[23] *See Old Directory of DMCA Designated Agents 1998–2016,* U.S. Copyright Office, *https://www.copyright.gov/onlinesp/list/a_agents.html.*

[24] Because of the time sensitivity regarding the processing of Notices of Contact Information and additional work required by the Office, the additional cost will be $35 per alternate name listed.

[25] In the past, the Copyright Office has similarly issued interim rules upon the enactment of legislation before soliciting public comments. *See, e.g.,* Freedom of Information Act Regulations, 82 FR 9505, 9506 (Feb. 7, 2017) (issuing interim rule to implement the FOIA Improvements Act because ''allowing for notice and public procedure prior to the issuance of . . . interim regulations would be impracticable''); Designation of Agent to Receive Notification of Claimed Infringement, 63 FR 59233, 59234 (Nov. 3, 1998) (issuing interim rule regarding designation of agent after enactment of the DMCA because ''online service providers may wish immediately to designate agents to receive notification of claimed infringement'').

[26] 17 U.S.C. 1401(f)(5)(B).

[27] *Id.* 1401(c)(1)(A), (f)(5)(A).

[28] *Id.* 1401(c)(1)(A).

[29] *See* 5 U.S.C. 553(b), (d)(3); *Phila. Citizen in Action* v. *Schweiker,* 669 F.2d 877, 884–85 (3d Cir. 1982).

(2) A *pre-1972 sound recording* is a sound recording fixed before February 15, 1972.

(c) *Form and submission.* A rights owner seeking to comply with 17 U.S.C. 1401(f)(5)(A) must submit a schedule listing the owner's pre-1972 sound recordings using an appropriate form provided by the Copyright Office on its website and following the instructions for completion and submission provided on the Office's website or the form itself. The Office may reject any submission that fails to comply with these requirements.

(d) *Content.* A schedule of pre-1972 sound recordings shall contain the following:

(1) For each sound recording listed, the right's owner name, sound recording title, and featured artist;

(2) A certification that the individual submitting the schedule of pre-1972 sound recordings has appropriate authority to submit the schedule and that all information submitted to the Office is true, accurate, and complete to the best of the individual's knowledge, information, and belief, and is made in good faith.

(3) For each sound recording listed, the rights owner may opt to include additional information as permitted and in the format specified by the Office's form or instructions, such as publication date, or alternate title information.

(e) *Transfer of rights ownership.* If ownership of a pre-1972 sound recording changes after its inclusion in a schedule filed with the Office under this section, the Office will consider the schedule to be effective as to any successor in interest. A successor in interest may, but is not required, to file a new schedule under this section.

(f) *Legal sufficiency of schedules.* The Copyright Office does not review schedules submitted under paragraph (c) of this section for legal sufficiency, interpret their content, or screen them for errors or discrepancies. The Office's review is limited to whether the procedural requirements established by the Office (including payment of the proper filing fee) have been met. Rights owners are therefore cautioned to review and scrutinize schedules to assure their legal sufficiency before submitting them to the Office.

(g) *Filing date.* The date of filing of a schedule of pre-1972 sound recordings is the date when a proper submission, including the prescribed fee, is received in the Copyright Office. The filing date may not necessarily be the same date that the schedule, for purposes of 17 U.S.C. 1401(f)(5)(A)(i)(II), is indexed into the Office's public records.

(h) *Fee.* The filing fee to submit a schedule of pre-1972 sound recordings pursuant to this section is prescribed in § 201.3(c).

(i) *Third-party notification.* A person may request timely notification of filings made under this section by following the instructions provided by the Copyright Office on its website.

■ 5. Add § 201.36 to read as follows:

§ 201.36 Notices of contact information for transmitting entities publicly performing pre-1972 sound recordings.

(a) *General.* This section prescribes the rules under which transmitting entities may file contact information with the Copyright Office pursuant to 17 U.S.C. 1401(f)(5)(B).

(b) *Definitions.* For purposes of this section:

(1) Unless otherwise specified, the terms used have the meanings set forth in 17 U.S.C. 1401.

(2) A *pre-1972 sound recording* is a sound recording fixed before February 15, 1972.

(3) A *transmitting entity* is an entity that, as of October 11, 2018, publicly performs pre-1972 sound recordings by means of digital audio transmission.

(c) *Form and submission.* A transmitting entity seeking to comply with 17 U.S.C. 1401(f)(5)(B) must submit contact information using an appropriate form specified by the Copyright Office on its website and following the instructions for completion and submission provided on the Office's website or the form itself. The Office may reject any submission that fails to comply with these requirements. No notice or amended notice received after April 9, 2019 will be accepted by the Office.

(d) *Content.* A notice submitted under paragraph (c) of this section shall contain the following, in addition to any other information required on the Office's form or website:

(1) The full legal name, email address, and physical street address of the transmitting entity to which rights owners should send notifications of claimed violations of 17 U.S.C. 1401(a). A post office box may not be substituted for the street address of a transmitting entity. Related or affiliated transmitting entities that are separate legal entities (*e.g.,* corporate parents and subsidiaries) are considered separate transmitting entities, and each must file its own separate notice of contact information.

(2) The website(s) and/or application(s) through which the transmitting entity publicly performs pre-1972 sound recordings by means of digital audio transmission.

(3) A certification that the transmitting entity was publicly performing pre-1972 sound recordings by means of digital audio transmission as of October 11, 2018.

(4) A certification that the individual submitting the notice has appropriate authority to submit the notice and that all information submitted to the Office is true, accurate, and complete to the best of the individual's knowledge, information, and belief, and is made in good faith.

(5) The transmitting entity may opt to include alternate names for which the transmitting entity seeks application of 17 U.S.C. 1401(f)(5)(B)(iii), such as names that the public would be likely to use to search for the transmitting entity in the Copyright Office's online directory of transmitting entities publicly performing pre-1972 sound recordings by means of digital audio transmission, including names under which the transmitting entity is doing business and other commonly used names. Separate legal entities are not considered alternate names.

(e) *Fee.* The filing fee to submit a notice of contact information pursuant to this section is prescribed in § 201.3(c).

Dated: October 11, 2018.

Karyn A. Temple,

Acting Register of Copyrights and Director of the U.S. Copyright Office.

Approved by:

Carla D. Hayden,

Librarian of Congress.

[FR Doc. 2018–22518 Filed 10–15–18; 8:45 am]

BILLING CODE 1410–30–P

POSTAL REGULATORY COMMISSION

39 CFR Part 3010

[Docket No. RM2016–6; Order No. 4850]

Mail Preparation Changes

AGENCY: Postal Regulatory Commission.

ACTION: Final rule.

SUMMARY: The Commission adopts a final rule concerning mail preparation changes. The rule as adopted removes reference to procedures relying on the existence of a substantive standard for mail preparation changes in response to the recent decision in *United States Postal Serv.* v. *Postal Reg. Comm'n,* 886 F.3d 1253 (D.C. Cir. 2018).

DATES: *Effective* November 15, 2018.

FOR FURTHER INFORMATION CONTACT: David A. Trissell, General Counsel, at 202–789–6820.

SUPPLEMENTARY INFORMATION:

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I. Introduction

In this Order, the Commission adopts a final rule concerning mail preparation changes. The final rule partially rescinds an existing Commission rule and is located at 39 CFR part 3010. The rule as adopted removes reference to procedures relying on the existence of a substantive standard for mail preparation changes in response to the recent decision in *United States Postal Serv.* v. *Postal Reg. Comm'n,* 886 F.3d 1253 (D.C. Cir. 2018).

II. Background

In Order No. 3047, the Commission developed a substantive standard to determine when a mail preparation change would constitute a ''change in rates'' under 39 U.S.C. 3622.[1] The standard established by the Commission in Order No. 3047 provided that mail preparation changes could have rate effects when they resulted in the deletion or redefinition of a rate cell as set forth by § 3010.23(d)(2).

In conjunction with Order No. 3047, the Commission initiated a rulemaking proceeding to develop procedures to ensure that the Postal Service properly applies the Commission's standard when making a determination of whether a mail preparation change has a rate effect.[2] The final rule created a process that required the Postal Service to: (1) Provide public notice of all mail preparation changes in a single source; (2) affirmatively designate whether or not a change to a mail preparation requirement implicates the price cap; and (3) show by a preponderance of the evidence, if the designation is challenged, that the price cap does not apply to the change.[3] The Postal Service filed petitions for review challenging the Commission's standard in Order No. 3047 and the final rule in Order No. 4393.

Shortly after the Commission adopted the final rule in this docket, the Court issued its decision in *United States Postal Serv.* v. *Postal Reg. Comm'n,* 886 F.3d 1253 (D.C. Cir. 2018) vacating the Commission's standard in Order No. 3047. In response to the Court's decision, the Commission and the Postal Service filed a joint motion to remand the petition for review of the final rule back to the Commission for further proceedings.[4]

On August 9, 2018, the Commission issued the notice of proposed rulemaking (NPR), setting forth a proposed rescission to the rule set forth in § 3010.23(d)(5) that created procedures concerning mail preparation changes.[5] The NPR also provided an opportunity for public comment. Order No. 4751 at 5. The Commission proposed removing the components of the rule that require existence of a standard in order to be enforced, specifically: (1) The affirmative designation requirement; and (2) the evidentiary standard. *Id.* at 4. As explained in the NPR, both the affirmative designation and evidentiary burden parts of the rule were predicated on the existence of a substantive standard. *Id.* As that standard was vacated and a new standard does not yet exist, the proposed rule removed the affirmative designation requirement and evidentiary burden component from paragraph (d)(5) of this section. In the NPR, the Commission proposed to retain the publication requirement of the rule as it would remain independent of any standard. *Id.*

III. Review of Comments

On September 13, 2018, the Commission received comments in response to the NPR from the Association for Postal Commerce (PostCom), the Postal Service, and the Public Representative.[6]

PostCom Comments. PostCom supports the premise behind partial rescission of the rule, acknowledging that the rule referencing a standard ''cannot be enforced in the absence of a standard.'' PostCom Comments at 1. However, PostCom does not support rescission of the rule at this time. *Id.* Instead, PostCom suggests the Commission ''temporarily suspend enforcement of the portion of the rule that the Commission is proposing to eliminate.'' *Id.*

To support its request for the Commission to temporarily suspend enforcement of the rule as opposed to rescission through rulemaking, PostCom points to the Commission's intention to develop an appropriate standard in a separate rulemaking.[7] PostCom submits that elimination of the portion of the rule relying on a substantive standard is unnecessary because the current procedures ''will apply equally well to the final standard established by the Commission.'' PostCom Comments at 2. PostCom states that the procedures only rely on the ''existence of'' a substantive standard and not the contents of that substantive standard. *Id.* at 3. PostCom points to the fact that the Commission itself indicated the separation between the substantive standard and the applicability of the final procedural rule, noting that the Commission stated that the Court's disagreement with the substantive standard would not affect the final rule. *Id.* As a result, PostCom submits that it is ''imprudent to eliminate these procedures at this time'' and that elimination of the rule now will only require more rulemaking in the future should the Commission set a new standard. *Id.*

Postal Service Comments. The Postal Service supports partial rescission of the rule that relies on existence of a substantive standard. Postal Service Comments at 1–3. In the Postal Service's view, ''compliance with the procedural rule necessarily would require application of the substantive standard'' for mail preparation changes. *Id.* at 2. The Postal Service agrees with the Commission's proposal to rescind the portion of the rule that ''requires the

[1] The standard in Order No. 3047 was developed in response to remand from the United States Court of Appeals for the District of Columbia (the Court) in *United States Postal Serv.* v. *Postal Reg. Comm'n,* 785 F.3d 740 (D.C. Cir. 2015). For a complete history of the proceedings underlying the Commission's promulgation of a standard for mail preparation changes, *see* Docket No. R2013–10, Order on Price Adjustments for Market Dominant Products and Related Mail Classification Changes, November 21, 2013, at 5–35 (Order No. 1890); Docket No. R2013–10R, Order Resolving Issues on Remand, January 22, 2016 (Order No. 3047); Docket No. R2013–10R, Order Resolving Motion for Reconsideration of Commission Order No. 3047, July 20, 2016 (Order No. 3441).

[2] Order Adopting Final Procedural Rule for Mail Preparation Changes, January 25, 2018, at 22–23 (Order No. 4393). The Order Adopting Final Procedural Rule for Mail Preparation Changes was published in the **Federal Register** on February 1, 2018. *See* 83 FR 4585 (Feb. 1, 2018).

[3] *See* Petition for Review, *United States Postal Serv.* v. *Postal Reg. Comm'n,* 886 F.3d 1253 (D.C. Cir. 2018); Petition for Review, *United States Postal Serv.* v. *Postal Reg. Comm'n,* No. 18–1059 (D.C. Cir. Feb. 26, 2018).

[4] *See* Unopposed Motion to Remand Case, *United States Postal Serv.* v. *Postal Reg. Comm'n,* No. 18–1059 (D.C. Cir. May 10, 2018).

[5] Notice of Proposed Rulemaking, August 9, 2018 (Order No. 4751). On the same day, the Commission filed an advance notice of proposed rulemaking (ANPR) to seek proposals for a new standard and process to determine when a mail preparation change requires price cap compliance in accordance with the Court's decision vacating the standard. Docket No. RM2018–11, Advance Notice of Proposed Rulemaking, August 9, 2018 (Order No. 4750). The ANPR was published in the **Federal Register**, *see* 83 FR 40485 (Aug. 15, 2018).

[6] Comments of the Association for Postal Commerce, September 13, 2018 (PostCom Comments); United States Postal Service Comments on Notice of Proposed Rulemaking, September 13, 2018 (Postal Service Comments); Public Representative Comments on Notice of Proposed Rulemaking, September 13, 2018 (PR Comments).

[7] *Id.* at 2 (citing Order No. 4751 at 4; Order No. 4750).

Postal Service affirmatively to designate whether a given mail preparation change requires compliance with the price cap rules'' and the portion concerning the evidentiary burden. *Id.*

The Postal Service also indicates that it has already complied with the publication requirement that the Commission proposes to retain in the rule. *Id.* at 3.

Public Representative Comments. The Public Representative supports the Commission's proposal to rescind portions of the procedural rule concerning mail preparation changes ''subject to reinstatement depending upon the outcome of the Commission's review of the applicable standard for determining whether a rate increase is in compliance with § 3010.23(d)(2).'' PR Comments at 1–2.

He notes that it would be futile to require the Postal Service to affirmatively designate whether a change requires compliance with § 3010.23(d)(2) when there is no standard to measure compliance. *Id.* at 7. With respect to the evidentiary portion of the rule, requiring the Postal Service to provide by a preponderance of the evidence that a mail preparation change does not require compliance with § 3010.23(d)(2), he contends that compliance with this provision would be ''a very difficult proposition without any standard to serve as a target.'' *Id.* at 8. Further, parties would be ''unable to determine the information needed to rebut the Postal Service's determination'' without an operative standard. *Id.*

The Public Representative also supports the Commission's retention of the single source reporting requirement. *Id.* at 5–6.

IV. Commission Analysis

The comments reflect general support for the removal of portions of the procedural rule concerning mail preparation changes that rely on the existence of a substantive standard. PostCom suggests an alternative procedure to temporarily suspend enforcement of the rule as opposed to formally rescinding portions of this rulemaking.

When promulgating the final rule concerning mail preparation changes, the Commission intended for it to apply regardless of how the Court modified the standard. Order No. 4393 at 14. However, the Court did not modify the standard, it vacated it in its entirety. The components of the procedural rule in § 3010.23(d)(5) requiring the Postal Service to provide an affirmative designation of compliance and setting an evidentiary burden require the existence of a standard. While the Commission has initiated an advance notice of proposed rulemaking to gather proposals for a new standard, the Commission cannot predict the outcome of those proceedings. *See* Order No. 4750.

Although PostCom may be correct that a temporary suspension of a procedural rule is within the Commission's authority, a rulemaking is more appropriate for the present situation. As this procedural rule was promulgated via notice and comment rulemaking, the Commission will use the same process to rescind a major portion of the rule.[8]

Accordingly, the Commission adopts a final rule that rescinds two components of the rule requiring an affirmative designation and evidentiary burden. For the affirmative designation portion of the rule, the Postal Service would be unable to designate whether a particular mail preparation change requires compliance with § 3010.23(d)(2) because it no longer has a standard to apply to determine compliance. Similarly, the Postal Service could not show it made a correct determination by a preponderance of the evidence without having a standard. Parties would also be unable to rebut the Postal Service's determination with information absent a standard. For these reasons, removing those portions of the rule is appropriate.

The remaining part of the rule requires the Postal Service to provide published notice of all mail preparation changes in a single source. The Commission retains this portion of the rule because it provides notice and transparency for all mail preparation changes and does not rely on existence of a standard.[9] As noted in the NPR, the Postal Service has complied with this requirement and the Postal Service states in its comments that it will continue to comply with this portion of the rule. Accordingly, the Commission revises § 3010.23(d)(5) to require the Postal Service to publish notice of all mail preparation changes in a single, publically available source.

V. Regulatory Flexibility Act Analysis

The Regulatory Flexibility Act requires federal agencies, in promulgating rules, to consider the impact of those rules on small entities. *See* 5 U.S.C. 601, *et seq.* (1980). If the proposed or final rules will not, if promulgated, have a significant economic impact on a substantial number of small entities, the head of the agency may certify that the initial and final regulatory flexibility analysis requirements of 5 U.S.C. 603 and 604 do not apply. *See* 5 U.S.C. 605(b).

The Commission's primary responsibility is in the regulatory oversight of the United States Postal Service. The rules that are the subject of this rulemaking have an impact on participation in Commission proceedings, but impose no further financial obligation upon any entity. For entities other than the United Stated Postal Service, participation is strictly voluntary. Based on these findings, the Chairman of the Commission certifies that the rules that are the subject of this rulemaking will not have a significant economic impact on a substantial number of small entities. Therefore, pursuant to 5 U.S.C. 605(b), this rulemaking is exempt from the initial and final regulatory flexibility analysis requirements of 5 U.S.C. 603 and 604.

VI. Ordering Paragraphs

It is ordered:

1. Part 3010 of title 39, Code of Federal Regulations, is revised as set forth below the signature of this Order, effective 30 days after publication in the **Federal Register**.

2. The Secretary shall arrange for publication of this Order in the **Federal Register**.

By the Commission.

Stacy L. Ruble,

Secretary.

List of Subjects in 39 CFR Part 3010

Administrative practice and procedure, Postal Service.

For the reasons discussed in the preamble, the Commission amends chapter III of title 39 of the Code of Federal Regulations as follows:

Part 3010—REGULATION OF RATES FOR MARKET DOMINANT PRODUCTS

■ 1. The authority citation of part 3010 continues to read as follows:

Authority: 39 U.S.C. 503; 3662.

■ 2. Amend § 3010.23 by revising paragraph (d)(5) to read as follows:

§ 3010.23 Calculation of percentage change in rates.

* * * * *

(d) * * *

(5) *Procedures for mail preparation changes.* The Postal Service shall

[8] *See Perez* v. *Mortgage Bankers Ass'n,* 135 S.Ct. 1199, 1206 (2015) (citing *F.C.C.* v. *Fox Television Stations, Inc.,* 556 U.S. 502, 515 (2009) (Section 1 of the Administrative Procedure Act mandates that ''agencies use the same procedures when they amend or repeal a rule as they used to issue the rule in the first instance.'')).

[9] *See also* Order No. 4393 at 8–10 (justification for the reporting requirement).

provide published notice of all mail preparation changes in a single, publicly available source. The Postal Service shall file notice with the Commission of the single source it will use to provide published notice of all mail preparation changes.

* * * * *

[FR Doc. 2018–22477 Filed 10–15–18; 8:45 am]

BILLING CODE 7710–FW–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 81

[EPA–HQ–OAR–2017–0548; FRL–9985–35–OAR]

RIN 2060–AU29

Air Quality Designations for the 2015 Ozone National Ambient Air Quality Standards; Corrections

AGENCY: Environmental Protection Agency (EPA).

ACTION: Correcting amendments.

SUMMARY: The Environmental Protection Agency (EPA) is correcting errors in the regulatory text regarding the designation of certain areas in nine states for the 2015 ozone national ambient air quality standards (NAAQS). The designation rules were signed by the EPA Administrator on November 6, 2017, and April 30, 2018. The errors include typographical and formatting errors and the omission from the regulatory tables of several counties designated as attainment/unclassifiable. The EPA is correcting the errors consistent with the rulemaking record. The affected areas are located in California, Illinois, Indiana, Kentucky, Michigan, Montana, Ohio, Pennsylvania and Virginia.

DATES: The effective date of this rule is November 15, 2018.

ADDRESSES: The EPA has established a docket for the designation actions for the 2015 ozone NAAQS under Docket ID No. EPA–HQ–OAR–2017–0548. All documents in the docket are listed in the index at *http://www.regulations.gov.* Although listed in the index, some information is not publicly available, *i.e.,* Confidential Business Information or other information whose disclosure is restricted by statute. Certain other material, such as copyrighted material, is not placed on the internet and will be publicly available only in hard copy form. Publicly available docket materials are available either electronically in the docket or in hard copy at the EPA Docket Center, EPA WJC West Building, Room 3334, 1301 Constitution Avenue NW, Washington, DC. The Public Reading Room is open from 8:30 a.m. to 4:30 p.m., Monday through Friday, excluding legal holidays. The telephone number for the Public Reading Room is (202) 566–1744, and the telephone number for the Office of Air and Radiation Docket and Information Center is (202) 566–1742.

In addition, the EPA has established a website for the ozone designation rulemakings at *https://www.epa.gov/ozone-designations.* The website includes the EPA's final designations, as well as designation recommendation letters from states and tribes, the EPA's 120-letters notifying the states whether the EPA intends to modify the state's recommendation, technical support documents, responses to comments and other related technical information.

FOR FURTHER INFORMATION CONTACT: Denise Scott, Office of Air Quality Planning and Standards, U.S. Environmental Protection Agency, Mail Code C539–01, Research Triangle Park, NC 27711, phone number (919) 541–4280 or by email at: *scott.denise@epa.gov.*

SUPPLEMENTARY INFORMATION:

I. What are the errors being corrected?

This rule corrects errors in the regulatory text designating certain areas for the 2015 ozone NAAQS as provided in the designation rules signed by the EPA Administrator on November 6, 2017 (November 16, 2017; 82 FR 54232), and on April 30, 2018 (June 4, 2018; 83 FR 25776). The EPA is correcting the errors consistent with the rulemaking record. The affected areas are located in California, Illinois, Indiana, Kentucky, Michigan, Montana, Ohio, Pennsylvania and Virginia. The corrections for each state are discussed below and the corrected regulatory text is provided at the end of this action.

California

The EPA is correcting two errors in the regulatory table for California for designations promulgated in the April 30, 2018, ozone designations rule. The EPA is moving the entry for the ''Butte County, CA'' nonattainment area so that the area will be listed in alphabetical order and, thus, will be listed before the entry for the ''Calaveras County, CA'' nonattainment area. The EPA is also correcting a typographical error in the entry for the ''Pechanga Band of Luiseño Mission Indians of the Pechanga Reservation'' nonattainment area by revising ''Pu'eskaMountain'' to read ''Pu'eska Mountain.''

Illinois

The EPA is correcting the regulatory table for Illinois to include McHenry County and Monroe County as attainment/unclassifiable areas. The EPA is adding those counties to the regulatory table, consistent with the rulemaking record for the April 30, 2018, ozone designations rule. The EPA is also moving the entry for ''Bond County'' so that it will be listed in alphabetical order and, thus, will be listed before the entry for ''Boone County.''

McHenry County, Illinois, is part of the Chicago-Naperville, Illinois-Indiana-Wisconsin (IL-IN-WI), Combined Statistical Area (CSA).[1] The EPA's final Technical Support Document (TSD) for the Chicago-Naperville, IL-IN-WI nonattainment area states that, ''EPA's area of analysis is the Chicago-Naperville, IL-IN-WI CSA, which includes the following 19 counties: Bureau, Cook, DeKalb, DuPage, Grundy, Kane, Kankakee, Kendall, Lake, LaSalle, McHenry, Putnam, and Will in Illinois, Jasper, Lake, LaPorte, Newton, and Porter in Indiana, and Kenosha in Wisconsin. The EPA applied the five factors recommended in its guidance to the area of analysis to determine the nonattainment boundary.'' In the TSD section, ''Conclusion for the Chicago, IL-IN-WI Area,'' the EPA identified the portions of Illinois that were being designated as part of the nonattainment area and stated, ''All remaining Illinois portions of the Chicago-Naperville, IL-IN-WI CSA are designated consistent with the Illinois' recommendations as attainment/unclassifiable for the 2015 ozone NAAQS: Bureau, DeKalb, Kankakee, LaSalle, McHenry, and Putnam Counties.* * *'' The EPA's final TSD for the Chicago-Naperville, IL-IN-WI nonattainment area is located in the docket for the April 30, 2018, designations rule (document number EPA-HQ-OAR-2017-0548-0418) and is the key document setting forth the designations for the Chicago-Naperville, IL-IN-WI CSA.

Monroe County, Illinois, is part of the St. Louis, Missouri-Illinois (MO-IL) Core Based Statistical Area (CBSA). The EPA's final TSD for the St. Louis, MO-IL nonattainment area states, ''The EPA

[1] Lists of Core Based Statistical Areas and Combined Statistical Areas and their geographic components are provided at *https://www.census.gov/programs-surveys/metro-micro/about/omb-bulletins.html.* The Office of Management and Budget (OMB) adopts standards for defining statistical areas. The statistical areas are delineated based on United States Census Bureau data. The lists are periodically updated by the OMB. The EPA used the July 2015 update (OMB Bulletin No. 15–01), which is based on application of the 2010 OMB standards to the 2010 Census, 2006–2010 American Community Survey, as well as 2013 Population Estimates Program data.

believes that using the CBSA [2] is an appropriate starting point for the contribution analysis for the St. Louis area to ensure that the nearby areas most likely to contribute to a violating area are evaluated. The area-specific analyses may support nonattainment boundaries that are smaller or larger than the CBSA. The St. Louis CBSA includes the counties of Franklin, Jefferson, Lincoln, St. Charles, and St. Louis, Warren, and the City of St. Louis, in Missouri as well as the counties of Bond, Calhoun, Clinton, Jersey, Macoupin, Madison, Monroe, and St. Clair in Illinois.'' In the TSD section, ''Conclusion for the St. Louis MO-IL Area,'' the EPA identified the portions of Illinois that were being designated as part of the nonattainment area and stated, ''The EPA is designating the remaining Franklin County, excluding Boles Township, Jefferson, Lincoln and Warren Counties in Missouri and Bond, Calhoun, Clinton, Jersey, Macoupin and Monroe Counties in Illinois as attainment/unclassifiable for the 2015 ozone NAAQS.'' The EPA's final TSD for the St. Louis MO-IL Area nonattainment area is located in the docket for the April 30, 2018, designations rule (document number EPA–HQ–OAR–2017–0548–0416) and is the key document setting forth the designations for the St. Louis CBSA.

Indiana

The EPA is correcting the regulatory table for Indiana to include Scott County, Union County, and Washington County as attainment/unclassifiable areas. The EPA is adding those counties to the regulatory table, consistent with the rulemaking record for the April 30, 2018, ozone designation rule.

Scott County, Indiana, and Washington County, Indiana, are part of the Louisville/Jefferson County—Elizabethtown—Madison, Kentucky-Indiana (KY-IN) CSA. The EPA's final TSD for the Louisville, KY-IN nonattainment area states that, ''The area of analysis for the Louisville, KY-IN area included the Louisville/Jefferson County—Elizabethtown—Madison, KY-IN CSA. The Louisville/Jefferson County—Elizabethtown—Madison, KY-IN CSA is comprised of the following counties: Bullitt County (KY); Hardin County (KY); Henry County (KY); Jefferson County (KY); Larue County (KY); Meade County (KY); Nelson County (KY); Oldham County (KY); Shelby County (KY); Spencer County (KY); Trimble County (KY); Clark County (IN); Floyd County (IN); Harrison County (IN); Jefferson County (IN); Scott County (IN); and Washington County (IN). The EPA applied the five factors recommended in its guidance to the area of analysis to determine the nonattainment area boundary.'' In the TSD section, ''Conclusion for Louisville, KY-IN Area,'' the EPA identified the portions of Indiana that were being designated as part of the nonattainment area and stated, ''The EPA is not including the remaining analyzed counties within the nonattainment boundary of the Louisville, KY-IN nonattainment area.'' The EPA's final TSD for the Louisville, KY-IN nonattainment area is located in the docket for the April 30, 2018, designations rule (document number EPA–HQ–OAR–2017–0548–0396) and is the key document setting forth the designations for the Indiana counties in the Louisville/Jefferson County—Elizabethtown—Madison, KY-IN CSA.

Union County, Indiana is part of the Cincinnati-Wilmington-Maysville, Ohio-Kentucky-Indiana (OH-KY-IN) CSA. The EPA's final TSD for Cincinnati, OH-KY-IN area states that, ''For the Cincinnati area, the starting point for the analysis (the area of analysis), is the Cincinnati-Wilmington-Maysville, OH-KY-IN CSA. . . . The Cincinnati-Wilmington-Maysville, OH-KY-IN CSA includes the following counties: Dearborn County (IN), Ohio County (IN), Union County (IN), Boone County (KY), Bracken County (KY), Campbell County (KY), Gallatin County (KY), Grant County (KY), Kenton County (KY), Mason County (KY), Pendleton County (KY), Brown County (OH), Butler County (OH), Clermont County (OH), Clinton County (OH), Hamilton County (OH), and Warren County (OH). The EPA applied the five factors recommended in its guidance to the area of analysis to determine the nonattainment boundary.'' In the TSD section, ''Conclusion for the Cincinnati Area,'' the EPA stated, ''The EPA is not modifying the states' recommendations for nonattainment boundaries. Based on the assessment of factors described previously, the EPA has concluded that the following counties or portions of counties meet the CAA criteria for inclusion in the Cincinnati nonattainment area: Butler, Clermont, Hamilton and Warren in Ohio and the parts of Boone, Campbell and Kenton Counties in Kentucky identified in Kentucky's recommendation.'' No Indiana counties were included in the Cincinnati nonattainment area. The EPA's final TSD for the Cincinnati, OH-KY-IN nonattainment area is located in the docket for the April 30, 2018, designations rule (document number EPA–HQ–OAR–2017–0548–0397) and is the key document setting forth the designations for the Indiana counties in the Cincinnati-Wilmington-Maysville, OH-KY-IN CSA.

In a letter from the EPA Administrator to the governor of Indiana, sent at the same time the April 30, 2018, rule was signed, the EPA identified the counties the EPA was designating as nonattainment as part of the Chicago, IL-IN-WI and Louisville, KY-IN nonattainment areas and stated that the remaining portions of Indiana, which includes Scott County, Union County and Washington County, were being designated as attainment/unclassifiable.

Kentucky

The EPA is correcting two errors in the regulatory table for Kentucky designations promulgated in the April 30, 2018, ozone designations rule. The EPA is moving the entry for ''Mason County'' so that it will be listed in alphabetical order and, thus, will be listed before the entry for ''Meade County.'' The EPA is also correcting a typographical error by revising ''Larue County'' to read ''LaRue County.''

Michigan

The EPA is correcting three errors in the regulatory table for Michigan for designations promulgated in the April 30, 2018, ozone designations rule. In the regulatory table for Michigan, the EPA is correcting a typographical error in the boundary description for the partial Allegan County, Michigan, nonattainment area by revising ''Manlus Township'' to read ''Manlius Township.'' The EPA is moving the entry for ''Alger County'' so that it will be listed in alphabetical order and, thus, will be listed before the entry for ''Allegan County (part) remainder.'' The EPA is moving the entry for ''Sanilac County'' so that it will be listed in alphabetical order and, thus, will be listed before the entry for ''Schoolcraft County.''

Montana

In the November 6, 2017, designations rule, the EPA regulatory table identified all the counties in Montana as a single statewide attainment/unclassifiable area. The state of Montana subsequently notified the EPA that on September 21, 2016, it had recommended the

[2] Lists of CBSAs and CSAs and their geographic components are provided at *https://www.census.gov/population/www/metroareas/metrodef.html*. The OMB adopts standards for defining statistical areas. The statistical areas are delineated based on U.S. Census Bureau data. The lists are periodically updated by the OMB. The EPA used the most recent July 2015 update (OMB Bulletin No. 15–01), which is based on application of the 2010 OMB standards to the 2010 Census, 2006–2010 American Community Survey, as well as 2013 Population Estimates Program data.

designations to be on a county-by-county basis rather than as a statewide area. In the preamble for the November 6, 2017, designations rule, the EPA stated, ''The EPA is promulgating these designations for 2,649 counties including Indian Country located in those counties, two separate areas of Indian Country, and five territories without notice-and-comment, because we believe that the designations pursuant to this final action are noncontroversial and the designations are consistent with the recommendations of the states and tribes in which these counties and tribal lands are located.'' The EPA is correcting the regulatory table for Montana to list each county separately with a designation of attainment/unclassifiable, consistent with Montana's September 21, 2016, recommendation.

Ohio

The EPA is correcting the regulatory table for Ohio to include Carroll County as an attainment/unclassifiable area. The EPA is adding the county to the regulatory table, consistent with the rulemaking record for the April 30, 2018, ozone designation rule.

Carroll County, Ohio, is part of the Cleveland-Akron-Canton, Ohio CSA. The EPA's final TSD for Ohio states that, ''For the Cleveland area, the starting point for the area of analysis is the Cleveland-Akron-Canton, Ohio CSA which includes the following counties: Erie, Huron, Lorain, Medina, Summit, Stark, Carroll, Cuyahoga, Lake, Geauga, Portage, Ashtabula, and Tuscarawas.'' In the TSD section, ''Conclusion for the Cleveland Area,'' the EPA stated, ''After evaluating the five factors, the EPA is not modifying the State's recommendation and is designating Cuyahoga, Geauga, Lake, Lorain, Medina, Portage, and Summit Counties as the Cleveland nonattainment area for the 2015 ozone NAAQS.'' The EPA's final TSD for Ohio is located in the docket for the April 30, 2018, designations rule (document number EPA–HQ–OAR–2017–0548–0381) and is the key document setting forth the designations for the counties in Ohio.

In a letter from the EPA Administrator to the governor of Ohio, sent at the same time the April 30, 2018, rule was signed, the EPA identified the counties the EPA was designating as nonattainment as part of the Cincinnati, OH–KY, Cleveland, Ohio, and Columbus, Ohio nonattainment areas and provided that the remaining portions of Ohio, which includes Carroll County, were being designated as attainment/unclassifiable.

Pennsylvania

In the April 30, 2018, designations rule, the EPA did not include Carbon, Lehigh, Monroe, Northampton and Pike Counties in the designation regulatory table for Pennsylvania. The EPA is adding those counties to the table consistent with the rulemaking record. These five counties are part of the New York-Newark, New York-New Jersey-Connecticut-Pennsylvania (NY-NJ-CT-PA) CSA. The EPA's final TSD for the New York-Northern New Jersey-Long Island, NY-NJ-CT nonattainment area states that the area of analysis is the CSA, with the additional county of Middlesex in Connecticut. The nonattainment area is also referred to as the New York Metro Nonattainment Area. In the final TSD section ''Conclusion for The New York Metro Area,'' the EPA states, ''The counties of Dutchess, Orange, Putnam and Ulster in New York; Carbon, Lehigh, Monroe, Northampton and Pike in Pennsylvania are being excluded from the New York Metro nonattainment area. . . . .'' The EPA's final TSD for New York-Northern New Jersey-Long Island, NY-NJ-CT nonattainment area is located in the docket for April 30, 2018, designation rule (document number EPA–HQ–OAR–0548–0411).

In a letter from the EPA Administrator to the governor of Pennsylvania, sent at the same time the April 30, 2018, rule was signed, the EPA summarized the portions of Pennsylvania that the agency was designating. The EPA identified the counties in Pennsylvania that were being designated as nonattainment as part of the Philadelphia-Wilmington-Atlantic City, PA-NJ-MD-DE nonattainment area and provided that the remaining portions of the state, which includes Carbon, Lehigh, Monroe, Northampton and Pike Counties, were being designated as attainment/unclassifiable.

Virginia

In the April 30, 2018, designation rule, the EPA listed two areas out of order in the designation regulatory table for Virginia. To correct the formatting error, the EPA is moving the entries for the ''Fredericksburg City'' and ''Winchester City'' attainment/unclassifiable areas to list them alphabetically with the other independent cities that are designated as attainment/unclassifiable. Thus, the ''Fredericksburg City'' attainment/unclassifiable area will be listed after the entry for ''Franklin City'' attainment/unclassifiable area and the ''Winchester City'' attainment/unclassifiable area will be listed after the entry for ''Williamsburg City'' attainment/unclassifiable area.

II. Statutory and Executive Order Reviews

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

This action is exempt from review by the OMB because it responds to the CAA requirement to promulgate air quality designations after promulgation of a new or revised NAAQS.

B. Executive Order 13771: Reducing Regulations and Controlling Regulatory Costs

This action is not an Executive Order 13771 regulatory action because actions such as air quality designations associated with a new or revised NAAQS are exempt from review under Executive Order 12866.

C. Paperwork Reduction Act (PRA)

This action does not impose an information collection burden under the PRA. In this action, the EPA is correcting errors in the regulatory text regarding the designation of certain areas for the 2015 ozone NAAQS consistent with the rulemaking record. This action does not contain any information collection activities.

D. Regulatory Flexibility Act (RFA)

This designation action under Clean Air Act (CAA) section 107(d) is not subject to the RFA. The RFA applies only to rules subject to notice-and-comment rulemaking requirements under the Administrative Procedure Act (APA), 5 U.S.C. 553, or any other statute. Section 107(d)(2)(B) of the CAA explicitly provides that designations are exempt from the notice-and-comment provisions of the APA. In addition, designations under CAA section 107(d) are not among the list of actions that are subject to the notice-and-comment rulemaking requirements of CAA section 307(d).

E. Unfunded Mandates Reform Act (UMRA)

This action does not contain any unfunded mandate as described in UMRA, 2 U.S.C. 1531–1538 and does not significantly or uniquely affect small governments. The action imposes no enforceable duty on any state, local or tribal governments or the private sector.

F. Executive Order 13132: Federalism

This action does not have federalism implications. It will not have substantial direct effects on the states, on the relationship between the national

government and the states, or on the distribution of power and responsibilities among the various levels of government. The division of responsibility between the federal government and the states for purposes of implementing the NAAQS is established under the CAA.

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

This action does not have tribal implications as specified in Executive Order 13175. This action corrects errors in the regulatory tables in the ozone designation rules signed by the EPA Administrator on November 6, 2017, and April 30, 2018. The corrections are consistent with the rulemaking record. Thus, Executive Order 13175 does not apply.

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

The EPA interprets Executive Order 13045 as applying to those regulatory actions that concern environmental health or safety risks that the EPA has reason to believe may disproportionately affect children, per the definition of ''covered regulatory action'' in section 2–202 of the Executive Order. This action is not subject to Executive Order 13045 because it does not establish an environmental standard intended to mitigate health or safety risks.

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

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

J. National Technology Transfer and Advancement Act (NTTAA)

This rulemaking does not involve technical standards.

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

This action does not have disproportionately high and adverse human health or environmental effects on minority populations, low-income populations and/or indigenous peoples, as specified in Executive Order 12898 (59 FR 7629, February 16, 1994). This action corrects errors in the regulatory text regarding the designation of certain areas in for the 2015 ozone NAAQS. The corrections are consistent with the rulemaking record for the designation rules signed by the EPA Administrator on November 6, 2017, and April 30, 2018.

L. Congressional Review Act (CRA)

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

List of Subjects in 40 CFR Part 81

Environmental protection, Air pollution control, National parks, Wilderness areas.

Dated: October 4, 2018.

Andrew R. Wheeler,

Acting Administrator.

For the reasons set forth in the preamble, 40 CFR part 81 is corrected as follows:

PART 81—DESIGNATIONS OF AREAS FOR AIR QUALITY PLANNING PURPOSES

■ 1. The authority citation for part 81 continues to read as follows:

Authority: 42 U.S.C. 7401, *et seq.*

Subpart C—Section 107 Attainment Status Designations

§ 81.305 [Amended]

■ 2. In § 81.305, the table titled ''California—2015 8-Hour Ozone NAAQS [Primary and Secondary]'' is amended by:

■ a. Moving the entry for ''Butte County, CA'' before the entry for ''Calaveras County, CA''; and

■ b. Removing ''Pu'eskaMountain'' and adding in its place ''Pu'eska Mountain'' under the entry for ''Pechanga Band of Luiseño Mission Indians of the Pechanga Reservation''.

■ 3. In § 81.314, the table titled ''Illinois—2015 8-Hour Ozone NAAQS [Primary and Secondary]'' is amended by:

■ a. Moving the entry for ''Bond County'' before the entry for ''Boone County'';

■ b. Adding an entry for ''McHenry County'' before the entry for ''McLean County''; and

■ c. Adding an entry for ''Monroe County'' before the entry for ''Montgomery County''.

The additions read as follows:

§ 81.314 Illinois.

* * * * *

ILLINOIS—2015 8-HOUR OZONE NAAQS

[Primary and Secondary]

Designated area [1]	Designation		Classification	
	Date [2]	Type	Date [2]	Type
* * *	*	* *	*	*
McHenry County		Attainment/Unclassifiable.		
* * *	*	* *	*	*
Monroe County		Attainment/Unclassifiable.		
* * *	*	* *	*	*

[1] Includes any Indian country in each county or area, unless otherwise specified. EPA is not determining the boundaries of any area of Indian country in this table, including any area of Indian country located in the larger designation area. The inclusion of any Indian country in the designation area is not a determination that the state has regulatory authority under the Clean Air Act for such Indian country.

[2] This date is August 3, 2018, unless otherwise noted.

* * * * *

■ 4. In § 81.315, the table titled ''Indiana—2015 8-Hour Ozone NAAQS [Primary and Secondary]'' is amended by:

■ a. Adding an entry for ''Scott County'' before the entry for ''Shelby County'';
■ b. Adding an entry for ''Union County'' before the entry for ''Vanderburgh County''; and
■ c. Adding an entry for ''Washington County'' before the entry for ''Wayne County''.

The additions read as follows:

§ 81.315 Indiana.

* * * * *

INDIANA—2015 8-HOUR OZONE NAAQS

[Primary and Secondary]

Designated area [1]	Designation		Classification	
	Date [2]	Type	Date [2]	Type
* * *	*	* *	*	*
Scott County		Attainment/Unclassifiable.		
* * *	*	* *	*	*
Union County		Attainment/Unclassifiable.		
* * *	*	* *	*	*
Washington County		Attainment/Unclassifiable.		
* * *	*	* *	*	*

[1] Includes any Indian country in each county or area, unless otherwise specified. EPA is not determining the boundaries of any area of Indian country in this table, including any area of Indian country located in the larger designation area. The inclusion of any Indian country in the designation area is not a determination that the state has regulatory authority under the Clean Air Act for such Indian country.
[2] This date is August 3, 2018, unless otherwise noted.

* * * * *

§ 81.318 [Amended]

■ 5. In § 81.318, the table titled ''Kentucky—2015 8-Hour Ozone NAAQS [Primary and Secondary]'' is amended by:
■ a. Revising the entry for ''Larue County'' to read ''LaRue County''; and
■ b. Moving the entry for ''Mason County'' before the entry for ''Meade County''.

§ 81.323 [Amended]

■ 6. In § 81.323, the table titled ''Michigan—2015 8-Hour Ozone NAAQS [Primary and Secondary]'' is amended by:
■ a. Removing ''Manlus Township'' and adding in its place ''Manilus Township'' under the entry for ''Allegan County (part)'' under ''Allegan County, MI'';
■ b. Moving the entry for ''Alger County'' before the entry for ''Allegan County (part) remainder''; and
■ c. Moving the entry for ''Sanilac County'' before the entry for ''Schoolcraft County''.

■ 7. In § 81.327, the table titled ''Montana—2015 8-Hour Ozone NAAQS [Primary and Secondary]'' is revised to read as follows:

§ 81.327 Montana.

* * * * *

MONTANA—2015 8-HOUR OZONE NAAQS

[Primary and Secondary]

Designated area [1]	Designation		Classification	
	Date [2]	Type	Date	Type
Beaverhead County		Attainment/Unclassifiable.		
Big Horn County		Attainment/Unclassifiable.		
Blaine County		Attainment/Unclassifiable.		
Broadwater County		Attainment/Unclassifiable.		
Carbon County		Attainment/Unclassifiable.		
Carter County		Attainment/Unclassifiable.		
Cascade County		Attainment/Unclassifiable.		
Chouteau County		Attainment/Unclassifiable.		
Custer County		Attainment/Unclassifiable.		
Daniels County		Attainment/Unclassifiable.		
Dawson County		Attainment/Unclassifiable.		
Deer Lodge County		Attainment/Unclassifiable.		
Fallon County		Attainment/Unclassifiable.		
Fergus County		Attainment/Unclassifiable.		
Flathead County		Attainment/Unclassifiable.		
Gallatin County		Attainment/Unclassifiable.		
Garfield County		Attainment/Unclassifiable.		
Glacier County		Attainment/Unclassifiable.		
Golden Valley County		Attainment/Unclassifiable.		
Granite County		Attainment/Unclassifiable.		
Hill County		Attainment/Unclassifiable.		
Jefferson County		Attainment/Unclassifiable.		
Judith Basin County		Attainment/Unclassifiable.		

MONTANA—2015 8-HOUR OZONE NAAQS—Continued

[Primary and Secondary]

Designated area [1]	Designation		Classification	
	Date [2]	Type	Date	Type
Lake County		Attainment/Unclassifiable.		
Lewis and Clark County		Attainment/Unclassifiable.		
Liberty County		Attainment/Unclassifiable.		
Lincoln County		Attainment/Unclassifiable.		
McCone County		Attainment/Unclassifiable.		
Madison County		Attainment/Unclassifiable.		
Meagher County		Attainment/Unclassifiable.		
Mineral County		Attainment/Unclassifiable.		
Missoula County		Attainment/Unclassifiable.		
Musselshell County		Attainment/Unclassifiable.		
Park County		Attainment/Unclassifiable.		
Petroleum County		Attainment/Unclassifiable.		
Phillips County		Attainment/Unclassifiable.		
Pondera County		Attainment/Unclassifiable.		
Powder River County		Attainment/Unclassifiable.		
Powell County		Attainment/Unclassifiable.		
Prairie County		Attainment/Unclassifiable.		
Ravalli County		Attainment/Unclassifiable.		
Richland County		Attainment/Unclassifiable.		
Roosevelt County		Attainment/Unclassifiable.		
Rosebud County		Attainment/Unclassifiable.		
Sanders County		Attainment/Unclassifiable.		
Sheridan County		Attainment/Unclassifiable.		
Silver Bow County		Attainment/Unclassifiable.		
Stillwater County		Attainment/Unclassifiable.		
Sweet Grass County		Attainment/Unclassifiable.		
Teton County		Attainment/Unclassifiable.		
Toole County		Attainment/Unclassifiable.		
Treasure County		Attainment/Unclassifiable.		
Valley County		Attainment/Unclassifiable.		
Wheatland County		Attainment/Unclassifiable.		
Wibaux County		Attainment/Unclassifiable.		
Yellowstone County		Attainment/Unclassifiable.		

[1] Includes any Indian country in each county or area, unless otherwise specified. EPA is not determining the boundaries of any area of Indian country in this table, including any area of Indian country located in the larger designation area. The inclusion of any Indian country in the designation area is not a determination that the state has regulatory authority under the Clean Air Act for such Indian country.
[2] This date is January 16, 2018, unless otherwise noted.

* * * * *

■ 8. In § 81.336, the table titled ''Ohio—2015 8-Hour Ozone NAAQS [Primary and Secondary]'' is amended by adding an entry for ''Carroll County'' before the entry for ''Champaign County'' to read as follows:

§ 81.336 Ohio.

* * * * *

OHIO—2015 8-HOUR OZONE NAAQS

[Primary and Secondary]

Designated area [1]	Designation		Classification	
	Date [2]	Type	Date [2]	Type
* * *	*	*	* *	*
Carroll County		Attainment/Unclassifiable.		
* * *	*	*	* *	*

[1] Includes any Indian country in each county or area, unless otherwise specified. EPA is not determining the boundaries of any area of Indian country in this table, including any area of Indian country located in the larger designation area. The inclusion of any Indian country in the designation area is not a determination that the state has regulatory authority under the Clean Air Act for such Indian country.
[2] This date is August 3, 2018, unless otherwise noted.

* * * * *

■ 9. In § 81.339, the table titled ''Pennsylvania—2015 8-Hour Ozone NAAQS [Primary and Secondary]'' is amended by:

■ a. Adding an entry for ''Carbon County'' before the entry for ''Centre County'';

■ b. Adding an entry for ''Lehigh County'' before the entry for ''Luzerne County'';
■ c. Adding an entry for ''Monroe County'' before the entry for ''Montour County'';
■ d. Adding an entry for ''Northampton County'' before the entry for ''Northumberland County''; and
■ e. Adding an entry for ''Pike County'' before the entry for ''Potter County''.

The additions read as follows:

§ 81.339 Pennsylvania.

* * * * *

PENNSYLVANIA—2015 8-HOUR OZONE NAAQS

[Primary and Secondary]

Designated area [1]	Designation		Classification	
	Date [2]	Type	Date [2]	Type
* * *	*	*	*	*
Carbon County		Attainment/Unclassifiable.		
* * *	*	*	*	*
Lehigh County		Attainment/Unclassifiable.		
* * *	*	*	*	*
Monroe County		Attainment/Unclassifiable.		
* * *	*	*	*	*
Northampton County		Attainment/Unclassifiable.		
* * *	*	*	*	*
Pike County		Attainment/Unclassifiable.		
* * *	*	*	*	*

[1] Includes any Indian country in each county or area, unless otherwise specified. EPA is not determining the boundaries of any area of Indian country in this table, including any area of Indian country located in the larger designation area. The inclusion of any Indian country in the designation area is not a determination that the state has regulatory authority under the Clean Air Act for such Indian country.
[2] This date is August 3, 2018, unless otherwise noted.

* * * * *

§ 81.347 [Amended]

■ 10. In § 81.347, the table titled ''Virginia—2015 8-Hour Ozone NAAQS [Primary and Secondary]'' is amended by:
■ a. Moving the entry for ''Fredericksburg City'' below the entry for ''Franklin City''; and
■ b. Moving the entry for ''Winchester City'' below the entry for ''Williamsburg City.''

[FR Doc. 2018–22396 Filed 10–15–18; 8:45 am]

BILLING CODE 6560–50–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 131

[EPA–HQ–OW–2017–0303; FRL–9985–34–OW]

RIN 2040–AF71

Water Quality Standards; Withdrawal of Certain Federal Water Quality Criteria Applicable to California: Lead, Chlorodibromomethane, and Dichlorobromomethane

AGENCY: Environmental Protection Agency (EPA).

ACTION: Final rule.

SUMMARY: The Environmental Protection Agency (EPA) is taking final action to amend the Federal regulations to withdraw certain freshwater acute and chronic aquatic life water quality criteria and certain human health (water and organisms) water quality criteria, applicable to certain waters of California because California adopted, and the Agency approved, criteria for these parameters that are protective of the uses for the waterbodies. In this action, the EPA is amending the Federal regulations to withdraw those certain criteria applicable to California as described in the December 11, 2017 proposed rule. The withdrawal will enable California to implement their EPA-approved water quality criteria.

DATES: This final rule is effective on November 15, 2018.

ADDRESSES: The EPA has established a docket for this action identified by Docket ID No. EPA–HQ–OW–2017–0303, at *https://www.regulations.gov.*

For additional information about the EPA's public docket, visit the EPA Docket Center homepage at *https://www.epa.gov/dockets.*

Docket: All documents in the docket are listed in the *www.regulations.gov* index. Although listed in the index, some information is not publicly available, *e.g.,* CBI or other information whose disclosure is restricted by statute. Certain other material, such as copyrighted material, will be publicly available only in hard copy. Publicly available docket materials are available either electronically in *www.regulations.gov* or in hard copy at two Docket Facilities. The Office of Water (''OW'') Docket Center is open from 8:30 a.m. until 4:30 p.m., Monday through Friday, excluding legal holidays. The Docket telephone number is (202) 566–2426 and the Docket address is OW Docket, EPA West, Room 3334, 1301 Constitution Ave. NW, Washington, DC 20004. The Public Reading Room is open from 8:30 a.m. to 4:30 p.m., Monday through Friday, excluding legal holidays. The telephone number for the Public Reading Room is (202) 566–1744. Publicly available docket materials are also available in hard copy at the U.S. EPA Region 9 address. Docket materials can be accessed from 9:00 a.m. until 3:00 p.m., Monday through Friday, excluding legal holidays.

FOR FURTHER INFORMATION CONTACT: For information with respect to California, contact Diane E. Fleck, P.E. Esq., U.S. EPA Region 9, WTR–2, 75 Hawthorne St., San Francisco, CA 94105

(telephone: (415) 972–3527 or email: *Fleck.Diane@epa.gov*). For general and administrative concerns, contact Bryan ''Ibrahim'' Goodwin, U.S. EPA Headquarters, Office of Science and Technology, 1200 Pennsylvania, Avenue NW, Mail Code 4305T, Washington, DC 20460 (telephone: (202) 566–0762 or email: *Goodwin.Bryan@epa.gov*).

SUPPLEMENTARY INFORMATION:

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I. General Information

A. Does this action apply to me?

No one is affected by the final action contained in this document. This final action would merely serve to withdraw certain Federal water quality criteria that have been applicable to California and are no longer needed in light of the EPA-approved state water quality criteria. If you have any questions regarding the applicability of this action to a particular entity, consult the person identified in the preceding section entitled **FOR FURTHER INFORMATION CONTACT**.

II. Background

A. What are the applicable Federal statutory and regulatory requirements?

On May 18, 2000, the EPA promulgated a final rule known as the ''California Toxics Rule'' (''CTR'') at 40 CFR 131.38. The CTR final rule established numeric water quality criteria for priority toxic pollutants for the State of California, because the State had not complied fully with Section 303(c)(2)(B) of the Clean Water Act (CWA) (65 FR 31682).

Consistent with the basic tenet of the CWA, the EPA developed its water quality standards program emphasizing State primacy. Although in the CTR the EPA promulgated toxic criteria for California, the Agency prefers that states maintain primacy, revise their own standards, and achieve full compliance (see 57 FR 60860, December 22, 1992). As described in the preamble to the final CTR (see 65 FR 31682 (May 18, 2000)), when California adopts, and the EPA approves, water quality criteria that meet the requirements of the CWA, the Agency will issue a rule amending the CTR to withdraw the Federal criteria applicable to California.

On December 11, 2017, the EPA proposed the withdrawal of certain freshwater aquatic life (acute and chronic) water quality criteria and certain federally promulgated human health (water and organisms) water quality criteria, applicable in California (see 82 FR 58156, December 11, 2017). The EPA received comments on the proposed rule and a listing of the comments, and the Agency's responses, are contained in the document ''Response to Comments for Water Quality Standards; Withdrawal of Certain Federal Water Quality Criteria Applicable to California: Lead, Chlorodibromomethane and Dichlorobromomethane,'' which can be accessed at OW docket number EPA–HQ–OW–2017–0303. Today, the EPA is taking final action on its proposal. The withdrawal of the federally promulgated criteria will enable California to implement its EPA-approved water quality criteria for these parameters.

B. What are the applicable Federal water quality criteria that the EPA is withdrawing?

As discussed in the proposal (see 82 FR 58156, December 11, 2017), this final rule amends the Federal regulations in the CTR to withdraw the following criteria: freshwater acute and chronic aquatic life criteria for lead for the Los Angeles River and its tributaries; and human health (water & organisms) criteria for chlorodibromomethane and dichlorobromomethane for a segment of New Alamo Creek and a segment of Ulatis Creek. The EPA approved the State's criteria for lead and for chlorodibromomethane and dichlorobromomethane for these waters because the Agency determined that the State's criteria were scientifically sound and protective of the designated uses for these certain waters and met the requirements of the CWA and the Agency's implementing regulations at 40 CFR part 131. The State calls these criteria site-specific water quality objectives or site-specific objectives. More information on the EPA's actions which approved the California's site-specific objectives can be accessed at OW docket number EPA–HQ–OW–2017–0303.

This final rule will result in the withdrawal of the federally promulgated criteria for these certain waters under the CTR. However, the criteria for lead, chlorodibromomethane, and dichlorobromomethane for other waters in California that are currently part of the CTR remain in the Federal promulgation.

No changes to this final rule were made in response to the comments received on the proposed rule. The EPA received nine comments on the proposed rule through the public docket which are described in more detail in this section. Two anonymous comments and one environmental group opposed the proposed rule to withdraw certain Federal criteria because California's criteria are higher numerically than the Federal criteria. Regarding the State's aquatic life criteria for lead, the EPA indicated that the State has provided analyses that show the criteria are protective of aquatic life, and that the U.S. Fish and Wildlife Service agreed that the criteria would not likely adversely affect any listed threatened or endangered species or their critical habitat. Regarding the State's human health criteria for chlorodibromomethane and dichlorobromomethane, the EPA indicated in its response that, as described in Agency's Record of Decision supporting the approval of the state's criteria, states and authorized tribes have the flexibility to adopt water quality criteria that result in a risk level higher than 10^{-6}, up to the 10^{-5} level. That flexibility is constrained, however, by the need for careful consideration of the associated exposure parameter assumptions, and whether the resulting criteria would expose sensitive subpopulations consuming fish at higher rates to no more than a 10^{-4} cancer risk. The EPA determined that these certain state criteria assure that cancer risk to the most highly exposed population would not exceed a 10^{-4} cancer risk level. In addition, the consumption of the water and fish/shellfish from the affected waterbody segments does not currently occur, nor

is it expected to occur in the future. The Sanitation Districts of Los Angeles County supported the proposed rule. Four comments were outside the scope of the proposed rule; and, one comment's position was not clear. Two emails were sent directly to the EPA after the comment period closed for the proposed rule, inquiring about how water quality criteria under the CWA are determined compared to the Maximum Contaminant Levels (MCLs) under the Safe Drinking Water Act (SDWA); the Agency's response, also included in the docket, stated that the CWA does not allow for consideration of costs and technological feasibility in the calculation of CWA water quality criteria, unlike SDWA MCLs. The EPA's ''Response to Comments for Water Quality Standards; Withdrawal of Certain Federal Water Quality Criteria Applicable to California: Lead, Chlorodibromomethane and Dichlorobromomethane'' can be accessed at OW docket number EPA–HQ–OW–2017–0303.

III. Statutory and Executive Order Reviews

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

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

B. Executive Order 13771: Reducing Regulations and Controlling Regulatory Costs

This action is a deregulatory action under Executive Order 13771. This rule is expected to provide meaningful burden reduction by withdrawal of certain federally promulgated criteria in certain waters of California.

C. Paperwork Reduction Act (PRA)

This action does not impose any new information collection burden under the PRA because it is administratively withdrawing Federal requirements that are no longer needed in California. It does not include any information collection, reporting, or recordkeeping requirements. The OMB has previously approved the information collection requirements contained in the existing regulations at 40 CFR part 131 and has assigned OMB control number 2040–0286.

D. Regulatory Flexibility Act (RFA)

The Regulatory Flexibility Act (RFA) generally requires an agency to prepare a regulatory flexibility analysis of any rule subject to notice and comment rulemaking requirements under the Administrative Procedure Act or any other statute unless the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. Small entities include small businesses, small organizations, and small governmental jurisdictions.

For purposes of assessing the impacts of this rule on small entities, small entity is defined as: (1) A small business as defined by the Small Business Administration's (SBA) regulations at 13 CFR 121.201; (2) a small governmental jurisdiction that is a government of a city, county, town, school district or special district with a population of less than 50,000; and (3) a small organization that is any not-for-profit enterprise which is independently owned and operated and is not dominant in its field.

I certify that this action will not have a significant economic impact on a substantial number of small entities under the RFA. This action will not impose any requirements on small entities.

E. Unfunded Mandates Reform Act (UMRA)

This action does not contain any unfunded mandate as described in UMRA, 2 U.S.C. 1531–1538, and does not significantly or uniquely affect small governments. As this action withdraws certain federally promulgated criteria, the action imposes no enforceable duty on any state, local, or tribal governments, or the private sector.

F. Executive Order 13132: Federalism

This action does not have federalism implications. It will not have substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. This rule imposes no regulatory requirements or costs on any state or local governments. Thus, Executive Order 13132 does not apply to this action.

In the spirit of Executive Order 13132, and consistent with the EPA policy to promote communications between the Agency and state and local governments, the Agency specifically solicited comment on this action from state and local officials.

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

This action does not have tribal implications, as specified in Executive Order 13175. This rule imposes no regulatory requirements or costs on any tribal government. It does not have substantial direct effects on tribal governments, the relationship between the Federal Government and tribes, or on the distribution of power and responsibilities between the Federal Government and tribes. Thus, Executive Order 13175 does not apply to this action.

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

This action is not subject to Executive Order 13045 (62 FR 19885, April 23, 1997) because it is not economically significant as defined in Executive Order 12866, and because the Agency does not believe the environmental health or safety risks addressed by this action present a disproportionate risk to children.

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

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

J. National Technology Transfer Advancement Act

This rulemaking does not involve technical standards.

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

Executive Order 12898 (59 FR 7629, February 16, 1994) establishes Federal executive policy on environmental justice. Its main provision directs Federal agencies, to the greatest extent practicable and permitted by law, to make environmental justice part of their mission by identifying and addressing, as appropriate, disproportionately high and adverse human health or environmental effects of their programs, policies, and activities on minority populations and low-income populations in the United States.

The EPA believes that this action does not have disproportionately high and adverse human health or environmental effects on minority populations, low-income populations and/or indigenous peoples, as specified in Executive Order 12898 (59 FR 7629, February 16, 1994). The EPA has previously determined, based on the most current science and the Agency's CWA Section 304(a) recommended criteria, that California's adopted and the Agency-approved criteria are protective of human health.

L. Congressional Review Act

The Congressional Review Act, 5 U.S.C. 801 *et seq.,* as added by the Small Business Regulatory Enforcement Fairness Act of 1996, generally provides that before a rule may take effect, the agency promulgating the rule must submit a rule report, which includes a copy of the rule, to each House of the Congress and to the Comptroller General of the United States. The EPA will submit a report containing this rule and other required information to the U.S. Senate, the U.S. House of Representatives, and the Comptroller General of the United States prior to publication of the rule in the **Federal Register**. A major rule cannot take effect until 60 days after it is published in the **Federal Register**. This action is not a ''major rule'' as defined by 5 U.S.C. 804(2). This rule will be effective November 15, 2018.

List of Subjects in 40 CFR Part 131

Environmental protection, Administrative practice and procedure, Reporting and recordkeeping requirements, Water pollution control.

Dated: October 4, 2018.

Andrew R. Wheeler,

Acting Administrator.

For the reasons set out in the preamble title 40, chapter I, part 131 of the Code of Federal Regulation is amended as follows:

PART 131—WATER QUALITY STANDARDS

■ 1. The authority citation for part 131 continues to read as follows:

Authority: 33 U.S.C. 1251 *et seq.*

■ 2. Amend § 131.38 by revising the table in paragraph (b)(1) to read as follows:

§ 131.38 Establishment of numeric criteria for priority toxic pollutants for the State of California.

* * * * *

(b)(1) * * *

A		B Freshwater		C Saltwater		D Human health (10^{-6} risk for carcinogens) for consumption of:	
Number compound	CAS No.	Criterion maximum conc.[d] (µg/L) B1	Criterion continuous conc.[d] (µg/L) B2	Criterion maximum conc.[d] (µg/L) C1	Criterion continuous conc.[d] (µg/L) C2	Water and organisms (µg/L) D1	Organisms only (µg/L) D2
1. Antimony	7440360					[as]14	[at]4300
2. Arsenic [b]	7440382	[imw]340	[imw]150	[im]69	[im]36		
3. Beryllium	7440417					[n]	[n]
4. Cadmium [b]	7440439	[eimwx]4.3	[eimw]2.2	[im]42	[im]9.3	[n]	[n]
5a. Chromium (III)	16065831	[eimo]550	[eimo]180			[n]	[n]
5b. Chromium (VI) [b]	18540299	[imw]16	[imw]11	[im]1100	[im]50	[n]	[n]
6. Copper [b]	7440508	[eimwx]13	[eimw]9.0	[im]4.8	[im]3.1	1300	
7. Lead [b]	7439921	[eimz]65	[eimz]2.5	[im]210	[im]8.1	[n]	[n]
8. Mercury [b]	7439976	[Reserved]	[Reserved]	[Reserved]	[Reserved]	[a]0.050	[a]0.051
9. Nickel [b]	7440020	[eimw]470	[eimw]52	[im]74	[im]8.2	[a]610	[a]4600
10. Selenium [b]	7782492	[p][Reserved]	[q]5.0	[im]290	[im]71	[n]	[n]
11. Silver [b]	7440224	[eim]3.4		[im]1.9			
12. Thallium	7440280					[as]1.7	[at]6.3
13. Zinc [b]	7440666	[eimwx]120	[eimw]120	[im]90	[im]81		
14. Cyanide [b]	57125	[o]22	[o]5.2	[r]1	[r]1	[a]700	[aj]220,000
15. Asbestos	1332214					[ks]7,000,000 fibers/l	
16. 2,3,7,8-TCDD (Dioxin)	1746016					[c]0.000000013	[c]0.000000014
17. Acrolein	107028					[s]320	[t]780
18. Acrylonitrile	107131					[acs]0.059	[act]0.66
19. Benzene	71432					[ac]1.2	[ac]71
20. Bromoform	75252					[ac]4.3	[ac]360
21. Carbon Tetrachloride	56235					[acs]0.25	[act]4.4
22. Chlorobenzene	108907					[as]680	[ajt]21,000
23. Chlorodibromomethane	124481					[acy]0.41	[ac]34
24. Chloroethane	75003						
25. 2-Chloroethylvinyl Ether	110758						
26. Chloroform	67663					[Reserved]	[Reserved]
27. Dichlorobromomethane	75274					[acy]0.56	[ac]46
28. 1,1-Dichloroethane	75343						
29. 1,2-Dichloroethane	107062					[acs]0.38	[act]99
30. 1,1-Dichloroethylene	75354					[acs]0.057	[act]3.2
31. 1,2-Dichloropropane	78875					[a]0.52	[a]39
32. 1,3-Dichloropropylene	542756					[as]10	[at]1,700
33. Ethylbenzene	100414					[as]3,100	[at]29,000
34. Methyl Bromide	74839					[a]48	[a]4,000
35. Methyl Chloride	74873					[n]	[n]
36. Methylene Chloride	75092					[ac]4.7	[ac]1,600
37. 1,1,2,2-Tetrachloroethane	79345					[acs]0.17	[act]11
38. Tetrachloroethylene	127184					[cs]0.8	[ct]8.85
39. Toluene	108883					[a]6,800	[a]200,000
40. 1,2-Trans-Dichloroethylene	156605					[a]700	[a]140,000
41. 1,1,1-Trichloroethane	71556					[n]	[n]
42. 1,1,2-Trichloroethane	79005					[acs]0.60	[act]42
43. Trichloroethylene	79016					[cs]2.7	[ct]81
44. Vinyl Chloride	75014					[cs]2	[ct]525
45. 2-Chlorophenol	95578					[a]120	[a]400
46. 2,4-Dichlorophenol	120832					[as]93	[at]790
47. 2,4-Dimethylphenol	105679					[a]540	[a]2,300
48. 2-Methyl-4,6-Dinitrophenol	534521					[s]13.4	[t]765
49. 2,4-Dinitrophenol	51285					[as]70	[at]14,000
50. 2-Nitrophenol	88755						
51. 4-Nitrophenol	100027						

A		B Freshwater		C Saltwater		D Human health (10^{-6} risk for carcinogens) for consumption of:	
Number compound	CAS No.	Criterion maximum conc.[d] (µg/L) B1	Criterion continuous conc.[d] (µg/L) B2	Criterion maximum conc.[d] (µg/L) C1	Criterion continuous conc.[d] (µg/L) C2	Water and organisms (µg/L) D1	Organisms only (µg/L) D2
52. 3-Methyl-4-Chlorophenol	59507						
53. Pentachlorophenol	87865	[fw]19	[fw]15	13	7.9	[ac]0.28	[acj]8.2
54. Phenol	108952					[a]21,000	[ajt]4,600,000
55. 2,4,6-Trichlorophenol	88062					[ac]2.1	[ac]6.5
56. Acenaphthene	83329					[a]1,200	[a]2,700
57. Acenaphthylene	208968						
58. Anthracene	120127					[a]9,600	[a]110,000
59. Benzidine	92875					[acs]0.00012	[act]0.00054
60. Benzo(a)Anthracene	56553					[ac]0.0044	[ac]0.049
61. Benzo(a)Pyrene	50328					[ac]0.0044	[ac]0.049
62. Benzo(b)Fluoranthene	205992					[ac]0.0044	[ac]0.049
63. Benzo(ghi)Perylene	191242						
64. Benzo(k)Fluoranthene	207089					[ac]0.0044	[ac]0.049
65. Bis(2-Chloroethoxy)Methane	111911						
66. Bis(2-Chloroethyl)Ether	111444					[acs]0.031	[act]1.4
67. Bis(2-Chloroisopropyl)Ether	108601					[a]1,400	[at]170,000
68. Bis(2-Ethylhexyl)Phthalate	117817					[acs]1.8	[act]5.9
69. 4-Bromophenyl Phenyl Ether	101553						
70. Butylbenzyl Phthalate	85687					[a]3,000	[a]5,200
71. 2-Chloronaphthalene	91587					[a]1,700	[a]4,300
72. 4-Chlorophenyl Phenyl Ether	7005723						
73. Chrysene	218019					[ac]0.0044	[ac]0.049
74. Dibenzo(a,h)Anthracene	53703					[ac]0.0044	[ac]0.049
75. 1,2 Dichlorobenzene	95501					[a]2,700	[a]17,000
76. 1,3 Dichlorobenzene	541731					400	2,600
77. 1,4 Dichlorobenzene	106467					400	2,600
78. 3,3′-Dichlorobenzidine	91941					[acs]0.04	[act]0.077
79. Diethyl Phthalate	84662					[as]23,000	[at]120,000
80. Dimethyl Phthalate	131113					[s]313,000	[t]2,900,000
81. Di-n-Butyl Phthalate	84742					[as]2,700	[at]12,000
82. 2,4-Dinitrotoluene	121142					[cs]0.11	[ct]9.1
83. 2,6-Dinitrotoluene	606202						
84. Di-n-Octyl Phthalate	117840						
85. 1,2-Diphenylhydrazine	122667					[acs]0.040	[act]0.54
86. Fluoranthene	206440					[a]300	[a]370
87. Fluorene	86737					[a]1,300	[a]14,000
88. Hexachlorobenzene	118741					[ac]0.00075	[ac]0.00077
89. Hexachlorobutadiene	87683					[acs]0.44	[act]50
90. Hexachlorocyclopentadiene	77474					[as]240	[ajt]17,000
91. Hexachloroethane	67721					[acs]1.9	[act]8.9
92. Indeno(1,2,3-cd) Pyrene	193395					[ac]0.0044	[ac]0.049
93. Isophorone	78591					[cs]8.4	[ct]600
94. Naphthalene	91203						
95. Nitrobenzene	98953					[as]17	[ajt]1,900
96. N-Nitrosodimethylamine	62759					[acs]0.00069	[act]8.1
97. N-Nitrosodi-n-Propylamine	621647					[a]0.005	[a]1.4
98. N-Nitrosodiphenylamine	86306					[acs]5.0	[act]16
99. Phenanthrene	85018						
100. Pyrene	129000					[a]960	[a]11,000
101. 1,2,4-Trichlorobenzene	120821						
102. Aldrin	309002	[g]3		[g]1.3		[ac]0.00013	[ac]0.00014
103. alpha-BHC	319846					[ac]0.0039	[ac]0.013
104. beta-BHC	319857					[ac]0.014	[ac]0.046
105. gamma-BHC	58899	[w]0.95		[g]0.16		[c]0.019	[c]0.063
106. delta-BHC	319868						
107. Chlordane	57749	[g]2.4	[g]0.0043	[g]0.09	[g]0.004	[ac]0.00057	[ac]0.00059
108. 4,4′-DDT	50293	[g]1.1	[g]0.001	[g]0.13	[g]0.001	[ac]0.00059	[ac]0.00059
109. 4,4′-DDE	72559					[ac]0.00059	[ac]0.00059
110. 4,4′-DDD	72548					[ac]0.00083	[ac]0.00084
111. Dieldrin	60571	[w]0.24	[w]0.056	[g]0.71	[g]0.0019	[ac]0.00014	[ac]0.00014
112. alpha-Endosulfan	959988	[g]0.22	[g]0.056	[g]0.034	[g]0.0087	[a]110	[a]240
113. beta-Endosulfan	33213659	[g]0.22	[g]0.056	[g]0.034	[g]0.0087	[a]110	[a]240
114. Endosulfan Sulfate	1031078					[a]110	[a]240
115. Endrin	72208	[w]0.086	[w]0.036	[g]0.037	[g]0.0023	[a]0.76	[aj]0.81
116. Endrin Aldehyde	7421934					[a]0.76	[aj]0.81
117. Heptachlor	76448	[g]0.52	[g]0.0038	[g]0.053	[g]0.0036	[ac]0.00021	[ac]0.00021
118. Heptachlor Epoxide	1024573	[g]0.52	[g]0.0038	[g]0.053	[g]0.0036	[ac]0.00010	[ac]0.00011
119–125. Polychlorinated biphenyls (PCBs)			[u]0.014		[u]0.03	[cv]0.00017	[cv]0.00017
126. Toxaphene	8001352	0.73	0.0002	0.21	0.0002	[ac]0.00073	[ac]0.00075
Total Number of Criteria[h]		22	21	22	20	92	90

Footnotes to Table in Paragraph (b)(1):

[a] Criteria revised to reflect the Agency q1* or RfD, as contained in the Integrated Risk Information System (IRIS) as of October 1, 1996. The fish tissue bioconcentration factor (BCF) from the 1980 documents was retained in each case.

[b] Criteria apply to California waters except for those waters subject to objectives in Tables III–2A and III–2B of the San Francisco Regional Water Quality Control Board's (SFRWQCB) 1986 Basin Plan that were adopted by the SFRWQCB and the State Water Resources Control Board, approved by the EPA, and which continue to apply. For copper and nickel, criteria apply to California waters except for waters south of Dumbarton Bridge in San Francisco Bay that are subject to the objectives in the SFRWQCB's Basin Plan as amended by SFRWQCB Resolution R2–2002–0061, dated May 22, 2002, and approved by the State Water Resources Control Board. The EPA approved the aquatic life site-specific objectives on January 21, 2003. The copper and nickel aquatic life site-specific objectives contained in the amended Basin Plan apply instead.

[c] Criteria are based on carcinogenicity of 10 (-6) risk.

[d] Criteria Maximum Concentration (CMC) equals the highest concentration of a pollutant to which aquatic life can be exposed for a short period of time without deleterious effects. Criteria Continuous Concentration (CCC) equals the highest concentration of a pollutant to which aquatic life can be exposed for an extended period of time (4 days) without deleterious effects. µg/L equals micrograms per liter.

[e] Freshwater aquatic life criteria for metals are expressed as a function of total hardness (mg/L) in the water body. The equations are provided in matrix at paragraph (b)(2) of this section. Values displayed above in the matrix correspond to a total hardness of 100 mg/l.

[f] Freshwater aquatic life criteria for pentachlorophenol are expressed as a function of pH, and are calculated as follows: Values displayed above in the matrix correspond to a pH of 7.8. CMC = exp(1.005(pH) − 4.869). CCC = exp(1.005(pH) − 5.134).

[g] This criterion is based on Clean Water Act (CWA) 304(a) aquatic life criterion issued in 1980, and was issued in one of the following documents: Aldrin/Dieldrin (EPA 440/5–80–019), Chlordane (EPA 440/5–80–027), DDT (EPA 440/5–80–038), Endosulfan (EPA 440/5–80–046), Endrin (EPA 440/5–80–047), Heptachlor (440/5–80–052), Hexachlorocyclohexane (EPA 440/5–80–054), Silver (EPA 440/5–80–071). The Minimum Data Requirements and derivation procedures were different in the 1980 Guidelines than in the 1985 Guidelines. For example, a ''CMC'' derived using the 1980 Guidelines was derived to be used as an instantaneous maximum. If assessment is to be done using an averaging period, the values given should be divided by 2 to obtain a value that is more comparable to a CMC derived using the 1985 Guidelines.

[h] These totals simply sum the criteria in each column. For aquatic life, there are 23 priority toxic pollutants with some type of freshwater or saltwater, acute or chronic criteria. For human health, there are 92 priority toxic pollutants with either ''water + organism'' or ''organism only'' criteria. Note that these totals count chromium as one pollutant even though the EPA has developed criteria based on two valence states. In the matrix, the EPA has assigned numbers 5a and 5b to the criteria for chromium to reflect the fact that the list of 126 priority pollutants includes only a single listing for chromium.

[i] Criteria for these metals are expressed as a function of the water-effect ratio, WER, as defined in paragraph (c) of this section. CMC = column B1 or C1 value × WER; CCC = column B2 or C2 value × WER.

[j] No criterion for protection of human health from consumption of aquatic organisms (excluding water) was presented in the 1980 criteria document or in the 1986 Quality Criteria for Water. Nevertheless, sufficient information was presented in the 1980 document to allow a calculation of a criterion, even though the results of such a calculation were not shown in the document.

[k] The CWA 304(a) criterion for asbestos is the MCL.

[l] [Reserved].

[m] These freshwater and saltwater criteria for metals are expressed in terms of the dissolved fraction of the metal in the water column. Criterion values were calculated by using the EPA's Clean Water Act 304(a) guidance values (described in the total recoverable fraction) and then applying the conversion factors in § 131.36(b)(1) and (2).

[n] The EPA is not promulgating human health criteria for these contaminants. However, permit authorities should address these contaminants in NPDES permit actions using the State's existing narrative criteria for toxics.

[o] These criteria were promulgated for specific waters in California in the National Toxics Rule (''NTR''), at § 131.36. The specific waters to which the NTR criteria apply include: Waters of the State defined as bays or estuaries and waters of the State defined as inland, *i.e.,* all surface waters of the State not ocean waters. These waters specifically include the San Francisco Bay upstream to and including Suisun Bay and the Sacramento-San Joaquin Delta. This section does not apply instead of the NTR for this criterion.

[p] A criterion of 20 µg/l was promulgated for specific waters in California in the NTR and was promulgated in the total recoverable form. The specific waters to which the NTR criterion applies include: Waters of the San Francisco Bay upstream to and including Suisun Bay and the Sacramento-San Joaquin Delta; and waters of Salt Slough, Mud Slough (north) and the San Joaquin River, Sack Dam to the mouth of the Merced River. This section does not apply instead of the NTR for this criterion. The State of California adopted and the EPA approved a site specific criterion for the San Joaquin River, mouth of Merced to Vernalis; therefore, this section does not apply to these waters.

[q] This criterion is expressed in the total recoverable form. This criterion was promulgated for specific waters in California in the NTR and was promulgated in the total recoverable form. The specific waters to which the NTR criterion applies include: Waters of the San Francisco Bay upstream to and including Suisun Bay and the Sacramento-San Joaquin Delta; and waters of Salt Slough, Mud Slough (north) and the San Joaquin River, Sack Dam to Vernalis. This criterion does not apply instead of the NTR for these waters. This criterion applies to additional waters of the United States in the State of California pursuant to paragraph (c) of this section. The State of California adopted and the EPA approved a site-specific criterion for the Grassland Water District, San Luis National Wildlife Refuge, and the Los Banos State Wildlife Refuge; therefore, this criterion does not apply to these waters.

[r] These criteria were promulgated for specific waters in California in the NTR. The specific waters to which the NTR criteria apply include: Waters of the State defined as bays or estuaries including the Sacramento-San Joaquin Delta within California Regional Water Board 5, but excluding the San Francisco Bay. This section does not apply instead of the NTR for these criteria.

[s] These criteria were promulgated for specific waters in California in the NTR. The specific waters to which the NTR criteria apply include: Waters of the Sacramento-San Joaquin Delta and waters of the State defined as inland (*i.e.,* all surface waters of the State not bays or estuaries or ocean) that include a MUN use designation. This section does not apply instead of the NTR for these criteria.

[t] These criteria were promulgated for specific waters in California in the NTR. The specific waters to which the NTR criteria apply include: Waters of the State defined as bays and estuaries including San Francisco Bay upstream to and including Suisun Bay and the Sacramento-San Joaquin Delta; and waters of the State defined as inland (*i.e.,* all surface waters of the State not bays or estuaries or ocean) without a MUN use designation. This section does not apply instead of the NTR for these criteria.

[u] PCBs are a class of chemicals which include aroclors 1242, 1254, 1221, 1232, 1248, 1260, and 1016, CAS numbers 53469219, 11097691, 11104282, 11141165, 12672296, 11096825, and 12674112, respectively. The aquatic life criteria apply to the sum of this set of seven aroclors.

[v] This criterion applies to total PCBs, *e.g.,* the sum of all congener or isomer or homolog or aroclor analyses.

[w] This criterion has been recalculated pursuant to the 1995 Updates: Water Quality Criteria Documents for the Protection of Aquatic Life in Ambient Water, Office of Water, EPA–820–B–96–001, September 1996. See also Great Lakes Water Quality Initiative Criteria Documents for the Protection of Aquatic Life in Ambient Water, Office of Water, EPA–80–B–95–004, March 1995.

[x] The State of California has adopted and the EPA has approved site specific criteria for the Sacramento River (and tributaries) above Hamilton City; therefore, these criteria do not apply to these waters.

[y] The State of California adopted and the EPA approved a site-specific criterion for New Alamo Creek from Old Alamo Creek to Ulatis Creek and for Ulatis Creek from Alamo Creek to Cache Slough; therefore, this criterion does not apply to these waters.

[z] The State of California adopted and the EPA approved a site-specific criterion for the Los Angeles River and its tributaries; therefore, this criterion does not apply to these waters.

General Notes To Table In Paragraph (b)(1)

1. The table in this paragraph (b)(1) lists all of the EPA's priority toxic pollutants whether or not criteria guidance are available. Blank spaces indicate the absence of national section 304(a) criteria guidance. Because of variations in chemical nomenclature systems, this listing of toxic pollutants does not duplicate the listing in appendix A to 40 CFR part 423—126 Priority Pollutants. The EPA has added the Chemical Abstracts Service (CAS) registry numbers, which provide a unique identification for each chemical.

2. The following chemicals have organoleptic-based criteria recommendations that are not included on this chart: zinc, 3-methyl-4-chlorophenol.

3. Freshwater and saltwater aquatic life criteria apply as specified in paragraph (c)(3) of this section.

* * * * *

[FR Doc. 2018–22170 Filed 10–15–18; 8:45 am]

BILLING CODE 6560–50–P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

50 CFR Part 635

[Docket No. 180117042–8884–02]

RIN 0648–XG551

Atlantic Highly Migratory Species; Atlantic Bluefin Tuna Fisheries

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

ACTION: Temporary rule; General category October–November fishery for 2018; fishery reopening.

SUMMARY: NMFS has determined that a reopening of the Atlantic bluefin tuna (BFT) General category fishery is warranted. This action is intended to provide a reasonable opportunity to harvest the full annual U.S. bluefin tuna quota without exceeding it, while maintaining an equitable distribution of fishing opportunities across time periods; help achieve optimum yield in the bluefin tuna fishery; and optimize the ability of all permit categories to harvest their full bluefin tuna quota allocations. This action applies to Atlantic tunas General category (commercial) permitted vessels and Atlantic Highly Migratory Species (HMS) Charter/Headboat category permitted vessels with a commercial sale endorsement when fishing commercially for BFT.

DATES: Effective 12:30 a.m., local time, October 15, 2018, through 11:30 p.m., local time, October 16, 2018.

FOR FURTHER INFORMATION CONTACT: Sarah McLaughlin or Brad McHale, 978–281–9260.

SUPPLEMENTARY INFORMATION: Regulations implemented under the authority of the Atlantic Tunas Convention Act (ATCA; 16 U.S.C. 971 *et seq.*) and the Magnuson-Stevens Fishery Conservation and Management Act (Magnuson-Stevens Act; 16 U.S.C. 1801 *et seq.*) governing the harvest of BFT by persons and vessels subject to U.S. jurisdiction are found at 50 CFR part 635. Section 635.27 subdivides the U.S. BFT quota recommended by the International Commission for the Conservation of Atlantic Tunas (ICCAT) and as implemented by the United States among the various domestic fishing categories, per the allocations established in the 2006 Consolidated Highly Migratory Species Fishery Management Plan (2006 Consolidated HMS FMP) (71 FR 58058, October 2, 2006), as amended by Amendment 7 to the 2006 Consolidated HMS FMP (Amendment 7) (79 FR 71510, December 2, 2014). NMFS is required under ATCA and the Magnuson-Stevens Act to provide U.S. fishing vessels with a reasonable opportunity to harvest the ICCAT-recommended quota.

NMFS recently published a final rule (*i.e.,* the ''quota rule'' (83 FR 51391, October 11, 2018)) that increased the baseline U.S. bluefin tuna quota from 1,058.79 mt to 1,247.86 mt and accordingly increased the subquotas for 2018, including an increase in the General category October through November period subquota from 60.7 mt to 70.2 mt, consistent with the annual bluefin tuna quota calculation process. On October 4, 2018, NMFS transferred 55 mt to the General category and closed the General category fishery effective October 5, 2018, based on projections that landings would meet or exceed the adjusted October through November subquota of 127.2 mt by that date (83 FR 50857, October 10, 2018).

General Category Reopening

As of October 11, 2018, reports show that the General category landed 81.8 mt before closing. This represents 64 percent of the adjusted October through November subquota of 127.2 mt. Based on early October landings rates, NMFS has determined that reopening the General category fishery for two days is appropriate given the amount of unused October through November subquota (*i.e.,* 45.4 mt).

Therefore, the General category fishery will reopen at 12:30 a.m., October 15, 2018, and close at 11:30 p.m., October 16, 2018. The General category daily retention limit during this reopening remains the same as prior to closing: one large medium or giant bluefin tuna per vessel per day/trip. This action applies to those vessels permitted in the General category, as well as to those HMS Charter/Headboat permitted vessels with a commercial sale endorsement when fishing commercially for BFT. Retaining, possessing, or landing large medium or giant BFT by persons aboard vessels permitted in the General and HMS Charter/Headboat categories must cease at 11:30 p.m. local time on October 16, 2018.

The General category will reopen automatically on December 1, 2018, for the December 2018 subquota period at the default one-fish level. In December 2017, NMFS adjusted the General category base subquota for the December 2018 period to 10 mt (82 FR 60680, December 22, 2017), although this amount increased to 14.6 mt with finalization of the quota rule. Based on quota availability in the Reserve, NMFS may consider transferring additional quota to the December subquota period, as appropriate.

Fishermen may catch and release (or tag and release) BFT of all sizes, subject to the requirements of the catch-and-release and tag-and-release programs at § 635.26. All BFT that are released must be handled in a manner that will maximize their survival, and without removing the fish from the water, consistent with requirements at § 635.21(a)(1). For additional information on safe handling, see the ''Careful Catch and Release'' brochure available at *www.nmfs.noaa.gov/sfa/hms/.*

Monitoring and Reporting

NMFS will continue to monitor the BFT fishery closely. Dealers are required to submit landing reports within 24 hours of a dealer receiving BFT. Late reporting by dealers compromises NMFS' ability to timely implement actions such as quota and retention limit adjustment, as well as closures, and may result in enforcement actions. Additionally, and separate from the dealer reporting requirement, General and HMS Charter/Headboat category vessel owners are required to report the catch of all BFT retained or discarded dead within 24 hours of the landing(s) or end of each trip, by accessing *hmspermits.noaa.gov,* using the HMS Catch Reporting app, or calling (888) 872–8862 (Monday through Friday from 8 a.m. until 4:30 p.m.).

Depending on the level of fishing effort and catch rates of BFT, NMFS may determine that additional adjustments are necessary to ensure available subquotas are not exceeded or to enhance scientific data collection from, and fishing opportunities in, all geographic areas. If needed, subsequent adjustments will be published in the **Federal Register**. In addition, fishermen may call the Atlantic Tunas Information Line at (978) 281–9260, or access *hmspermits.noaa.gov,* for updates on quota monitoring and inseason adjustments.

Classification

The Assistant Administrator for NMFS (AA) finds that it is impracticable and contrary to the public interest to provide prior notice of, and an opportunity for public comment on, this action for the following reasons:

The regulations implementing the 2006 Consolidated HMS FMP and amendments provide for inseason actions to respond to the unpredictable nature of BFT availability on the fishing grounds, the migratory nature of this species, and the regional variations in the BFT fishery. Affording prior notice and opportunity for public comment to implement the fishery reopening is impracticable and contrary to the public interest. The General category recently closed, but based on available BFT quotas, fishery performance in recent weeks, and the availability of BFT on the fishing grounds, responsive reopening of the fishery is warranted to allow fishermen to take advantage of availability of fish and of quota. NMFS could not have proposed this action earlier, as it needed to consider and respond to updated data and information about fishery conditions and this year's landings. If NMFS was to offer a public comment period now, after having appropriately considered that data, it would preclude fishermen from harvesting BFT that are legally available. Therefore, the AA finds good cause under 5 U.S.C. 553(b)(B) to waive prior notice and the opportunity for public comment. For all of the above reasons, there also is good cause under 5 U.S.C. 553(d) to waive the 30-day delay in effectiveness.

This action is being taken under § 635.27(a)(1), and is exempt from review under Executive Order 12866.

Authority: 16 U.S.C. 971 *et seq.* and 1801 *et seq.*

Dated: October 11, 2018.

Margo B. Schulze-Haugen,

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

[FR Doc. 2018–22499 Filed 10–12–18; 8:45 am]

BILLING CODE 3510–22–P

Proposed Rules

Federal Register
Vol. 83, No. 200
Tuesday, October 16, 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 TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2018–0901; Product Identifier 2018–NM–114–AD]

RIN 2120–AA64

Airworthiness Directives; The Boeing Company Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: We propose to adopt a new airworthiness directive (AD) for certain The Boeing Company Model 737–100, –200, –200C, –300, –400, and –500 series airplanes. This proposed AD was prompted by reports that frame web and frame integral inboard chord cracking is occurring on multiple airplanes in multiple locations below the passenger floor. This proposed AD would require repetitive detailed, general visual, and high frequency eddy current (HFEC) inspections of the section 43 lower lobe frames at certain stations; an inspection to determine if certain repairs are installed; and applicable on-condition actions. We are proposing this AD to address the unsafe condition on these products.

DATES: We must receive comments on this proposed AD by November 30, 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 Boeing Commercial Airplanes, Attention: Contractual & Data Services (C&DS), 2600 Westminster Blvd., MC 110–SK57, Seal Beach, CA 90740–5600; telephone 562–797–1717; internet *https://www.myboeingfleet.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–2018–0901.

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–2018–0901; 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 Office (phone: 800–647–5527) is in the **ADDRESSES** section. Comments will be available in the AD docket shortly after receipt.

FOR FURTHER INFORMATION CONTACT: Lu Lu, Aerospace Engineer, Airframe Section, FAA, Seattle ACO Branch, 2200 South 216th St., Des Moines, WA 98198; phone and fax: 206–231–3525; email: *lu.lu@faa.gov.*

SUPPLEMENTARY INFORMATION:

Comments Invited

We invite you to send any written relevant data, views, or arguments about this proposal. Send your comments to an address listed under the **ADDRESSES** section. Include ''Docket No. FAA–2018–0901; Product Identifier 2018–NM–114–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 because of those comments.

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

Discussion

We have received reports indicating that frame web and frame integral inboard chord cracking is occurring on multiple airplanes in multiple locations below the passenger floor in section 43 from station (STA) 380 to STA 520. This condition, if not addressed, could result in the failure of one or more frames. The failure of multiple frames or the combination of a severed frame and cracks in fuselage chem-milled pockets in this area could lead to uncontrolled decompression of the airplane.

Related Service Information Under 1 CFR Part 51

We reviewed Boeing Alert Service Bulletin 737–53A1361, dated July 17, 2018. The service information describes procedures for repetitive detailed, general visual, and HFEC inspections of the section 43 lower lobe frames from STA 380 to STA 520; a general visual inspection to determine if certain repairs are installed; and applicable on-condition actions. This service information is reasonably available because the interested parties have access to it through their normal course of business or by the means identified in the **ADDRESSES** section.

FAA's Determination

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

Proposed AD Requirements

This proposed AD would require accomplishment of the actions identified as ''RC'' (required for compliance) in the Accomplishment Instructions of Boeing Alert Service Bulletin 737–53A1361, dated July 17, 2018, described previously, except for any differences identified as exceptions in the regulatory text of this proposed AD.

For information on the procedures and compliance times, see this service information at *http://www.regulations.gov* by searching for and locating Docket No. FAA–2018–0901.

Costs of Compliance

We estimate that this proposed AD affects 262 airplanes of U.S. registry. We estimate the following costs to comply with this proposed AD:

ESTIMATED COSTS FOR REQUIRED ACTIONS

Action	Labor cost	Parts cost	Cost per product	Cost on U.S. operators
Inspections	Up to 84 work-hours × $85 per hour = $7,140 per inspection cycle.	$0	Up to $7,140 per inspection cycle.	Up to $1,870,680 per inspection cycle.

We have received no definitive data that would enable us to provide cost estimates for the on-condition actions specified in this proposed 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 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):

The Boeing Company: Docket No. FAA–2018–0901; Product Identifier 2018–NM–114–AD.

(a) Comments Due Date

We must receive comments by November 30, 2018.

(b) Affected ADs

None.

(c) Applicability

This AD applies to The Boeing Company Model 737–100, –200, –200C, –300, –400, and –500 series airplanes, certificated in any category, as identified in Boeing Alert Service Bulletin 737–53A1361, dated July 17, 2018.

(d) Subject

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

(e) Unsafe Condition

This AD was prompted by reports that frame web and frame integral inboard chord cracking is occurring on multiple airplanes in multiple locations below the passenger floor. We are issuing this AD to address frame cracking, which could result in the failure of multiple frames or the combination of a severed frame and cracks in fuselage chem-milled pockets in this area, which could lead to uncontrolled decompression of the airplane.

(f) Compliance

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

(g) Required Actions

(1) For airplanes identified as Group 1 in Boeing Alert Service Bulletin 737–53A1361, dated July 17, 2018: Within 120 days after the effective date of this AD, inspect the airplane and do all applicable corrective actions using a method approved in accordance with the procedures specified in paragraph (i) of this AD.

(2) For airplanes identified as Groups 2 through 6 in Boeing Alert Service Bulletin 737–53A1361, dated July 17, 2018: Except as required by paragraph (h) of this AD, at the applicable times specified in paragraph 1.E., ''Compliance,'' of Boeing Alert Service Bulletin 737–53A1361, dated July 17, 2018, do all applicable actions identified as ''RC'' (required for compliance) in, and in accordance with, the Accomplishment Instructions of Boeing Alert Service Bulletin 737–53A1361, dated July 17, 2018

(h) Exceptions to Service Information Specifications

(1) For purposes of determining compliance with the requirements of this AD: Where Boeing Alert Service Bulletin 737–53A1361, dated July 17, 2018, uses the phrase ''the original issue date of this service bulletin,'' this AD requires using ''the effective date of this AD.''

(2) Where Boeing Alert Service Bulletin 737–53A1361, dated July 17, 2018, specifies contacting Boeing for repair instructions or contacting Boeing for alternative inspections: This AD requires doing the repair, or the alternative inspections and applicable on-condition actions, using a method approved in accordance with the procedures specified in paragraph (i) of this AD.

(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)(2) 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, FAA, 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)(2) 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

(1) For more information about this AD, contact Lu Lu, Aerospace Engineer, Airframe Section, FAA, Seattle ACO Branch, 2200 South 216th St., Des Moines, WA 98198; phone and fax: 206–231–3525; email: *lu.lu@faa.gov.*

(2) For information about AMOCs, contact George Garrido, Aerospace Engineer, Airframe Section, FAA, Los Angeles ACO Branch, 3960 Paramount Boulevard, Lakewood, CA 90712–4137; phone: 562–627–5232; fax: 562–627–5210; email: *george.garrido@faa.gov.*

(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 90740–5600; telephone 562–797–1717; internet *https://www.myboeingfleet.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.

Issued in Des Moines, Washington, on October 4, 2018.

Michael Kaszycki,

Acting Director, System Oversight Division, Aircraft Certification Service.

[FR Doc. 2018–22277 Filed 10–15–18; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2018–0900; Product Identifier 2018–NM–101–AD]

RIN 2120–AA64

Airworthiness Directives; The Boeing Company Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: We propose to adopt a new airworthiness directive (AD) for certain The Boeing Company Model 737–100, –200, –200C, –300, –400, and –500 series airplanes. This proposed AD was prompted by reports of cracking in the frame web, frame integral inboard chord, and fail-safe chord on multiple airplanes in multiple locations below the passenger floor, in addition to an evaluation by the design approval holder (DAH) indicating that certain fuselage frame splices are subject to widespread fatigue damage (WFD). This proposed AD would require repetitive inspections of certain fuselage upper frames, side frames, fail-safe chords, inboard chords, frame webs, and stringers; an inspection for the presence of repairs in certain inspections zones and open tooling holes; and applicable on-condition actions. We are proposing this AD to address the unsafe condition on these products.

DATES: We must receive comments on this proposed AD by November 30, 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 Boeing Commercial Airplanes, Attention: Contractual & Data Services (C&DS), 2600 Westminster Blvd., MC 110–SK57, Seal Beach, CA 90740–5600; telephone 562–797–1717; internet *https://www.myboeingfleet.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–2018–0900.

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–2018–0900; 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 Office (phone: 800–647–5527) is in the **ADDRESSES** section. Comments will be available in the AD docket shortly after receipt.

FOR FURTHER INFORMATION CONTACT: Lu Lu, Aerospace Engineer, Airframe Section, FAA, Seattle ACO Branch, 2200 South 216th St., Des Moines, WA 98198; phone and fax: 206–231–3525; email: *lu.lu@faa.gov.*

SUPPLEMENTARY INFORMATION:

Comments Invited

We invite you to send any written relevant data, views, or arguments about this proposal. Send your comments to an address listed under the **ADDRESSES** section. Include ''Docket No. FAA–2018–0900; Product Identifier 2018–NM–101–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 because of those comments.

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

Discussion

Fatigue damage can occur locally, in small areas or structural design details, or globally, in widespread areas. Multiple-site damage is widespread damage that occurs in a large structural element such as a single rivet line of a lap splice joining two large skin panels. Widespread damage can also occur in multiple elements such as adjacent frames or stringers. Multiple-site damage and multiple-element damage cracks are typically too small initially to be reliably detected with normal inspection methods. Without intervention, these cracks will grow, and eventually compromise the structural integrity of the airplane. This condition is known as WFD. It is associated with general degradation of large areas of structure with similar structural details and stress levels. As an airplane ages, WFD will likely occur, and will certainly occur if the airplane is operated long enough without any intervention.

The FAA's WFD final rule (75 FR 69746, November 15, 2010) became effective on January 14, 2011. The WFD rule requires certain actions to prevent structural failure due to WFD throughout the operational life of certain existing transport category airplanes and all of these airplanes that will be certificated in the future. For existing and future airplanes subject to the WFD rule, the rule requires that DAHs establish a limit of validity (LOV) of the engineering data that support the structural maintenance program. Operators affected by the WFD rule may not fly an airplane beyond its LOV, unless an extended LOV is approved.

The WFD rule (75 FR 69746, November 15, 2010) does not require identifying and developing maintenance actions if the DAHs can show that such actions are not necessary to prevent WFD before the airplane reaches the LOV. Many LOVs, however, do depend on accomplishment of future maintenance actions. As stated in the WFD rule, any maintenance actions necessary to reach the LOV will be mandated by airworthiness directives through separate rulemaking actions.

In the context of WFD, this action is necessary to enable DAHs to propose LOVs that allow operators the longest operational lives for their airplanes, and still ensure that WFD will not occur. This approach allows for an implementation strategy that provides flexibility to DAHs in determining the timing of service information development (with FAA approval), while providing operators with certainty regarding the LOV applicable to their airplanes.

We have received a report indicating that cracking is being found in the frame web, frame integral inboard chord, and fail-safe chord on multiple frame locations, below the passenger floor, on multiple Model 737–100, –200, –200C, –300, –400 and –500 series airplanes. In addition, the fuselage frame splices from station (STA) 380 to STA 520 and STA 727A to STA 907 between stringers S–13 and S–14, are subject to WFD. This condition, if not addressed, could result in the cracks growing large enough to sever frames. Continued operation with multiple adjacent severed frames or a combination of a severed frame adjacent to fuselage skin cracks in chem-milled pockets could result in a loss of structural integrity or uncontrolled decompression.

Related Service Information Under 1 CFR Part 51

We reviewed Boeing Alert Service Bulletin 737–53A1360, dated June 21, 2018. The service information describes procedures for repetitive inspections of certain fuselage upper frames, side frames, fail-safe chords, inboard chords, frame webs, and stringers; an inspection for the presence of repairs in certain inspections zones and open tooling holes; and applicable on-condition actions. This service information is reasonably available because the interested parties have access to it through their normal course of business or by the means identified in the **ADDRESSES** section.

FAA's Determination

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

Proposed AD Requirements

This proposed AD would require accomplishment of the actions identified as ''RC'' (required for compliance) in the Accomplishment Instructions of Boeing Alert Service Bulletin 737–53A1360, dated June 21, 2018, described previously, except for any differences identified as exceptions in the regulatory text of this proposed AD and except as discussed under ''Differences Between this Proposed AD and the Service Information.''

For information on the procedures and compliance times, see this service information at *http://www.regulations.gov* by searching for and locating Docket No. FAA–2018–0900.

Differences Between This Proposed AD and the Service Information

Boeing Alert Service Bulletin 737–53A1360, dated June 21, 2018, specifies that the additional inspections and applicable on-condition actions identified in Table 9, ''Inspection of the Fuselage Frame Integral Inboard Chord and Web from STA 360 to STA 400, Right Side,'' of Boeing Alert Service Bulletin 737–53A1360, dated June 21, 2018, must be done only for Group 3 airplanes. However, this proposed AD also requires that for Group 2 and Groups 4 through 9 airplanes identified in Boeing Alert Service Bulletin 737–53A1360, dated June 21, 2018, that have been modified to a cargo configuration, those additional inspections and applicable on-condition actions must also be done. We have coordinated this difference with Boeing.

Costs of Compliance

We estimate that this proposed AD affects 262 airplanes of U.S. registry. We estimate the following costs to comply with this proposed AD:

ESTIMATED COSTS FOR REQUIRED ACTIONS

Action	Labor cost	Parts cost	Cost per product	Cost on U.S. operators
Inspections	Up to 243 work-hours × $85 per hour = $20,655 per inspection cycle.	None	Up to $20,655 per inspection cycle.	Up to $5,411,610 per inspection cycle.

We have received no definitive data that would enable us to provide cost estimates for the on-condition actions specified in this proposed 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 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. FAA amends § 39.13 by adding the following new airworthiness directive (AD):

The Boeing Company: Docket No. FAA–2018–0900; Product Identifier 2018–NM–101–AD.

(a) Comments Due Date

We must receive comments by November 30, 2018.

(b) Affected ADs

None.

(c) Applicability

This AD applies to The Boeing Company Model 737–100, –200, –200C, –300, –400, and –500 series airplanes, certificated in any category, as identified in Boeing Alert Service Bulletin 737–53A1360, dated June 21, 2018.

(d) Subject

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

(e) Unsafe Condition

This AD was prompted by reports of cracking in the frame web, frame integral inboard chord, and fail-safe chord on multiple airplanes in multiple locations below the passenger floor, in addition to an evaluation by the design approval holder (DAH) indicating that the fuselage frame splices from station (STA) 380 to STA 520 and STA 727A to STA 907 between stringers S–13 and S–14 are subject to widespread fatigue damage (WFD). We are issuing this AD to address cracks in these locations, which could grow large enough to sever frames. Continued operation with multiple adjacent severed frames or a combination of a severed frame adjacent to fuselage skin cracks in chem-milled pockets could result in a loss of structural integrity or uncontrolled decompression.

(f) Compliance

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

(g) Actions for Group 1

For airplanes identified as Group 1 in Boeing Alert Service Bulletin 737–53A1360, dated June 21, 2018: Within 120 days after the effective date of this AD, inspect the airplane and do all applicable on-condition actions using a method approved in accordance with the procedures specified in paragraph (k) of this AD.

(h) Inspection for Groups 2 Through 9

For airplanes identified as Groups 2 through 9 in Boeing Alert Service Bulletin 737–53A1360, dated June 21, 2018, except as specified in paragraph (i) of this AD: At the applicable times specified in paragraph 1.E., ''Compliance,'' of Boeing Alert Service Bulletin 737–53A1360, dated June 21, 2018, do all applicable actions identified as ''RC'' (required for compliance) in, and in accordance with, the Accomplishment Instructions of Boeing Alert Service Bulletin 737–53A1360, dated June 21, 2018.

(i) Exceptions to Service Information Specifications

(1) For purposes of determining compliance with the requirements of this AD: Where Boeing Alert Service Bulletin 737–53A1360, dated June 21, 2018, uses the phrase ''the original issue date of this service bulletin,'' this AD requires using ''the effective date of this AD.''

(2) Where Boeing Alert Service Bulletin 737–53A1360, dated June 21, 2018, specifies contacting Boeing for repair instructions: This AD requires repair and applicable on-condition actions using a method approved in accordance with the procedures specified in paragraph (k) of this AD.

(3) Where Boeing Alert Service Bulletin 737–53A1360, dated June 21, 2018, specifies contacting Boeing for alternative inspections: This AD requires alternative inspections using a method approved in accordance with the procedures specified in paragraph (k) of this AD.

(4) For airplanes identified as Group 2 and Groups 4 through 9 in Boeing Alert Service Bulletin 737–53A1360, dated June 21, 2018, that have been modified to a cargo configuration: In addition to the actions required by paragraph (h) of this AD, the actions specified in Table 9, ''Inspection of the Fuselage Frame Integral Inboard Chord and Web from STA 360 to STA 400, Right Side,'' of Boeing Alert Service Bulletin 737–53A1360, dated June 21, 2018, must be done by doing all applicable actions identified as ''RC'' (required for compliance) in, and in accordance with, the Accomplishment Instructions of Boeing Alert Service Bulletin 737–53A1360, dated June 21, 2018, at the applicable compliance times specified in Table 9, ''Inspection of the Fuselage Frame Integral Inboard Chord and Web from STA 360 to STA 400, Right Side,'' of Boeing Alert Service Bulletin 737–53A1360, dated June 21, 2018, except as specified in paragraphs (i)(1) and (i)(2) of this AD.

(j) Terminating Actions for Repetitive Inspections

(1) Accomplishment of a preventative modification specified in Part 7 of the Accomplishment Instructions of Boeing Alert Service Bulletin 737–53A1360, dated June 21, 2018, at a tooling hole location, terminates the repetitive inspections specified in Part 6 of the Accomplishment

Instructions of Boeing Alert Service Bulletin 737–53A1360, dated June 21, 2018, that are required by paragraph (h) of this AD, for that modified tooling hole location only.

(2) Accomplishment of an high frequency eddy current inspection specified in Part 9 of the Accomplishment Instructions of Boeing Alert Service Bulletin 737–53A1360, dated June 21, 2018, terminates the repetitive inspections specified in Part 2 of the Accomplishment Instructions of Boeing Alert Service Bulletin 737–53A1360, dated June 21, 2018, that are required by paragraph (h) of this AD, at the uppermost frame splice fastener location only.

(k) 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 (l)(2) 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, FAA, 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 (i) of this AD: For service information that contains steps that are labeled as RC, the provisions of paragraphs (k)(4)(i) and (k)(4)(ii) of this AD apply.

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

(l) Related Information

(1) For more information about this AD, contact Lu Lu, Aerospace Engineer, Airframe Section, FAA, Seattle ACO Branch, 2200 South 216th St., Des Moines, WA 98198; phone and fax: 206–231–3525; email: *lu.lu@faa.gov.*

(2) For information about AMOCs, contact George Garrido, Aerospace Engineer, Airframe Section, FAA, Los Angeles ACO Branch, 3960 Paramount Boulevard, Lakewood, CA 90712–4137; phone: 562–627–5232; fax: 562–627–5210; email: *george.garrido@faa.gov.*

(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 90740–5600; telephone 562–797–1717; internet *https://www.myboeingfleet.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.

Issued in Des Moines, Washington, on October 4, 2018.

Michael Kaszycki,

Acting Director, System Oversight Division, Aircraft Certification Service.

[FR Doc. 2018–22278 Filed 10–15–18; 8:45 am]

BILLING CODE 4910–13–P

LIBRARY OF CONGRESS

Copyright Office

37 CFR Part 201

[Docket No. 2018–8]

Noncommercial Use of Pre-1972 Sound Recordings That Are Not Being Commercially Exploited

AGENCY: U.S. Copyright Office, Library of Congress.

ACTION: Notice of inquiry.

SUMMARY: The U.S. Copyright Office is issuing a notice of inquiry regarding the Classics Protection and Access Act, title II of the recently enacted Orrin G. Hatch–Bob Goodlatte Music Modernization Act. In connection with the establishment of federal remedies for unauthorized uses of sound recordings fixed before February 15, 1972 (''Pre-1972 Sound Recordings''), Congress also established an exception for certain noncommercial uses of Pre-1972 Sound Recordings that are not being commercially exploited. To qualify for this exemption, a user must file a notice of noncommercial use after conducting a good faith, reasonable search to determine whether the Pre-1972 Sound Recording is being commercially exploited, and the rights owner of the sound recording must not object to the use within 90 days. To promulgate the regulations required by the new statute, the Office is soliciting comments regarding specific steps that a user should take to demonstrate she has made a good faith, reasonable search. The Office also solicits comments regarding the filing requirements for the user to submit a notice of noncommercial use and for a rights owner to submit a notice objecting to such use.

DATES: Initial written comments must be received no later than 11:59 p.m. Eastern Time on November 15, 2018. Written reply comments must be received no later than 11:59 p.m. Eastern Time on November 30, 2018. Rather than reserving time for potential extensions of time to file comments, commenting parties should be aware that the Office has already established what it believes to be the most reasonable deadlines consistent with the statutory deadlines by which it must promulgate the regulations described in this notice of inquiry.

ADDRESSES: For reasons of government efficiency, the Copyright Office is using the *regulations.gov* system for the submission and posting of public comments in this proceeding. All comments are therefore to be submitted electronically through *regulations.gov.* Specific instructions for submitting comments are available on the Copyright Office's website at *https://www.copyright.gov/rulemaking/pre1972-soundrecordings-noncommercial/.* If electronic submission of comments is not feasible due to lack of access to a computer and/or the internet, please contact the Office using the contact information below for special instructions.

FOR FURTHER INFORMATION CONTACT: Regan A. Smith, General Counsel and Associate Register of Copyrights, by email at *regans@copyright.gov,* Anna Chauvet, Assistant General Counsel, by email at *achau@copyright.gov,* or Jason E. Sloan, Assistant General Counsel, by email at *jslo@copyright.gov.* Each can be contacted by telephone by calling (202) 707–8350.

SUPPLEMENTARY INFORMATION:

I. Background

On October 11, 2018, the president signed into law the Orrin G. Hatch–Bob Goodlatte Music Modernization Act, H.R. 1551 (''MMA''). Title II of the MMA, the Classics Protection and Access Act, created chapter 14 of the copyright law, title 17, United States Code, which, among other things, extends remedies for copyright infringement to owners of sound recordings fixed before February 15, 1972 (''Pre-1972 Sound Recordings''). Under the provision, rights owners may be eligible to recover statutory damages

and/or attorneys' fees for the unauthorized use of their Pre-1972 Sound Recordings if certain requirements are met. To be eligible for these remedies, rights owners must typically file schedules listing their Pre-1972 Sound Recordings (''Pre-1972 Schedules'') with the U.S. Copyright Office (the ''Office''), which are indexed into the Office's public records.[1] The filing requirement is ''designed to operate in place of a formal registration requirement that normally applies to claims involving statutory damages.'' [2]

The MMA also creates a new mechanism for the public to obtain authorization to make noncommercial uses of Pre-1972 Sound Recordings that are not being commercially exploited. Under section 1401, a person may file a notice with the Copyright Office and propose a specific noncommercial use after taking steps to determine whether the recording is, at that time, being commercially exploited by or under the authority of the rights owner.[3] Specifically, before determining that the recording is not being commercially exploited, she must first undertake a ''good faith, reasonable search'' of both the Pre-1972 Schedules indexed by the Copyright Office and music services ''offering a comprehensive set of sound recordings for sale or streaming.'' [4] At that point, she may file a notice identifying the Pre-1972 Sound Recording and nature of the intended noncommercial use with the Office (''Notice of Pre-1972 Noncommercial Use'').[5] The Office will index this notice into its public records.[6]

In response, the rights owner of the Pre-1972 Sound Recording may file a notice with the Copyright Office ''opting out'' of (*i.e.,* objecting to) the noncommercial use (''Pre-1972 Opt-Out Notice''), and if the user nonetheless engages in the noncommercial use, such use may subject the user to liability under section 1401(a) if no other limitation on liability applies.[7] The rights owner of the Pre-1972 Sound Recording has 90 days from when the Notice of Pre-1972 Noncommercial Use is indexed into the Office's public records to file a Pre-1972 Opt-Out Notice.[8] If, however, the rights owner does not opt-out within 90 days, the user may engage in the noncommercial use of the Pre-1972 Sound Recording without violating section 1401(a).[9] The filing of a Notice of Pre-1972 Noncommercial Use does not affect any limitation on the exclusive rights of a copyright owner described in sections 107, 108, 109, 110, or 112(f) of the Copyright Act, as applied to a claim of unauthorized use of a Pre-1972 Sound Recording.[10]

Under the Classics Protection and Access Act, the Copyright Office has 180 days to issue regulations identifying the ''specific, reasonable steps that, if taken by a [noncommercial user of a Pre-1972 Sound Recording], are sufficient to constitute a good faith, reasonable search'' of the Office's records and commercial services to support a conclusion that a relevant Pre-1972 Sound Recording is not being commercially exploited.[11] Once this regulation is promulgated, a user following the ''specific, reasonable steps'' identified by the Office will be shielded from liability, even if the sound recording is later discovered to be commercially exploited.[12] Other searches may also satisfy the statutory requirement of conducting a good faith search, but the user would need to independently demonstrate how she met the statutory requirement if challenged.[13]

The Office must also issue regulations ''establish[ing] the form, content, and procedures'' for users to file Notices of Pre-1972 Noncommercial Use and rights owners to file Pre-1972 Opt-Out Notices.[14]

II. Subjects of Inquiry

A. Good Faith, Reasonable Search

The Copyright Office seeks public input regarding the ''specific, reasonable steps'' that should be sufficient for a user to undertake to satisfy the requirement to conduct a ''good faith, reasonable search'' and qualify for the noncommercial use safe harbor.[15]

Requiring a ''good faith, reasonable search'' to determine whether a work is being commercially exploited is not foreign to copyright law. Under the section 108 exception for libraries and archives, once a published work is in its last twenty years of copyright protection, a library or archives may reproduce, distribute, display, or perform that work, for purposes of preservation, scholarship, or research, provided the institution has determined after ''reasonable investigation'' that the work is not currently subject to normal commercial exploitation.[16] In addition, the Office has examined ''good faith'' searches of works in the context of orphan works (*i.e.,* works for which a good faith prospective user cannot readily identify and/or locate the copyright owner(s) in a situation where permission from the copyright owner(s) is necessary as a matter of law).[17] In its 2015 policy study on orphan works, the Office recommended that any limitation on liability for using an orphan work must require, among other things, that users have performed a ''good faith, qualifying search to locate and identify the owner of the infringed copyright before the use of the work began.'' [18] Similarly, for example, in 2008, the U.S. Senate passed a bill that would have limited liability for the use of orphan works where a user, before making a use, ''performed and documented a qualifying search, in good faith, to locate and identify the owner of the infringed copyright.'' [19] The bill stated that a qualifying search was one where the user ''undertakes a diligent effort that is reasonable under the circumstances to locate the owner of the infringed copy,'' which required, at a minimum: ''a search of the records of the Copyright Office that are available to the public through the internet . . .''; ''use of appropriate technology tools, printed publications, and where reasonable, internal or external expert assistance''; ''use of appropriate databases, including databases that are available to the public through the internet''; and ''any actions that are reasonable and appropriate under the facts relevant to the search, including actions based on facts known at the start of the search and facts uncovered during the search, and including a review, as appropriate, of Copyright Office records not available to the public through the internet that are reasonably likely to be useful in identifying and locating the copyright owner.'' [20]

In this notice of inquiry, the Office seeks practical sources and other information that would allow it to enumerate a list of reasonable steps that a user should undertake as part of a good faith, reasonable search, including services that should be searched. The

[1] 17 U.S.C. 1401(f)(5)(A)(i)(I)–(II).

[2] H.R. Rep. No. 115–651, at 16 (2018); *see* S. Rep. No. 115–339, at 18 (2018).

[3] 17 U.S.C. 1401(c)(1)(A)–(B).

[4] 17 U.S.C. 1401(c)(1)(A).

[5] *Id.* 1401(c)(1)(B).

[6] *Id.* 1401(c)(1)(C).

[7] *Id.* 1401(c)(1).

[8] *Id.* 1401(c)(1)(C).

[9] *Id.* 1401(c)(1).

[10] *Id.* 1401(c)(2)(C).

[11] *Id.* 1401(c)(3)(A).

[12] *Id.* 1401(c)(4)(B).

[13] *Id.* 1401(c)(4)(A)–(B).

[14] *Id.* 1401(c)(3)(B), (5)(A).

[15] *Id.* 1401(c)(3)(A), (4)(B).

[16] 17 U.S.C. 108(h)(1), (2)(A).

[17] U.S. Copyright Office, Orphan Works and Mass Digitization 56 (2015), *https://www.copyright.gov/orphan/reports/orphan-works2015.pdf.*

[18] *Id.*

[19] Shawn Bentley Orphan Works Act, S. 2913, 110th Cong. sec. 514(b)(1) (as passed by Senate, Sept. 26, 2008).

[20] *Id.* sec. 514(2)(A).

Office also seeks input on any model methods of search. Specifically:

1. What would constitute a reasonable search of the Office's database of Pre-1972 Schedules, which will index information including the name of the rights owner, title, and featured artist for each sound recording filed on a schedule?

2. Please suggest specific ''services offering a comprehensive set of sound recordings for sale or streaming'' that users should be asked to reasonably search before qualifying for the safe harbor.

3. Which criteria should be used to identify music streaming services that should be searched, now and in the future? For example, one publication recently analyzed search requests for music providers, and determined that the most frequently searched services were YouTube Music, Amazon Music, Apple Music, Pandora, and Spotify.[21] Is this a reasonable list, or should the Office consider different and/or additional analytics, such as catalog size, number of listeners, or inclusion into indexes such as Nielsen Music? To that end, Billboard recently added the iHeartRadio subscription stream to various streaming-inclusive charts,[22] and other services, such as SiriusXM, Deezer, Bandcamp, SoundCloud, and Tidal provide music to millions of users.

4. Is it reasonable to expect a user's search to encompass music distribution services, such as CD Baby, TuneCore, or The Orchard?

5. Are there other sources to which the Office should look that may demonstrate commercialization of physical copies of recordings, *e.g.,* vinyl records or compact discs?

6. Are there other specialized services or salesfronts regarding particular genres or eras within the category of Pre-1972 Sound Recordings that should be considered by the Office?

7. How many sources should a user be required to search before qualifying for the safe harbor? In responding, please consider that the Office must promulgate a ''reasonable'' list of steps, but in a way that does not overlook commercialization of Pre-1972 sound recordings.

8. Please describe specific steps that should constitute a reasonable search for a recording on an identified service. Should the steps be service-specific or would a single list of steps be adequate for any identified source? Is the description of a qualifying search described by the 2008 bill referenced above useful in defining whether a user has conducted a reasonable search to determine whether a work is being commercially exploited?

B. Filing of Notices of Pre-1972 Noncommercial Use and Pre-1972 Opt-Out Notices

The Office also seeks written comments on how it should ''establish the form, content, and procedures'' for users to file Notices of Pre-1972 Noncommercial Use and rights owners to file Pre-1972 Opt-Out Notices. Specifically:

1. Should the Office provide guidelines as to what constitutes a ''noncommercial'' use, and if so, what? In answering, consider that ''merely recovering costs of production and distribution of a sound recording resulting from a use otherwise permitted under this subsection does not itself necessarily constitute a commercial use of the sound recording,'' and ''the fact that a person engaging in the use of a sound recording also engages in commercial activities does not itself necessarily render the use commercial.'' [23] For example, should the online use of a work where the user receives website advertising revenue be considered ''commercial''? Should a prospective user be asked to disclose whether they are an individual, or whether they will operate as a commercial or noncommercial entity?

2. To what extent should a user be required to specify the nature of the use, such as the expected audience, duration of the use, and whether it will be online or limited to a particular geographic area?

3. How should the user be required to certify or describe the steps taken for a search to constitute a ''good faith, reasonable search''? How detailed should any description be? In responding, the Office encourages commenters to consider other forms and procedures offered by the Office, which reflect operational considerations by the Office, as well as the resources described above.[24]

Depending on the feedback received, the Office will either issue an interim rule, or a notice of proposed rulemaking with further request for comment.

Dated: October 11, 2018.

Regan A. Smith,

General Counsel and Associate Register of Copyrights.

[FR Doc. 2018–22516 Filed 10–15–18; 8:45 am]

BILLING CODE 1410–30–P

POSTAL REGULATORY COMMISSION

39 CFR Part 3050

[Docket No. RM2019–1; Order No. 4849]

Periodic Reporting

AGENCY: Postal Regulatory Commission.

ACTION: Notice of proposed rulemaking.

SUMMARY: The Commission is acknowledging a recent filing requesting the Commission initiate a rulemaking proceeding to consider changes to analytical principles relating to periodic reports (Proposal Eight). This document informs the public of the filing, invites public comment, and takes other administrative steps.

DATES: *Comments are due:* November 9, 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
II. Proposal Eight

[21] Daniel Sanchez, *We Asked a Search Analytics Company to Tell Us the Most Popular Music Services,* Digital Music News (June 11, 2018), *https://www.digitalmusicnews.com/2018/06/11/most-popular-music-services/.*

[22] Billboard Staff, *Pandora & iHeartRadio Subscription Streams to Be Added to Billboard Charts,* Billboard (June 25, 2018), *https://www.billboard.com/articles/news/8462711/pandora-iheartradio-subscription-streams-added-billboard-charts.*

[23] 17 U.S.C. 1401(C)(2).

[24] *See, e.g., Document Recordation: Completing and Submitting Declarations of Ownership in Musical Works,* U.S. Copyright Office, *https://www.copyright.gov/recordation/domw/#requirements* (instructions on filing Declarations of Ownership in Musical Works); *Requirements and Instructions for Completing and Submitting Schedules of Pre-1972 Sound Recordings, U.S. Copyright Office, https://copyright.gov/music-modernization/pre1972-soundrecordings/schedulefiling-instructions.html* (instructions on filing Pre-1972 Schedules); *Requirements and Instructions for Completing and Submitting Notices of Contact Information For Transmitting Entities Publicly Performing Pre-1972 Sound Recordings,* U.S. Copyright Office, *https://copyright.gov/music-modernization/pre1972-soundrecordings/contact information-instructions.html* (instructions on filing notices of contact information for transmitting entities publicly performing Pre-1972 Sound Recordings); Modernizing Copyright Recordation, 82 FR 52213 (Nov. 13, 2017) (issuing interim rule amending regulations governing recordation of transfers of copyright ownership, other documents pertaining to a copyright, and notices of termination).

III. Notice and Comment
IV. Ordering Paragraphs

I. Introduction

On October 5, 2018, the Postal Service filed a petition pursuant to 39 CFR 3050.11 requesting that the Commission initiate a rulemaking proceeding to consider changes to analytical principles relating to periodic reports.[1] The Petition identifies the proposed analytical changes filed in this docket as Proposal Eight.

II. Proposal Eight

Background. The Postal Service seeks to modify the modeling methodology in First-Class Mail and Marketing Mail Letter cost models to reflect current operational flows. Petition, Proposal Eight at 1. The Postal Service states that Proposal Eight relates to the Commission's directive in the FY 2017 Annual Compliance Determination Report for the Postal Service to ''provide a plan to move the passthrough toward 100 percent'' for USPS Marketing Mail Automation Letters Barcoding.[2] The Postal Service states Proposal Eight ''aligns the barcode cost avoidance and the associated passthrough with the Commission's directive.'' *Id.*

The Postal Service states that it developed its current mail processing letter cost models when cancellation equipment had limited functionality. *Id.* at 2. The outgoing primary scheme could not isolate mail for all automated area distribution centers (AADCs), and mail for low volume AADCs flowed to the outgoing secondary scheme. *Id.*

The Postal Service states that due to advances in Optical Character Recognition (OCR) technology, its Advanced Facer Canceller System (AFCS) is now able to read addresses and isolate locally-processed mail from mail destinating in the service territory of other processing facilities. *Id.* This capability eliminated the need for local separations on outgoing primary schemes, or the processing of pre-barcoded mail on the outgoing secondary scheme. *Id.* The Postal Service states the result is an increased quantity of mail processed on the outgoing primary scheme. *Id.* at 2–3.

Proposal. The Postal Service proposes three operational and methodological changes: (1) Modification of models to reflect current operational flows; (2) correction of the exclusion of mechanical rejects from the Input Sub System (ISS); and (3) removal of the conflation of differential flows between Output Sub System (OSS) operations and automation barcode sortation (BCS) operations in the Marketing Mail Letters cost model. *Id.* at 3.

The Postal Service states that modification 1 aligns the current operational flows of automation pre-barcoded Mixed AADC (MAADC) mail with modeled automation mail. *Id.* at 4. The modification changes the inflow of 10,000 pieces of modeled mail from the outgoing secondary entry point. *Id.* The Postal Service states that the ''modification directly impacts only the Automation MAADC Presort Letters and Cards categories.'' *Id.*

The Postal Service states that the current letter models do not account for mechanical rejects that flow to manual operations. *Id.* The Postal Service states that the delivery BCS (DBCS) Input Output Sub System (DIOSS) reject rate is composed of the OSS rate of rejects flowing to manual operations. *Id.* Modification 2 ''corrects the DIOSS operations' treatment of rejects to that of traditional OSS/ISS operations for treatment of pieces flowing to manual operations and to OSS operations.'' *Id.*

The Postal Service suggests that the current Marketing Mail Letters cost model, calculating the barcode cost avoidance as the difference between modeled (Non-Automation) Machinable MAADC letters and Automation MAADC letters, ''conflates the value of the barcode with intrinsic differences between non-barcoded and automation mail.'' *Id.* at 5. Modification 3 corrects the model for machinable MAADC mail by using the same down flow densities as automation MAADC mail, ''thereby accurately estimating the value of a barcode when used as a benchmark.'' *Id.* The Postal Service states that this modification applies only to Marketing Mail Letters. *Id.* at 6.

Rationale and impact. The Postal Service states that it intends for the proposal to modify the letter processing models to reflect ''current operational reality.'' *Id.* at 1. The Postal Service states that the proposal would increase the barcode cost avoidance of Marketing Mail Automation MAADC letters from $0.001 to $0.006, while reducing the passthrough from 1300 percent to 217 percent. *Id.* at 6. The Postal Service provides the change in mail processing unit costs for Marketing Mail Letters and First-Class Mail Letters and Cards. *Id.* at 7–8.

III. Notice and Comment

The Commission establishes Docket No. RM2019–1 for consideration of matters raised by the Petition. More information on the Petition may be accessed via the Commission's website at *http://www.prc.gov.* Interested persons may submit comments on the Petition and Proposal Eight no later than November 9, 2018. Pursuant to 39 U.S.C. 505, the Commission designates Katalin K. Clendenin as an officer of the Commission (Public Representative) to represent the interests of the general public in this proceeding.

IV. Ordering Paragraphs

It is ordered:

1. The Commission establishes Docket No. RM2019–1 for consideration of the matters raised by the Petition of the United States Postal Service for the Initiation of a Proceeding to Consider Proposed Changes in Analytical Principles (Proposal Eight), filed October 5, 2018.

2. Comments by interested persons in this proceeding are due no later than November 9, 2018.

3. Pursuant to 39 U.S.C. 505, the Commission appoints Katalin K. Clendenin to serve as an officer of the Commission (Public Representative) to represent the interests of the general public in this docket.

4. The Secretary shall arrange for publication of this Order in the **Federal Register**.

By the Commission.

Stacy L. Ruble,

Secretary.

[FR Doc. 2018–22457 Filed 10–15–18; 8:45 am]

BILLING CODE 7710–FW–P

[1] Petition of the United States Postal Service for the Initiation of a Proceeding to Consider Proposed Changes in Analytical Principles (Proposal Eight), October 5, 2018 (Petition).

[2] *Id.* Docket No. ACR2017, Annual Compliance Determination Report, March 29, 2018, at 26.

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 721

[EPA–HQ–OPPT–2017–0575; FRL–9984–93]

RIN 2070–AB27

Significant New Use Rules on Certain Chemical Substances

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule.

SUMMARY: EPA is proposing significant new use rules (SNURs) under the Toxic Substances Control Act (TSCA) for 13 chemical substances which are the subject of premanufacture notices (PMNs). This action would require persons to notify EPA at least 90 days before commencing manufacture (defined by statute to include import) or processing of any of these 13 chemical substances for an activity that is designated as a significant new use by this proposed rule. If this proposed rule

is made final, persons may not commence manufacture or processing for the significant new use until they have submitted a Significant New Use Notice, and EPA has conducted a review of the notice, made an appropriate determination on the notice, and has taken any actions as are required as a result of that determination.

DATES: Comments must be received on or before November 15, 2018.

ADDRESSES: Submit your comments, identified by docket identification (ID) number EPA–HQ–OPPT–2017–0575], by one of the following methods:

- *Federal eRulemaking Portal: http://www.regulations.gov.* Follow the online instructions for submitting comments. Do not submit electronically any information you consider to be Confidential Business Information (CBI) or other information whose disclosure is restricted by statute.
- *Mail:* Document Control Office (7407M), Office of Pollution Prevention and Toxics (OPPT), Environmental Protection Agency, 1200 Pennsylvania Ave. NW, Washington, DC 20460–0001.
- *Hand Delivery:* To make special arrangements for hand delivery or delivery of boxed information, please follow the instructions at *http://www.epa.gov/dockets/contacts.html.*

Additional instructions on commenting or visiting the docket, along with more information about dockets generally, is available at *http://www.epa.gov/dockets.*

FOR FURTHER INFORMATION CONTACT:

For technical information contact: Kenneth Moss, Chemical Control Division (7405M), Office of Pollution Prevention and Toxics, Environmental Protection Agency, 1200 Pennsylvania Ave. NW, Washington, DC 20460–0001; telephone number: (202) 564–9232; email address: *moss.kenneth@epa.gov.*

For general information contact: The TSCA-Hotline, ABVI-Goodwill, 422 South Clinton Ave., Rochester, NY 14620; telephone number: (202) 554–1404; email address: *TSCA-Hotline@epa.gov.*

SUPPLEMENTARY INFORMATION:

I. General Information

A. Does this action apply to me?

You may be potentially affected by this action if you manufacture, process, or use the chemical substances contained in this proposed rule. The following list of North American Industrial Classification System (NAICS) codes is not intended to be exhaustive, but rather provides a guide to help readers determine whether this document applies to them. Potentially affected entities may include:

- Manufacturers or processors of one or more subject chemical substances (NAICS codes 325 and 324110), *e.g.,* chemical manufacturing and petroleum refineries.

This action may also affect certain entities through pre-existing import certification and export notification rules under TSCA. Chemical importers are subject to the TSCA section 13 (15 U.S.C. 2612) import certification requirements promulgated at 19 CFR 12.118 through 12.127 and 19 CFR 127.28. Chemical importers must certify that the shipment of the chemical substance complies with all applicable rules and orders under TSCA. Importers of chemicals subject to these proposed SNURs would need to certify their compliance with the SNUR requirements should these proposed rules be finalized. The EPA policy in support of import certification appears at 40 CFR part 707, subpart B. In addition, pursuant to 40 CFR 721.20, any persons who export or intend to export a chemical substance that is the subject of this proposed rule on or after November 15, 2018 are subject to the export notification provisions of TSCA section 12(b) (15 U.S.C. 2611(b)) and must comply with the export notification requirements in 40 CFR part 707, subpart D.

B. What should I consider as I prepare my comments for EPA?

1. *Submitting CBI.* Do not submit CBI to EPA through *regulations.gov* or email. Clearly mark the part or all of the information that you claim to be CBI. For CBI information in a disk or CD–ROM that you mail to EPA, mark the outside of the disk or CD–ROM as CBI and then identify electronically within the disk or CD–ROM the specific information that is claimed as CBI. In addition to one complete version of the comment that includes information claimed as CBI, a copy of the comment that does not contain the information claimed as CBI must be submitted for inclusion in the public docket. Information so marked will not be disclosed except in accordance with procedures set forth in 40 CFR part 2.

2. *Tips for preparing your comments.* When preparing and submitting your comments, see the commenting tips at *http://www.epa.gov/dockets/comments.html.*

II. Background

A. What action is the Agency taking?

EPA is proposing these SNURs under TSCA section 5(a)(2) for 13 chemical substances which were the subjects of PMNs P–16–192, P–16–354 and P–16–355, P–16–380 through P–16–385, P–16–483 and P–16–484, P–16–575, and P–16–581. These proposed SNURs would require persons who intend to manufacture or process any of these chemical substances for an activity that is designated as a significant new use to notify EPA at least 90 days before commencing that activity.

The record for the proposed SNURs on these chemicals was established as docket EPA–HQ–OPPT–2017–0575. That record includes information considered by the Agency in developing these proposed SNURs.

B. What is the Agency's authority for taking this action?

Section 5(a)(2) of TSCA (15 U.S.C. 2604(a)(2)) authorizes EPA to determine that a use of a chemical substance is a ''significant new use.'' EPA must make this determination by rule after considering all relevant factors, including the four bulleted TSCA section 5(a)(2) factors listed in Unit III. Once EPA determines that a use of a chemical substance is a significant new use, TSCA section 5(a)(1)(B)(i) (15 U.S.C. 2604(a)(1)(B)(i)) requires persons to submit a significant new use notice (SNUN) to EPA at least 90 days before they manufacture or process the chemical substance for that use. TSCA prohibits such manufacturing or processing from commencing until EPA has conducted a review of the SNUN, made an appropriate determination on the SNUN, and taken such actions as are required in association with that determination (15 U.S.C. 2604(a)(1)(B)(ii)). As described in Unit V., the general SNUR provisions are found at 40 CFR part 721, subpart A.

C. Applicability of General Provisions

General provisions for SNURs appear in 40 CFR part 721, subpart A. These provisions describe persons subject to the rule, recordkeeping requirements, exemptions to reporting requirements, and applicability of the rule to uses occurring before the effective date of the rule. Provisions relating to user fees appear at 40 CFR part 700. Pursuant to § 721.1(c), persons subject to these SNURs must comply with the same SNUN requirements and EPA regulatory procedures as submitters of PMNs under TSCA section 5(a)(1)(A) (15 U.S.C. 2604(a)(1)(A)). In particular, these requirements include the information submission requirements of TSCA sections 5(b) and 5(d)(1) (15 U.S.C. 2604(b) and 2604(d)(1)), the exemptions authorized by TSCA sections 5(h)(1), 5(h)(2), 5(h)(3), and 5(h)(5) and the regulations at 40 CFR part 720. Once EPA receives a SNUN, EPA must either

determine that the significant new use is not likely to present an unreasonable risk of injury or take such regulatory action as is associated with an alternative determination before the manufacture or processing for the significant new use can commence. If EPA determines that the significant new use is not likely to present an unreasonable risk, EPA is required under TSCA section 5(g) to make public, and submit for publication in the **Federal Register**, a statement of EPA's findings.

III. Significant New Use Determination

Section 5(a)(2) of TSCA states that EPA's determination that a use of a chemical substance is a significant new use must be made after consideration of all relevant factors, including:

- The projected volume of manufacturing and processing of a chemical substance.
- The extent to which a use changes the type or form of exposure of human beings or the environment to a chemical substance.
- The extent to which a use increases the magnitude and duration of exposure of human beings or the environment to a chemical substance.
- The reasonably anticipated manner and methods of manufacturing, processing, distribution in commerce, and disposal of a chemical substance.

In addition to these factors enumerated in TSCA section 5(a)(2), the statute authorizes EPA to consider any other relevant factors.

To determine what would constitute significant new uses for the chemical substances that are the subject of these SNURs, EPA considered relevant information about the toxicity of the chemical substances, and potential human exposures and environmental releases that may be associated with the conditions of use of the substances, in the context of the four bulleted TSCA section 5(a)(2) factors listed in this unit.

IV. Substances Subject to This Proposed Rule

EPA is proposing significant new use and recordkeeping requirements for 13 chemical substances in 40 CFR part 721, subpart E. In this unit, EPA provides the following information for each chemical substance:

- PMN number.
- Chemical name (generic name, if the specific name is claimed as CBI).
- Chemical Abstracts Service (CAS) Registry number (if assigned for non-confidential chemical identities).
- Basis for the SNUR.
- Information identified by EPA that would help characterize the potential health and/or environmental effects of the chemical substances if a manufacturer or processor is considering submitting a SNUN for a significant new use designated by the SNUR.

This information may include testing not required to be conducted but which would help characterize the potential health and/or environmental effects of the PMN substance. Any recommendation for information identified by EPA was made based on EPA's consideration of available screening-level data, if any, as well as other available information on appropriate testing for the chemical substance. Further, any such testing identified by EPA that includes testing on vertebrates was made after consideration of available toxicity information, computational toxicology and bioinformatics, and high-throughput screening methods and their prediction models. EPA also recognizes that whether testing/further information is needed will depend on the specific exposure and use scenario in the SNUN. EPA encourages all SNUN submitters to contact EPA to discuss any potential future testing. See Unit VII. for more information.

- CFR citation assigned in the regulatory text section of these proposed rules.

The regulatory text section of these proposed rules specifies the activities designated as significant new uses. Certain new uses, including production volume limits and other uses designated in the proposed rules, may be claimed as CBI.

The chemical substances that are the subject of these proposed SNURs are undergoing premanufacture review. EPA has initially determined under TSCA section 5(a)(2), 15 U.S.C. 2604(a)(2), that certain changes from the conditions of use described in the PMNs could result in changes in the type or form of exposure to the chemical substances and/or increased exposures to the chemical substances and/or changes in the reasonably anticipated manner and methods of manufacturing, processing, distribution in commerce, and disposal of the chemical substances. Consequently, EPA is proposing to designate these changes as significant new uses.

PMN Number: P–16–192

Chemical Name: Silanized amorphous silica (generic).

CAS Number: Not available.

Basis for action: The PMN states that the use of the substance will be as a reinforcing filler for the production of rubber goods. Based on test data for crystalline silica, EPA identified concerns for lung effects if the chemical substance is not used following the limitations noted below. The conditions of use of the PMN substance as described in the PMN include the following protective measures:

1. Manufacture of the PMN substance in an amorphous form.

The proposed SNUR would designate as a ''significant new use'' the absence of this protective measure.

Potentially useful information: EPA has determined that certain information about the physical-chemical properties of the PMN substance may be potentially useful if a manufacturer or processor is considering submitting a SNUN for a significant new use that would be designated by this proposed SNUR. EPA has determined that information about the physical form, particle size, and water solubility would help characterize the potential health effects of the PMN substance.

CFR citation: 40 CFR 721.11182.

PMN Numbers: P–16–354 and P–16–355

Chemical name: Esteramine (generic).

CAS number: Not available.

Basis for action: The PMNs state that the generic (non-confidential) use of the substances will be as a chemical intermediate. Based on the physical/chemical properties of the PMN substances and Structure Analysis Relationships (SAR) analysis of test data on analogous substances, EPA has identified concerns for irritation and developmental/reproductive toxicity, and aquatic toxicity at surface water concentrations exceeding 1 part per billion (ppb), if the chemical substances are not used following the limitations noted below. The conditions of use of the PMN substances as described in the PMNs include the following protective measures:

1. No release of a manufacturing, processing, or use stream associated with any use of the substances, other than the confidential chemical intermediate use described in the PMNs, into the waters of the United States exceeding a surface water concentration of 1 ppb; and

2. No manufacturing, processing or use of the PMN substances resulting in inhalation exposures to the substances.

The proposed SNUR would designate as a ''significant new use'' the absence of these protective measures.

Potentially useful information: EPA has determined that certain information about the aquatic and human health toxicity of the PMN substances may be potentially useful to characterize the health and environmental effects of the PMN substances if a manufacturer or

processor is considering submitting a SNUN for a significant new use that would be designated by this proposed SNUR. EPA has determined that the results of specific organ toxicity and aquatic toxicity testing would help characterize the potential health and environmental effects of the PMN substances.

CFR citation: 40 CFR 721.11183.

PMN Numbers: P–16–380, P–16–381, P–16–382, P–16–383, P–16–384, and P–16–385

Chemical Names: Formic acid, compds. with hydrolyzed bisphenol A-epichlorohydrin-polyethylene glycol ether with bisphenol A (2:1) polymer-N1-(1,3-dimethylbutylidene)-N2-[2-[(1, 3-dimethylbutylidene)amino]ethyl]-1,2-ethanediamine-dialdehyde-2-(methylamino)ethanol reaction products acetates (salts), (generic) (P–16–380), propanoic acid, 2-hydroxy-, compds. with hydrolyzed bisphenol A-epichlorohydrin-polyethylene glycol ether with bisphenol A (2:1) polymer-N1-(1,3-dimethylbutylidene)-N2-[2-[(1, 3-dimethylbutylidene)amino]ethyl]-1,2-ethanediamine-dialdehyde-2-(methylamino)ethanol reaction products formates (salts), (generic) (P–16–381), formic acid, compds. with hydrolyzed bisphenol A-epichlorohydrin-polyethylene glycol ether with bisphenol A (2:1) polymer-N1-(1,3-dimethylbutylidene)-N2-[2-[(1, 3-dimethylbutylidene)amino] ethyl]-1,2-ethanediamine-dialdehyde-2-(methylamino)ethanol reaction products sulfamates (salts), (generic) (P–16–382), formic acid, compds. with hydrolyzed bisphenol A-epichlorohydrin-polyethylene glycol ether with bisphenol A (2:1) polymer-N1-(1,3-dimethylbutylidene)-N2-[2-[(1, 3-dimethylbutylidene)amino] ethyl]-1,2-ethanediamine-dialdehyde-2-(methylamino)ethanol reaction products acetates (salts), (generic) (P–16–383), propanoic acid, 2-hydroxy-, compds. with hydrolyzed bisphenol A-epichlorohydrin-polyethylene glycol ether with bisphenol A (2:1) polymer-N1-(1,3-dimethylbutylidene)-N2-[2-[(1, 3-dimethylbutylidene)amino]ethyl]-1,2-ethanediamine-dialdehyde-2-(methylamino)ethanol reaction products formates (salts), (generic) (P–16–384), formic acid, compds. with hydrolyzed bisphenol A-epichlorohydrin-polyethylene glycol ether with bisphenol A (2:1) polymer-N1-(1,3-dimethylbutylidene)-N2-[2-[(1, 3-dimethylbutylidene)amino]ethyl]-1,2-ethanediamine-dialdehyde-2-(methylamino)ethanol reaction products sulfamates (salts), (generic) (P–16–385).

CAS Numbers: Not available.

Basis for action: The PMNs state that the generic (non-confidential) use of the substances will be as a component of an electrocoat resin. Based on the physical/chemical properties of the PMN substances and test data on analogous substances, EPA has identified concerns for lung effects and toxicity to aquatic organisms at concentrations that exceed 16 ppb if the chemical substances are not used following the limitations noted below. The conditions of use of the PMN substances as described in the PMNs include the following protective measures:

1. No manufacturing, processing or use of the PMN substances resulting in inhalation exposures to the substances; and

2. No release of a manufacturing, processing, or use stream associated with any use of the substances exceeding a surface water concentration of 16 ppb.

The proposed SNUR would designate as a ''significant new use'' the absence of these protective measures.

Potentially useful information: EPA has determined that certain information about the health and environmental effects of the PMN substances may be potentially useful if a manufacturer or processor is considering submitting a SNUN for a significant new use that would be designated by this proposed SNUR. EPA has determined that the results of specific target organ, pulmonary, and acute aquatic toxicity testing would help characterize the potential health and environmental effects of the PMN substances.

CFR citation: 40 CFR 721.11184 (P–16–380); 40 CFR 721.11185 (P–16–381); 40 CFR 721.11186 (P–16–382); 40 CFR 721.11187 (P–16–383); 40 CFR 721.11188 (P–16–384); and 40 CFR 721.11189 (P–16–385).

PMN Numbers: P–16–483 and P–16–484

Chemical names: Inorganic acids, metal salts, compds. with modified heteroaromatics, (generic) (P–16–483) and Inorganic acids, metal salts, compds. with substituted aromatic heterocycle, (generic) (P–16–484).

CAS numbers: Not available.

Basis for action: The PMNs state that the generic (non-confidential) use of P–16–483 will be as a plastic additive and the generic (non-confidential) use of P–16–484 will be as a chemical intermediate. Based on test data submitted on P–16–483 and data for analogous compounds, EPA has identified concerns for irritation, specific organ effects, and aquatic toxicity if the chemical is not used following the limitations noted below. The conditions of use of the PMN substances as described in the PMNs include the following protective measures:

1. No use of the substances other than the confidential use described in the PMNs;

2. No release of a manufacturing, processing, or use stream associated with any use of the substances exceeding a surface water concentration of 34 ppb; and

3. No manufacturing, processing or use of the PMN substances without the engineering controls described in the PMNs to limit exposure to dust.

The proposed SNUR would designate as a ''significant new use'' the absence of these protective measures.

Potentially useful information: EPA has determined that certain information about the human health and environmental toxicity of the PMN substances may be potentially useful to characterize the effects of the PMN substances if a manufacturer or processor is considering submitting a SNUN for a significant new use that would be designated by this proposed SNUR. EPA has determined that the results of aquatic toxicity and specific organ toxicity and aquatic toxicity testing would help characterize the potential health and environmental effects of the PMN substances.

CFR citations: 40 CFR 721.11190 (P–16–683) and 40 CFR 721.11191 (P–16–684).

PMN Number: P–16–575

Chemical name: Glucosyltransferase. International Union of Biochemistry and Molecular Biology Number: 2.4.1.5

CAS number: 9032–14–8.

Basis for action: The PMN states that the use of the substance will be for polymerization of glucose. Based on the allergenic properties of proteins and review of surrogate enzymatic protein data submitted, EPA has identified concerns for respiratory sensitization if the chemical is not used following the limitations noted below. The conditions of use of the PMN substance as described in the PMN include the following protective measure:

1. No manufacture, processing, or use of the PMN substance that results in inhalation exposures to the substance.

The proposed SNUR would designate as a ''significant new use'' the absence of this protective measure.

Potentially useful information: EPA has determined that certain information about the workplace exposure to the PMN substance may be potentially useful to characterize the health effects of the PMN substance if a manufacturer or processor is considering submitting a SNUN for a significant new use that

would be designated by this proposed SNUR. EPA has determined that the results of workplace air monitoring would help characterize the potential health effects of the PMN substance.

CFR citation: 40 CFR 721.11192.

PMN Number: P–16–581

Chemical name: Alpha 1,3-polysaccharide (generic).

CAS number: Not available.

Basis for action: The PMN states that the uses of the substance will be as a polymer additive, paper coating component, composite component, and fiber additive. Based on analogy to high molecular weight polymers, EPA has identified concerns for lung effects if the chemical is not used following the limitations noted below. The conditions of use of the PMN substance as described in the PMN include the following protective measures:

1. No use of the substance other than the uses described in the PMN; and

2. No manufacture, processing, or use with particle size less than 10 micrometers.

The proposed SNUR would designate as a ''significant new use'' the absence of these protective measures.

Potentially useful information: EPA has determined that certain information about the toxicity of the PMN substance may be potentially useful to characterize the health effects of the PMN substance if a manufacturer or processor is considering submitting a SNUN for a significant new use that would be designated by this proposed SNUR. EPA has determined that the results of pulmonary effects toxicity testing of the PMN substance may be potentially useful in characterizing the health effects of the PMN substance.

CFR citation: 40 CFR 721.11193.

V. Rationale and Objectives of the Proposed Rule

A. Rationale

During review of the PMNs submitted for the chemical substances that are the subject of these proposed SNURs and as further discussed in Unit IV, EPA identified certain reasonably foreseen changes from the conditions of use identified in the PMNs and determined that those changes could result in changes in the type or form of exposure to the chemical substances and/or increased exposures to the chemical substances and/or changes in the reasonably anticipated manner and methods of manufacturing, processing, distribution in commerce, and disposal of the chemical substances.

B. Objectives

EPA is proposing SNURs for 13 specific chemical substances which are undergoing premanufacture review because the Agency wants to achieve the following objectives with regard to the significant new uses that would be designated in this proposed rule:

- EPA would have an opportunity to review and evaluate data submitted in a SNUN before the notice submitter begins manufacturing or processing a listed chemical substance for the described significant new use.
- EPA would be obligated to make a determination under TSCA section 5(a)(3) regarding the use described in the SNUN, under the conditions of use. The Agency will either determine under section 5(a)(3)(C) that the significant new use is not likely to present an unreasonable risk, including an unreasonable risk to a potentially exposed or susceptible subpopulation identified as relevant by the Administrator under the conditions of use, or make a determination under section 5(a)(3)(A) or (B) and take the required regulatory action associated with the determination, before manufacture or processing for the significant new use of the chemical substance can occur.

Issuance of a proposed SNUR for a chemical substance does not signify that the chemical substance is listed on the TSCA Inventory. Guidance on how to determine if a chemical substance is on the TSCA Inventory is available on the internet at *http://www.epa.gov/opptintr/existingchemicals/pubs/tscainventory/index.html.*

VI. Applicability of the Proposed Rules to Uses Occurring Before the Effective Date of the Final Rule

To establish a significant new use, EPA must determine that the use is not ongoing. The chemical substances subject to this proposed rule were undergoing premanufacture review at the time of signature of this proposed rule and were not on the TSCA Inventory. In cases where EPA has not received a notice of commencement (NOC) and the chemical substance has not been added to the TSCA Inventory, no person may commence such activities without first submitting a PMN. Therefore, for the chemical substances subject to this proposed SNUR, EPA concludes that the proposed significant new uses are not ongoing.

EPA designates October 10, 2018, as the cutoff date for determining whether the new use is ongoing. The objective of EPA's approach is to ensure that a person cannot defeat a SNUR by initiating a significant new use before the effective date of the final rule.

Persons who begin commercial manufacture or processing of the chemical substances for a significant new use identified on or after that date would have to cease any such activity upon the effective date of the final rule. To resume their activities, these persons would have to first comply with all applicable SNUR notification requirements and EPA would have to take action under section 5 allowing manufacture or processing to proceed.

VII. Development and Submission of Information

EPA recognizes that TSCA section 5 does not require development of any particular new information (*e.g.,* generating test data) before submission of a SNUN. There is an exception: If a person is required to submit information for a chemical substance pursuant to a rule, order or consent agreement under TSCA section 4 (15 U.S.C. 2603), then TSCA section 5(b)(1)(A) (15 U.S.C. 2604(b)(1)(A)) requires such information to be submitted to EPA at the time of submission of the SNUN.

In the absence of a rule, order, or consent agreement under TSCA section 4 covering the chemical substance, persons are required only to submit information in their possession or control and to describe any other information known to or reasonably ascertainable by them (see § 720.50). However, upon review of PMNs and SNUNs, the Agency has the authority to require appropriate testing. Unit IV. lists potentially useful information for all SNURs listed here. Descriptions are provided for informational purposes. The potentially useful information identified in Unit IV. will be useful to EPA's evaluation in the event that someone submits a SNUN for the significant new use. Companies who are considering submitting a SNUN are encouraged, but not required, to develop the information on the substance, which may assist with EPA's analysis of the SNUN.

EPA strongly encourages persons, before performing any testing, to consult with the Agency pertaining to protocol selection. Furthermore, pursuant to TSCA section 4(h), which pertains to reduction of testing in vertebrate animals, EPA encourages consultation with the Agency on the use of alternative test methods and strategies (also called New Approach Methodologies, or NAMs), if available, to generate the recommended test data. EPA encourages dialog with Agency representatives to help determine how best the submitter can meet both the

data needs and the objective of TSCA section 4(h).

The potentially useful information described in Unit IV. may not be the only means of providing information to evaluate the chemical substance associated with the significant new uses. However, submitting a SNUN without any test data may increase the likelihood that EPA will take action under TSCA section 5(e) or 5(f). EPA recommends that potential SNUN submitters contact EPA early enough so that they will be able to conduct the appropriate tests.

SNUN submitters should be aware that EPA will be better able to evaluate SNUNs which provide detailed information on the following:

- Human exposure and environmental release that may result from the significant new use of the chemical substances.
- Information on risks posed by the chemical substances compared to risks posed by potential substitutes.

VIII. SNUN Submissions

According to § 721.1(c), persons submitting a SNUN must comply with the same notification requirements and EPA regulatory procedures as persons submitting a PMN, including submission of test data on health and environmental effects as described in § 720.50. SNUNs must be submitted on EPA Form No. 7710–25, generated using e-PMN software, and submitted to the Agency in accordance with the procedures set forth in § 720.40 and § 721.25. E–PMN software is available electronically at *https://www.epa.gov/reviewing-new-chemicals-under-toxic-substances-control-act-tsca.*

IX. Economic Analysis

EPA has evaluated the potential costs of establishing SNUN requirements for potential manufacturers and processors of the chemical substances subject to this proposed rule. EPA's complete economic analysis is available in the docket under docket ID number EPA–HQ–OPPT–2017–0575.

X. Statutory and Executive Order Reviews

A. Executive Order 12866

This proposed rule would establish SNURs for 13 new chemical substances that were the subject of PMNs. The Office of Management and Budget (OMB) has exempted these types of actions from review under Executive Order 12866, entitled ''*Regulatory Planning and Review*'' (58 FR 51735, October 4, 1993).

B. Paperwork Reduction Act (PRA)

According to PRA, 44 U.S.C. 3501 *et seq.,* an Agency may not conduct or sponsor, and a person is not required to respond to a collection of information that requires OMB approval under PRA, unless it has been approved by OMB and displays a currently valid OMB control number. The OMB control numbers for EPA's regulations in title 40 of the CFR, after appearing in the **Federal Register**, are listed in 40 CFR part 9, and included on the related collection instrument or form, if applicable.

The information collection requirements related to this action have already been approved by OMB pursuant to PRA under OMB control number 2070–0012 (EPA ICR No. 574). This action does not impose any burden requiring additional OMB approval. If an entity were to submit a SNUN to the Agency, the annual burden is estimated to average between 30 and 170 hours per response. This burden estimate includes the time needed to review instructions, search existing data sources, gather and maintain the data needed, and complete, review, and submit the required SNUN.

Send any comments about the accuracy of the burden estimate, and any suggested methods for minimizing respondent burden, including through the use of automated collection techniques, to the Director, Collection Strategies Division, Office of Environmental Information (2822T), Environmental Protection Agency, 1200 Pennsylvania Ave. NW, Washington, DC 20460–0001. Please remember to include the OMB control number in any correspondence, but do not submit any completed forms to this address.

C. Regulatory Flexibility Act (RFA)

On February 18, 2012, EPA certified pursuant to RFA section 605(b) (5 U.S.C. 605(b)), that promulgation of a SNUR does not have a significant economic impact on a substantial number of small entities where the following are true:

1. A significant number of SNUNs would not be submitted by small entities in response to the SNUR.
2. The SNUN submitted by any small entity would not cost significantly more than $9,816.

A copy of that certification is available in the docket for this action.

This proposed rule is within the scope of the February 18, 2012 certification. Based on the Economic Analysis discussed in Unit XI. and EPA's experience promulgating SNURs (discussed in the certification), EPA believes that the following are true:

- A significant number of SNUNs would not be submitted by small entities in response to the SNUR.
- Submission of the SNUN would not cost any small entity significantly more than $9.816.

Therefore, the promulgation of the SNUR would not have a significant economic impact on a substantial number of small entities.

D. Unfunded Mandates Reform Act (UMRA)

Based on EPA's experience with proposing and finalizing SNURs, State, local, and Tribal governments have not been impacted by these rulemakings, and EPA does not have any reasons to believe that any State, local, or Tribal government will be impacted by this proposed rule. As such, EPA has determined that this proposed rule does not impose any enforceable duty, contain any unfunded mandate, or otherwise have any effect on small governments subject to the requirements of UMRA sections 202, 203, 204, or 205 (2 U.S.C. 1502, 1503, 1504, or 1505 *et seq.*).

E. Executive Order 13132

This action would not have a substantial direct effect on 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, as specified in Executive Order 13132, entitled ''Federalism'' (64 FR 43255, August 10, 1999).

F. Executive Order 13175

This proposed rule would not have Tribal implications because it is not expected to have substantial direct effects on Indian Tribes. This proposed rule would not significantly nor uniquely affect the communities of Indian Tribal governments, nor does it involve or impose any requirements that affect Indian Tribes. Accordingly, the requirements of Executive Order 13175, entitled ''Consultation and Coordination with Indian Tribal Governments'' (65 FR 67249, November 9, 2000), do not apply to this proposed rule.

G. Executive Order 13045

This action is not subject to Executive Order 13045, entitled ''Protection of Children from Environmental Health Risks and Safety Risks'' (62 FR 19885, April 23, 1997), because this is not an economically significant regulatory action as defined by Executive Order 12866, and this action does not address environmental health or safety risks disproportionately affecting children.

H. Executive Order 13211

This proposed rule is not subject to Executive Order 13211, entitled ''Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use'' (66 FR 28355, May 22, 2001), because this action is not expected to affect energy supply, distribution, or use and because this action is not a significant regulatory action under Executive Order 12866.

I. National Technology Transfer and Advancement Act (NTTAA)

In addition, since this action does not involve any technical standards, NTTAA § 12(d) (Pub. L. 104–113, 12(d)), does not apply to this action.

J. Executive Order 12898

This action does not entail special considerations of environmental justice related issues as delineated by Executive Order 12898, entitled ''Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations'' (59 FR 7629, February 16, 1994).

List of Subjects in 40 CFR Part 721

Environmental protection, Chemicals, Hazardous substances, Reporting and recordkeeping requirements.

Dated: October 5, 2018.

Tala R. Henry,

Acting Director, Office of Pollution Prevention and Toxics.

Therefore, it is proposed that 40 CFR part 721 is amended as follows:

PART 721—[AMENDED]

■ 1. The authority citation for part 721 continues to read as follows:

Authority: 15 U.S.C. 2604, 2607, and 2625(c).

■ 2. Add § 721.11182 to subpart E to read as follows:

§ 721.11182 Silanized amorphous silica (generic).

(a) *Chemical substance and significant new uses subject to reporting.*

(1) The chemical substance generically identified as silanized amorphous silica (P–16–192) is subject to reporting under this section for the significant new uses described in paragraph (a)(2) of this section.

(2) The significant new uses are:

(i) *Industrial, commercial, and consumer activities.* Requirements as specified in § 721.80. It is a significant new use to manufacture the substance other than in an amorphous form.

(ii) [Reserved]

(b) *Specific requirements.* The provisions of subpart A of this part apply to this section except as modified by this paragraph (b).

(1) *Recordkeeping.* Recordkeeping requirements as specified in § 721.125(a) through (c), and (i) are applicable to manufacturers, importers, and processors of this substance.

(2) *Limitations or revocation of certain notification requirements.* The provisions of § 721.185 apply to this section.

■ 3. Add § 721.11183 to subpart E to read as follows:

§ 721.11183 Esteramine (generic).

(a) *Chemical substance and significant new uses subject to reporting.*

(1) The chemical substances identified generically as esteramine (PMN P–16–354 and P–16–355) are subject to reporting under this section for the significant new uses described in paragraph (a)(2) of this section.

(2) The significant new uses are:

(i) *Industrial, commercial, and consumer activities.* Requirements as specified in § 721.80. It is a significant new use to manufacture, process, or use the substances in any manner that results in inhalation exposure. It is a significant new use to release a manufacturing, processing, or use stream associated with any use of the substances, other than the confidential chemical intermediate use described in the premanufacture notices, into the waters of the United States exceeding a surface water concentration of 1 part per billion (ppb) using the methods described in § 721.91.

(ii) [Reserved]

(b) *Specific requirements.* The provisions of subpart A of this part apply to this section except as modified by this paragraph (b).

(1) *Recordkeeping.* Recordkeeping requirements as specified in § 721.125(a) though (e), and (i) are applicable to manufacturers and processors of these substances.

(2) *Limitations or revocation of certain notification requirements.* The provisions of § 721.185 apply to this section.

■ 4. Add § 721.11184 to subpart E to read as follows:

§ 721.11184 Formic acid, compds. with hydrolyzed bisphenol A-epichlorohydrin-polyethylene glycol ether with bisphenol A (2:1) polymer-N1-(1,3-dimethylbutylidene)-N2-[2-[(1, 3-dimethylbutylidene)amino]ethyl]-1,2-ethanediamine-dialdehyde-2-(methylamino)ethanol reaction products acetates (salts), (generic)

(a) *Chemical substance and significant new uses subject to reporting.*

(1) The chemical substance generically identified as formic acid, compds. with hydrolyzed bisphenol A-epichlorohydrin-polyethylene glycol ether with bisphenol A (2:1) polymer-N1-(1,3-dimethylbutylidene)-N2-[2-[(1, 3-dimethylbutylidene)amino]ethyl]-1,2-ethanediamine-dialdehyde-2-(methylamino)ethanol reaction products acetates (salts), (P–16–380) is subject to reporting under this section for the significant new uses described in paragraph (a)(2) of this section.

(2) The significant new uses are:

(i) *Industrial, Commercial, and consumer activities.* Requirements as specified in § 721.80. It is a significant new use to manufacture, process, or use the substance in any manner that results in inhalation exposure.

(ii) *Release to water.* Requirements as specified in § 721.90(a)(4), (b)(4), and (c)(4) where N = 16.

(b) *Specific requirements.* The provisions of subpart A of this part apply to this section except as modified by this paragraph (b).

(1) *Recordkeeping.* Recordkeeping requirements as specified in § 721.125(a) through (c), (i), and (k) are applicable to manufacturers, importers, and processors of this substance.

(2) *Limitations or revocation of certain notification requirements.* The provisions of § 721.185 apply to this section.

■ 5. Add § 721.11185 to subpart E to read as follows:

§ 721.11185 Propanoic acid, 2-hydroxy-, compds. with hydrolyzed bisphenol A-epichlorohydrin-polyethylene glycol ether with bisphenol A (2:1) polymer-N1-(1,3-dimethylbutylidene)-N2-[2-[(1, 3-dimethylbutylidene)amino]ethyl]-1,2-ethanediamine-dialdehyde-2-(methylamino)ethanol reaction products formates (salts), (generic).

(a) *Chemical substance and significant new uses subject to reporting.*

(1) The chemical substance generically as propanoic acid, 2-hydroxy-, compds. with hydrolyzed bisphenol A-epichlorohydrin-polyethylene glycol ether with bisphenol A (2:1) polymer-N1-(1,3-dimethylbutylidene)-N2-[2-[(1, 3-dimethylbutylidene)amino]ethyl]-1,2-ethanediamine-dialdehyde-2-(methylamino)ethanol reaction products formates (salts), (P–16–381) is subject to reporting under this section for the significant new uses described in paragraph (a)(2) of this section.

(2) The significant new uses are:

(i) *Industrial, Commercial, and consumer activities.* Requirements as specified in § 721.80. It is a significant new use to manufacture, process, or use the substance in any manner that results in inhalation exposure.

(ii) *Release to water.* Requirements as specified in § 721.90(a)(4), (b)(4), and (c)(4) where N = 16.

(b) *Specific requirements.* The provisions of subpart A of this part apply to this section except as modified by this paragraph (b).

(1) *Recordkeeping.* Recordkeeping requirements as specified in § 721.125(a) through (c), (i), and (k) are applicable to manufacturers, importers, and processors of this substance.

(2) *Limitations or revocation of certain notification requirements.* The provisions of § 721.185 apply to this section.

■ 6. Add § 721.11186 to subpart E to read as follows:

§ 721.11186 Formic acid, compds. with hydrolyzed bisphenol A-epichlorohydrin-polyethylene glycol ether with bisphenol A (2:1) polymer-N1-(1,3-dimethylbutylidene)-N2-[2-[(1, 3-dimethylbutylidene) amino]ethyl]-1,2-ethanediamine-dialdehyde-2-(methylamino)ethanol reaction products sulfamates (salts), (generic),

(a) *Chemical substance and significant new uses subject to reporting.*

(1) The chemical substance generically identified as formic acid, compds. with hydrolyzed bisphenol A-epichlorohydrin-polyethylene glycol ether with bisphenol A (2:1) polymer-N1-(1,3-dimethylbutylidene)-N2-[2-[(1, 3-dimethylbutylidene)amino]ethyl]-1,2-ethanediamine-dialdehyde-2-(methylamino)ethanol reaction products sulfamates (salts), (P–16–382) is subject to reporting under this section for the significant new uses described in paragraph (a)(2) of this section.

(2) The significant new uses are:

(i) *Industrial, Commercial, and consumer activities.* Requirements as specified in § 721.80. It is a significant new use to manufacture, process, or use the substance in any manner that results in inhalation exposure.

(ii) *Release to water.* Requirements as specified in § 721.90(a)(4), (b)(4), and (c)(4) where N = 16.

(b) *Specific requirements.* The provisions of subpart A of this part apply to this section except as modified by this paragraph (b).

(1) *Recordkeeping.* Recordkeeping requirements as specified in § 721.125(a) through (c), (i), and (k) are applicable to manufacturers, importers, and processors of this substance.

(2) *Limitations or revocation of certain notification requirements.* The provisions of § 721.185 apply to this section.

■ 7. Add § 721.11187 to subpart E to read as follows:

§ 721.11187 Formic acid, compds. with hydrolyzed bisphenol A-epichlorohydrin-polyethylene glycol ether with bisphenol A (2:1) polymer-N1-(1,3-dimethylbutylidene)-N2-[2-[(1, 3-dimethylbutylidene) amino]ethyl]-1,2-ethanediamine-dialdehyde-2-(methylamino)ethanol reaction products acetates (salts), (generic).

(a) *Chemical substance and significant new uses subject to reporting.*

(1) The chemical substance generically identified as formic acid, compds. with hydrolyzed bisphenol A-epichlorohydrin-polyethylene glycol ether with bisphenol A (2:1) polymer-N1-(1,3-dimethylbutylidene)-N2-[2-[(1, 3-dimethylbutylidene)amino]ethyl]-1,2-ethanediamine-dialdehyde-2-(methylamino)ethanol reaction products acetates (salts), (P–16–383) is subject to reporting under this section for the significant new uses described in paragraph (a)(2) of this section.

(2) The significant new uses are:

(i) *Industrial, Commercial, and consumer activities.* Requirements as specified in § 721.80. It is a significant new use to manufacture, process, or use the substance in any manner that results in inhalation exposure.

(ii) *Release to water.* Requirements as specified in § 721.90(a)(4), (b)(4), and (c)(4) where N = 16.

(b) *Specific requirements.* The provisions of subpart A of this part apply to this section except as modified by this paragraph (b).

(1) *Recordkeeping.* Recordkeeping requirements as specified in § 721.125(a) through (c), (i), and (k) are applicable to manufacturers, importers, and processors of this substance.

(2) *Limitations or revocation of certain notification requirements.* The provisions of § 721.185 apply to this section.

■ 8. Add § 721.11188 to subpart E to read as follows:

§ 721.11188 Propanoic acid, 2-hydroxy-, compds. with hydrolyzed bisphenol A-epichlorohydrin-polyethylene glycol ether with bisphenol A (2:1) polymer-N1-(1,3-dimethylbutylidene)-N2-[2-[(1, 3-dimethylbutylidene)amino]ethyl]-1,2-ethanediamine-dialdehyde-2-(methylamino)ethanol reaction products formates (salts), (generic).

(a) *Chemical substance and significant new uses subject to reporting.*

(1) The chemical substance generically identified as propanoic acid, 2-hydroxy-, compds. with hydrolyzed bisphenol A-epichlorohydrin-polyethylene glycol ether with bisphenol A (2:1) polymer-N1-(1,3-dimethylbutylidene)-N2-[2-[(1, 3-dimethylbutylidene)amino] ethyl]-1,2-ethanediamine-dialdehyde-2-(methylamino)ethanol reaction products formates (salts), (P–16–384) is subject to reporting under this section for the significant new uses described in paragraph (a)(2) of this section.

(2) The significant new uses are:

(i) *Industrial, Commercial, and consumer activities.* Requirements as specified in § 721.80. It is a significant new use to manufacture, process, or use the substance in any manner that results in inhalation exposure.

(ii) *Release to water.* Requirements as specified in § 721.90(a)(4), (b)(4), and (c)(4) where N = 16.

(b) *Specific requirements.* The provisions of subpart A of this part apply to this section except as modified by this paragraph (b).

(1) *Recordkeeping.* Recordkeeping requirements as specified in § 721.125(a) through (c), (i), and (k) are applicable to manufacturers, importers, and processors of this substance.

(2) *Limitations or revocation of certain notification requirements.* The provisions of § 721.185 apply to this section.

■ 9. Add § 721.11189 to subpart E to read as follows:

§ 721.11189 Formic acid, compds. with hydrolyzed bisphenol A-epichlorohydrin-polyethylene glycol ether with bisphenol A (2:1) polymer-N1-(1,3-dimethylbutylidene)-N2-[2-[(1, 3-dimethylbutylidene) amino]ethyl]-1,2-ethanediamine-dialdehyde-2-(methylamino)ethanol reaction products sulfamates (salts), (generic).

(a) *Chemical substance and significant new uses subject to reporting.*

(1) The chemical substance generically identified as formic acid, compds. with hydrolyzed bisphenol A-epichlorohydrin-polyethylene glycol ether with bisphenol A (2:1) polymer-N1-(1,3-dimethylbutylidene)-N2-[2-[(1, 3-dimethylbutylidene)amino]ethyl]-1,2-ethanediamine-dialdehyde-2-(methylamino)ethanol reaction products sulfamates (salts), (P–16–385) is subject to reporting under this section for the significant new uses described in paragraph (a)(2) of this section.

(2) The significant new uses are:

(i) *Industrial, Commercial, and consumer activities.* Requirements as specified in § 721.80. It is a significant new use to manufacture, process, or use the substance in any manner that results in inhalation exposure.

(ii) *Release to water.* Requirements as specified in § 721.90(a)(4), (b)(4), and (c)(4) where N = 16.

(b) *Specific requirements.* The provisions of subpart A of this part apply to this section except as modified by this paragraph (b).

(1) *Recordkeeping.* Recordkeeping requirements as specified in § 721.125(a) through (c), (i), and (k) are

applicable to manufacturers, importers, and processors of this substance.

(2) *Limitations or revocation of certain notification requirements.* The provisions of § 721.185 apply to this section.

■ 10. Add § 721.11190 to subpart E to read as follows:

§ 721.11190 Inorganic acids, metal salts, compds. with modified heteroaromatics, (generic).

(a) *Chemical substance and significant new uses subject to reporting.* (1) The chemical substance identified generically as inorganic acids, metal salts, compds. with modified heteroaromatics, (PMN P–16–483) is subject to reporting under this section for the significant new uses described in paragraph (a)(2) of this section.

(2) The significant new uses are:

(i) *Industrial, commercial, and consumer activities.* Requirements as specified in § 721.80(j). It is a significant new use to manufacture, process, or use the substance without the engineering controls described in the premanufacture notice to limit exposure to dust.

(ii) *Release to water.* Requirements as specified in § 721.90(a)(4), (b)(4), and (c)(4) where N = 34 ppb.

(b) *Specific requirements.* The provisions of subpart A of this part apply to this section except as modified by this paragraph (b).

(1) *Recordkeeping.* Recordkeeping requirements as specified in § 721.125(a) through (c), (i), and (k) are applicable to manufacturers and processors of this substance.

(2) *Limitations or revocation of certain notification requirements.* The provisions of § 721.185 apply to this section.

(3) *Determining whether a specific use is subject to this section.* The provisions of § 721.1725 (b)(1) apply to paragraph (a)(2)(i) of this section.

■ 11. Add § 721.11191 to subpart E to read as follows:

§ 721.11191 Inorganic acids, metal salts, compds. with substituted aromatic heterocycle, (generic).

(a) *Chemical substance and significant new uses subject to reporting.* (1) The chemical substance identified generically as inorganic acids, metal salts, compds. with substituted aromatic heterocycle, (PMN P–16–484) is subject to reporting under this section for the significant new uses described in paragraph (a)(2) of this section.

(2) The significant new uses are:

(i) *Industrial, commercial, and consumer activities.* Requirements as specified in § 721.80(j). It is a significant new use to manufacture, process, or use the substance without the engineering controls described in the premanufacture to limit exposure to dust.

(ii) *Release to water.* Requirements as specified in § 721.90(a)(4), (b)(4), and (c)(4) where N = 34.

(b) *Specific requirements.* The provisions of subpart A of this part apply to this section except as modified by this paragraph (b).

(1) *Recordkeeping.* Recordkeeping requirements as specified in § 721.125(a) through (c), (i), and (k) are applicable to manufacturers and processors of this substance.

(2) *Limitations or revocation of certain notification requirements.* The provisions of § 721.185 apply to this section.

(3) *Determining whether a specific use is subject to this section.* The provisions of § 721.1725(b)(1) apply to paragraph (a)(2)(i) of this section.

■ 12. Add § 721.11192 to subpart E to read as follows:

§ 721.11192 Glucosyltransferase, International Union of Biochemistry and Molecular Biology Number: 2.4.1.5.

(a) *Chemical substance and significant new uses subject to reporting.* (1) The chemical substance identified as glucosyltransferase, International Union of Biochemistry and Molecular Biology Number: 2.4.1.5 (PMN P–16–575, CAS No. 9032–14–8) is subject to reporting under this section for the significant new uses described in paragraph (a)(2) of this section.

(2) The significant new uses are:

(i) *Industrial, commercial, and consumer activities.* Requirements as specified in § 721.80(y)(1) and (y)(2).

(ii) [Reserved]

(b) *Specific requirements.* The provisions of subpart A of this part apply to this section except as modified by this paragraph (b).

(1) *Recordkeeping.* Recordkeeping requirements as specified in § 721.125(a) through (c), and (i) are applicable to manufacturers and processors of this substance.

(2) *Limitations or revocation of certain notification requirements.* The provisions of § 721.185 apply to this section.

■ 13. Add § 721.11193 to subpart E to read as follows:

§ 721.11193 Alpha 1,3-polysaccharide (generic).

(a) *Chemical substance and significant new uses subject to reporting.* (1) The chemical substance generically identified as alpha 1,3-polysaccharide (generic) (PMN P–16–581) is subject to reporting under this section for the significant new uses described in paragraph (a)(2) of this section.

(2) The significant new uses are:

(i) *Industrial, commercial, and consumer activities.* Requirements as specified in § 721.80. It is a significant new use to use the substance other than as a polymer additive, paper coating component, composite component, or fiber additive. It is a significant new use to manufacture, process or use the PMN substance with particle size less than 10 micrometers.

(ii) [Reserved]

(b) *Specific requirements.* The provisions of subpart A of this part apply to this section except as modified by this paragraph (b).

(1) *Recordkeeping.* Recordkeeping requirements as specified in § 721.125(a) through (c) and (i) are applicable to manufacturers and processors of this substance.

(2) *Limitations or revocation of certain notification requirements.* The provisions of § 721.185 apply to this section.

[FR Doc. 2018–22397 Filed 10–15–18; 8:45 am]

BILLING CODE 6560–50–P

Notices

Federal Register
Vol. 83, No. 200
Tuesday, October 16, 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

Submission for OMB Review; Comment Request

October 11, 2018.

The Department of Agriculture has submitted the following information collection requirement(s) to OMB for review and clearance under the Paperwork Reduction Act of 1995, Public Law 104–13. Comments are requested regarding (1) whether the collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility; (2) the accuracy of the agency's estimate of burden including the validity of the methodology and assumptions used; (3) ways to enhance the quality, utility and clarity of the information to be collected; and (4) ways to minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology.

Comments regarding this information collection received by November 15, 2018 will be considered. Written comments should be addressed to: Desk Officer for Agriculture, Office of Information and Regulatory Affairs, Office of Management and Budget (OMB), *OIRA_Submission@omb.eop.gov* or fax (202) 395–5806 and to Departmental Clearance Office, USDA, OCIO, Mail Stop 7602, Washington, DC 20250–7602. Copies of the submission(s) may be obtained by calling (202) 720–8958.

An agency may not conduct or sponsor a collection of information unless the collection of information displays a currently valid OMB control number and the agency informs potential persons who are to respond to the collection of information that such persons are not required to respond to the collection of information unless it displays a currently valid OMB control number.

30-Day Federal Register Notice

Food and Nutrition Service

Title: The Assessment of Mandatory Supplemental Nutrition Assistance Program (SNAP) Employment &Training (E&T) Programs.

OMB Control Number: 0584–NEW.

Summary of Collection: U.S. Department of Agriculture's Food and Nutrition Service (FNS) will conduct a study Assessment of Mandatory SNAP E&T Programs to examine program features and administrative practices of mandatory State SNAP E&T programs. Section 17 [7 U.S.C. 2026] (a)(1) of the Food and Nutrition Act of 2008, as amended, provides general legislative authority for the planned data collection. It authorizes the Secretary of Agriculture to enter into contracts with private institutions to undertake research that will help to improve the administration and effectiveness of the Supplemental Nutrition Assistance Program (SNAP) in delivering nutrition-related benefits.

Need and Use of the Information: This study will help FNS understand what data exists on how well mandatory programs help SNAP participants gain skills, certificates, and credentials as well as stable, well-paying jobs. While the intent of the mandatory E&T program is to assist SNAP participants in ''gaining skills, trainings, or experience that will increase their ability to obtain regular employment,'' little is known about whether or how specific E&T processes and services affect a participant's likelihood of participating or being sanctioned. In particular, little is known on whether complex intake or referral processes, rather than a lack of interest in participating in E&T, may negatively impact participation in mandatory programs.

The findings from this study will identify lessons learned and best practices for operating mandatory E&T programs.

Description of Respondents: State, Local & Tribal Agencies; Business-not-for-profit and Business for-profit; Individuals/Households.

Number of Respondents: 207.

Frequency of Responses: Reporting: Annually.

Total Burden Hours: 393.

Ruth Brown,

Departmental Information Collection Clearance Officer.

[FR Doc. 2018–22449 Filed 10–15–18; 8:45 am]

BILLING CODE 3410–30–P

COMMISSION ON CIVIL RIGHTS

Notice of Public Meeting of the Nevada State 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 (FACA) that a meeting of the Nevada Advisory Committee (Committee) to the Commission will be held at 1 p.m. (Pacific Time) Wednesday, November 7, 2018, the purpose of meeting is for the Committee to discuss potential findings and recommendations for report on policing practices and mental health.

DATES: The meeting will be held on Wednesday, November 7, 2018, at 1 p.m. PT.

Public Call Information:

Dial: 877–260–1479
Conference ID: 1123093

FOR FURTHER INFORMATION CONTACT: Ana Victoria Fortes (DFO) at *afortes@usccr.gov* or (213) 894–3437.

SUPPLEMENTARY INFORMATION: This meeting is available to the public through the following toll-free call-in number: 877–260–1479, conference ID number: 1123093. Any interested member of the public may call this number and listen to the meeting. Callers can expect to incur charges for calls they initiate over wireless lines, and 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 *http://facadatabase.gov/committee/meetings.aspx?cid=261.* 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, *http://www.usccr.gov,* or may contact the Regional Programs Unit at the above email or street address.

Agenda

I. Welcome
II. Debrief Discussion
III. Review Report Outline
IV. Public Comment
V. Next Steps

Dated: October 11, 2018.

David Mussatt,

Supervisory Chief, Regional Programs Unit.

[FR Doc. 2018–22456 Filed 10–15–18; 8:45 am]

BILLING CODE P

DEPARTMENT OF COMMERCE

Census Bureau

Proposed Information Collection; Comment Request; The American Community Survey

AGENCY: U.S. Census Bureau, Commerce.

ACTION: Notice.

SUMMARY: The Department of Commerce, as part of its continuing effort to reduce paperwork and respondent burden, invites the general public and other Federal agencies to take this opportunity to comment on proposed and/or continuing information collections, as required by the Paperwork Reduction Act of 1995.

DATES: To ensure consideration, written comments must be submitted on or before December 17, 2018.

ADDRESSES: Please direct all written comments to Jennifer Jessup, Departmental Paperwork Clearance Officer, Department of Commerce, Room 6616, 14th and Constitution Avenue NW, Washington, DC 20230 (or via the internet at *docpra@doc.gov*). You may also submit comments, identified by Docket number USBC–2018–0014 to the Federal e-Rulemaking Portal: *http://www.regulations.gov.* All comments received are part of the public record. No comments will be posted to *http://www.regulations.gov* for public viewing until after the comment period has closed. Comments will generally be posted without change. All Personally Identifiable Information (for example, name and address) voluntarily submitted by the commenter may be publicly accessible. Do not submit Confidential Business Information or otherwise sensitive or protected information. You may submit attachments to electronic comments in Microsoft Word, Excel, WordPerfect, or Adobe PDF file formats only.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of the information collection instrument(s) and instructions should be directed to Robin A. Pennington, Rm. 2H465, U.S. Census Bureau, Decennial Census Management Division, Washington, DC 20233 or via email to *Robin.A.Pennington@census.gov.*

SUPPLEMENTARY INFORMATION:

I. Abstract

Since its founding, the U.S. Census Bureau has balanced the demands of a growing country for information about its people and economy, with concerns for respondents' privacy and the time and effort it takes respondents to answer questions. Beginning with the 1810 Census, Congress added questions to support a range of public concerns and uses, and over the course of a century, federal agencies requested to add questions about agriculture, industry, and commerce, as well as individuals' occupation, ancestry, marital status, disabilities, place of birth and other topics. In 1940, the U.S. Census Bureau introduced the long-form census in order to ask more detailed questions to only a sample of the public.

In the early 1990s, the demand for current, nationally consistent data from a wide variety of users led federal government policymakers to consider the feasibility of collecting social, economic, and housing data continuously throughout the decade. The benefits of providing current data, along with the anticipated decennial census benefits in cost savings, planning, improved census coverage, and more efficient operations, led the U.S. Census Bureau to plan the implementation of the continuous measurement survey, later called the American Community Survey (ACS). After years of testing the ACS, which is the current embodiment of the long form of the decennial census, the survey launched in 2005. Each year a sample of approximately 3.5 million households and about 200,000 persons living in group quarters in the mainland United States and Puerto Rico are selected to participate in the ACS.

In 2020, the ACS will change the race and ethnicity questions to match the 2020 Census. This change will make the ACS consistent with 2020 Census data on this topic. The ACS will also change the instruction for reporting babies' ages to match the 2020 Census. Ongoing research suggests the instructions for reporting infants creates challenges for some respondents. Cognitive testing demonstrated the wording for the age instruction is unclear and confusing to respondents. Details about all of the questions planned for the 2020 Census and the American Community Survey are available at *https://www.census.gov/library/publications/2018/dec/planned-questions-2020-acs.html.*

The ACS self-response rates in 2010, a decennial census year, were higher than usual in the first few months of the year, but were lower than usual in the spring and summer months, when the 2010 decennial census was underway. The increased self-response rates early in the year were attributed to decennial census communications while the decreased rates later in the year were attributed to respondent confusion, as respondents had already filled out their decennial census form and did not understand that the ACS was a separate data collection. Prior research suggests that during a decennial census year, ACS mail materials such as envelopes and letters should be revised to distinguish the ACS from the Census. For the 2020 data collection year, we are considering modifying the mail package contents, Field Representative flyers, scripts for the Interactive Voice Recognition system, frequently asked questions, and the ACS website to better communicate to respondents that the ACS is a separate data collection from the 2020 Census and that respondents selected for the ACS should complete both the ACS and the 2020 Census.

II. Method of Collection

To encourage self-response in the ACS, the Census Bureau sends up to five mailings to an address selected to be in the sample. The first mailing, sent to all mailable addresses in the sample, includes an invitation to participate in the ACS online and states that a paper questionnaire will be sent in a few weeks to those unable to respond online. Subsequent mailings serve as a reminder to respond to the survey, with a paper questionnaire included in the third mailing for those households that prefer to respond by mailing back the questionnaire. The Census Bureau may ask those who begin filling out the survey online to provide an email address, which would be used to send an email reminder to households that did not complete the online form. The reminder asks them to log back in to finish responding to the survey.

Some addresses are deemed unmailable because the address is incomplete or directs mail only to a post office box. The Census Bureau currently collects data for these housing units using Computer-Assisted Personal Interviewing. In July 2019, the ACS plans to make the online survey available to all housing units in the 50 states and the District of Columbia, including those with unmailable addresses. Residents in housing units with unmailable addresses will still be contacted by Census Bureau Field Representatives, but they will now be given the option to complete the survey online or by personal interview.

III. Data

OMB Control Number: 0607–0810.

Form Number(s): ACS–1, ACS–1(SP), ACS–1(PR), ACS–1(PR)SP, ACS–1(GQ), ACS–1(PR)(GQ), GQFQ, ACS CAPI (HU), ACS RI (HU), AGQ QI, and AGQ RI.

Type of Review: Regular submission.

Affected Public: Federal and legislative agencies, individuals, households, and businesses.

Estimated Time per Response: 40 minutes for the average household questionnaire; 15 minutes for a GQ facility questionnaire; 25 minutes for a GQ person questionnaire; 10 minutes for a household reinterview; 10 minutes for a GQ-level reinterview.

Estimated Total Annual Burden Hours: The Census Bureau plans to contact the following number of respondents each year: 3,540,000 households; 200,000 persons in group quarters; 20,000 contacts in group quarters; 43,000 households for reinterview; and 1,500 group quarters contacts for reinterview. The estimate is an annual average of 2,455,868 burden hours.

TABLE 1—ANNUAL ACS RESPONDENT AND BURDEN HOUR ESTIMATES

Data collection operation	Forms or instrument used in data collection	Annual estimated number of respondents	Estimated minutes per respondent by data collection operation	Annual estimated burden hours
I. ACS Household Questionnaire—Paper Mailout/ Mailback.	ACS–1, ACS 1(SP), ACS–1PR, ACS–1PR(SP).	3,540,000	40	2,360,000.
ACS Household CAPI—Personal Visit Non-response Follow-up.	*CAPI HU*	*[698,000 included in I.]*	*[40]*	*[466,000 included in I.].*
ACS Household internet	*Internet HU*	*[712,000 included in I.]*	*[40]*	*[475,000 included in I.].*
II. ACS GQ Facility Questionnaire CAPI—Telephone and Personal Visit.	CAPI GQFQ	20,000	15	5,000.
III. ACS GQ CAPI Personal Interview or Telephone, and—Paper Self-response.	CAPI, ACS–1(GQ), ACS–1(GQ)(PR)	200,000	25	83,333.
IV. ACS Household Reinterview—CATI/CAPI	ACS HU–RI	43,200	10	7,200.
V. ACS GQ GQ-level Reinterview—CATI/CAPI	ACS GQ–RI	2,000	10	335.
Totals		3,805,200	N/A	2,455,868.

Estimated Total Annual Cost to Public: $0 (This is not the cost of respondents' time, but the indirect costs respondents may incur for such things as purchases of specialized software or hardware needed to report, or expenditures for accounting or records maintenance services required specifically by the collection.)

Respondent's Obligation: Mandatory.

Legal Authority: Title 13 U.S.C. Sections 141 and 193.

IV. Request for Comments

Comments are invited on: (a) Whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden (including hours and cost) of the proposed collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology.

Comments submitted in response to this notice will be summarized and/or included in the request for OMB approval of this information collection; they also will become a matter of public record.

Sheleen Dumas,

Departmental Lead PRA Officer, Office of the Chief Information Officer.

[FR Doc. 2018–22443 Filed 10–15–18; 8:45 am]

BILLING CODE 3510–07–P

DEPARTMENT OF COMMERCE

Census Bureau

Proposed Information Collection; Comment Request; Generic Clearance for Census Bureau Field Tests and Evaluations

AGENCY: U.S. Census Bureau, Commerce.

ACTION: Notice.

SUMMARY: The Department of Commerce, as part of its continuing effort to reduce paperwork and respondent burden, invites the general public and other Federal agencies to take this opportunity to comment on proposed and/or continuing information collections, as required by the Paperwork Reduction Act of 1995.

DATES: To ensure consideration, written comments must be submitted on or before December 17, 2018.

ADDRESSES: Direct all written comments to Jennifer Jessup, Departmental Paperwork Clearance Officer, Department of Commerce, Room 6616, 14th and Constitution Avenue NW, Washington, DC 20230 (or via the internet at *docpra@doc.gov*). You may also submit comments, identified by Docket Number USBC–2018–0013, to the Federal e-Rulemaking Portal: *http://www.regulations.gov.* All comments received are part of the public record. No comments will be posted to *http://www.regulations.gov* for public viewing until after the comment period has closed. Comments will generally be posted without change. All Personally Identifiable Information (for example, name and address) voluntarily submitted by the commenter may be publicly accessible. Do not submit Confidential Business Information or otherwise sensitive or protected information. You may submit attachments to electronic comments in Microsoft Word, Excel, WordPerfect, or Adobe PDF file formats only.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of the information collection instrument(s) and instructions should be directed to Jennifer Childs, Census Bureau, Washington, DC 20233; (301) 763–4932 (or via the internet at *jennifer.hunter.childs@census.gov*).

SUPPLEMENTARY INFORMATION:

I. Abstract

The U.S. Census Bureau plans to request an extension of the current OMB approval to conduct a series of studies to research and evaluate how to improve data collection activities for data collection programs at the Census Bureau. These studies will explore how the Census Bureau can improve efficiency, data quality, and response rates and reduce respondent burden in future census and survey operations, evaluations and experiments.

This information collection will operate as a generic clearance. The estimated number of respondents and annual reporting hours requested cover both the known and yet to be determined tests. A generic clearance is needed for these tests because though each share similar methodology, the exact number of tests and the explicit details of each test to be performed has yet to be determined. Once information collection plans are defined, they will be submitted on an individual basis in order to keep OMB informed as these tests progress.

The Census Bureau plans to test the use of new and improved data collection techniques for self-enumeration and interviewer data-collection tasks surrounding and following the ongoing census and survey operations. The research and evaluation may include: Developing alternative enumeration or follow-up questionnaires; usability issues; conducting interviews or debriefings; and non-English language training and interviews. To study enumeration, the Census Bureau may conduct the enumeration directly with a household member or knowledgeable respondent. The questions asked in these studies will be typical census or survey questions and questions related to that content, along with potential attitudinal and satisfaction debriefing questions.

II. Method of Collection

The information will be collected through observations, self-response, face-face interviews, and/or telephone interviews.

III. Data

OMB Control Number: 0607–0971.
Form Number: Not yet determined.
Type of Review: Regular submission.
Affected Public: Individuals or households.
Estimated Number of Respondents: 100,000 per year.
Estimated Time Per Response: 10 minutes.
Estimated Total Annual Burden Hours: 16,667 hours annually.
Estimated Total Annual Cost: There is no cost to the respondent other than time to answer the information request.
Respondents Obligation: Mandatory or Voluntary, depending on cited authority.
Legal Authority: Data collection for this project is authorized under the authorizing legislation for the questionnaire being tested. This may be Title 13, Sections 131, 141, 161, 181, 182, 193, and 301 for Census Bureau sponsored surveys, and Title 13 and 15 for surveys sponsored by other Federal agencies. We do not now know what other titles will be referenced, since we do not know what survey questionnaires will be pretested during the course of the clearance.

IV. Request for Comments

Comments are invited on: (a) Whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden (including hours and cost) of the proposed collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology.

Comments submitted in response to this notice will be summarized and/or included in the request for OMB approval of this information collection; they also will become a matter of public record.

Sheleen Dumas,

Departmental Lead PRA Officer, Office of the Chief Information Officer.

[FR Doc. 2018–22493 Filed 10–15–18; 8:45 am]

BILLING CODE 3510–07–P

DEPARTMENT OF COMMERCE

International Trade Administration

[Application No. 94–6A007]

Export Trade Certificate of Review

ACTION: Notice of issuance of an amended Export Trade Certificate of Review to Florida Citrus Exports, L.C. (FCE), Application No. 94–6A007.

SUMMARY: The Secretary of Commerce, through the Office of Trade and Economic Analysis (OTEA), issued an amended Export Trade Certificate of Review to FCE on October 4, 2018. A previous amended Export Trade Certificate of Review was issued to FCE on July 17, 2017, and a notice of its issuance was published in the **Federal Register** on July 31, 2017.

FOR FURTHER INFORMATION CONTACT: Joseph Flynn, Director, Office of Trade and Economic Analysis, International Trade Administration, (202) 482–5131 (this is not a toll-free number) or email at *etca@trade.gov*.

SUPPLEMENTARY INFORMATION: Title III of the Export Trading Company Act of 1982 (15 U.S.C. Sections 4001–21) (the Act) authorizes the Secretary of Commerce to issue Export Trade Certificates of Review. An Export Trade Certificate of Review protects the holder and the members identified in the Certificate from State and Federal government antitrust actions and from private treble damage antitrust actions for the export conduct specified in the Certificate and carried out in compliance with its terms and conditions. The regulations implementing Title III are found at 15 CFR part 325 (2018). OTEA is issuing this notice pursuant to 15 CFR 325.6(b), which requires the Secretary of Commerce to publish a summary of the certification in the **Federal Register**.

Under Section 305(a) of the Act and 15 CFR 325.11(a), any person aggrieved by the Secretary's determination may, within 30 days of the date of this notice, bring an action in any appropriate district court of the United States to set aside the determination on the ground that the determination is erroneous.

Description of Certified Conduct

FCE's Export Trade Certificate of Review has been amended to add the following Member of the Certificate within the meaning of section 325.2(1) of the Regulations (15 CFR 325.2(1)): Egan Fruit Packing, LLC.

FCE's Export Trade Certificate of Review Membership, as amended, is listed below:

Egan Fruit Packing, LLC, Ft. Pierce, Florida
Golden River Fruit Co., Vero Beach, Florida
Hogan and Sons, Inc., Vero Beach, Florida
Indian River Exchange Packers, Inc., Vero Beach, Florida
Leroy E. Smith's Sons, Inc., Vero Beach, Florida
The Packers of Indian River, Ltd., Ft. Pierce, Florida
Premier Citrus Marketing, LLC, Vero Beach, Florida
River One International Marketing, Inc., Vero Beach, Florida
Riverfront Packing Co. LLC, Vero Beach, Florida
Seald Sweet LLC, Vero Beach, Florida

The effective date of the amended certificate is April 17, 2018, the date on which FCE's application to amend was deemed submitted.

Dated: October 10, 2018.

Joseph Flynn,

Director, Office of Trade and Economic Analysis, International Trade Administration, U.S. Department of Commerce.

[FR Doc. 2018–22417 Filed 10–15–18; 8:45 am]

BILLING CODE 3510–DR–P

DEPARTMENT OF COMMERCE

International Trade Administration

[C–570–094]

Refillable Stainless Steel Kegs From the People's Republic of China: Initiation of Countervailing Duty Investigation

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

DATES: Applicable October 10, 2018.

FOR FURTHER INFORMATION CONTACT: Nicholas Czajkowski or Robert Brown at (202) 482–1395 or (202) 482–3702, respectively, AD/CVD Operations, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230.

SUPPLEMENTARY INFORMATION:

The Petition

On September 20, 2018, the U.S. Department of Commerce (Commerce) received a countervailing duty petition (CVD Petition) concerning imports of refillable stainless steel kegs (kegs) from the People's Republic of China (China), filed in proper form on behalf of the American Keg Company LLC (the petitioner), a domestic producer of kegs.[1] The CVD Petition was accompanied by antidumping duty (AD) petitions concerning imports of kegs from China, Germany, and Mexico.

On September 25, 2018, Commerce requested supplemental information pertaining to certain aspects of the Petition in two separate supplemental questionnaires, one addressing the programs alleged as countervailable subsidies, and one primarily addressing scope clarification issues.[2] The petitioner filed additional information on September 27, 2018.[3]

In accordance with section 702(b)(1) of the Tariff Act of 1930, as amended (the Act), the petitioner alleges that the Government of China (GOC) is providing countervailable subsidies, within the meaning of sections 701 and 771(5) of the Act, to producers of kegs in China and that imports of such products are materially injuring, or threatening material injury to, the domestic kegs industry in the United States. Consistent with section 702(b)(1) of the Act and 19 CFR 351.202(b), for those alleged programs on which we are initiating a CVD investigation, the Petition is accompanied by information reasonably available to the petitioner supporting its allegations.

Commerce finds that the petitioner filed the Petition on behalf of the domestic industry because the petitioner is an interested party as defined in section 771(9)(E) of the Act. Commerce also finds that the petitioner demonstrated sufficient industry support necessary for the initiation of the requested CVD investigation.[4]

Period of Investigation

Because the Petition was filed on September 20, 2018, the period of investigation is January 1, 2017, through December 31, 2017.

Scope of the Investigation

The product covered by this investigation is kegs from China. For a full description of the scope of these investigations, *see* the Appendix to this notice.

Comments on the Scope of the Investigation

During our review of the Petition, we contacted the petitioners regarding the proposed scope to ensure that the scope language in the Petitions is an accurate reflection of the products for which the domestic industry is seeking relief.[5] As a result, the scope of the Petitions was modified to clarify the description of merchandise covered by the Petitions. The description of the merchandise covered by these investigations, as described in the Appendix to this notice, reflects these clarifications.

As discussed in the Preamble to Commerce's regulations, we are setting aside a period for interested parties to raise issues regarding product coverage (scope).[6] Commerce will consider all comments received from interested parties and, if necessary, will consult with interested parties prior to the issuance of the preliminary determination. If scope comments include factual information,[7] all such factual information should be limited to public information. To facilitate preparation of its questionnaires, Commerce requests that all interested parties submit such comments by 5:00 p.m. Eastern Time (ET) on October 30, 2018, which is 20 calendar days from the signature date of this notice. Any

[1] *See* the petitioner's letter, ''Petitions for the Imposition of Antidumping Duties on Imports of Refillable Stainless Steel Kegs from Germany, Mexico, and the People's Republic Of China and Countervailing Duties on Imports of Refillable Stainless Steel Kegs from the People's Republic Of China,'' dated September 20, 2018 (the Petition).

[2] *See* Commerce's Letters titled ''Petition for the Imposition of Countervailing Duties on Imports of Refillable Stainless Steel Kegs from the People's Republic of China: Supplemental Questions,'' and ''Petitions for the Imposition of Antidumping Duties on Imports of Refillable Stainless Steel Kegs from the People's Republic of China, the Federal Republic of Germany, and Mexico, and Countervailing Duty Imports from the People's Republic of China: Supplemental Questions,'' both dated September 25, 2018.

[3] *See* the petitioner's Letter, ''Supplement to the Petition for the Imposition of Countervailing Duties on Imports of Refillable Stainless Steel Kegs from China: Response to the Department's Supplemental Questions,'' dated September 27, 2018 (Supplement).

[4] *See* the ''Determination of Industry Support for the Petition'' section, *infra.*

[5] *See* Supplement at ''General Issues Questionnaire'' section (General Issues Supplement) at 1–9; *see also* Revised Scope, at Exhibit 1.

[6] *See Antidumping Duties; Countervailing Duties, Final Rule,* 62 FR 27296, 27323 (May 19, 1997) (Preamble).

[7] *See* 19 CFR 351.102(b)(21) (defining ''factual information'').

rebuttal comments, which may include factual information, must be filed by 5:00 p.m. ET on November 9, 2018, which is 10 calendar days from the initial comments deadline.[8]

Commerce requests that any factual information parties consider relevant to the scope of the investigation be submitted during this period. However, if a party subsequently finds that additional factual information pertaining to the scope of the investigation may be relevant, the party may contact Commerce and request permission to submit the additional information. All such submissions must be filed on the records of the concurrent AD and CVD investigations.

Filing Requirements

All submissions to Commerce must be filed electronically using Enforcement and Compliance's Antidumping Duty and Countervailing Duty Centralized Electronic Service System (ACCESS).[9] An electronically filed document must be received successfully in its entirety by the time and date it is due. Documents exempted from the electronic submission requirements must be filed manually (*i.e.,* in paper form) with Enforcement and Compliance's APO/Dockets Unit, Room 18022, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230, and stamped with the date and time of receipt by the applicable deadlines.

Consultations

Pursuant to sections 702(b)(4)(A)(i) and (ii) of the Act, Commerce notified representatives of the GOC of the receipt of the Petition and provided them the opportunity for consultations with respect to the CVD Petition.[10] The GOC did not request consultations.

Determination of Industry Support for the Petition

Section 702(b)(1) of the Act requires that a petition be filed on behalf of the domestic industry. Section 702(c)(4)(A) of the Act provides that a petition meets this requirement if the domestic producers or workers who support the petition account for: (i) At least 25 percent of the total production of the domestic like product; and (ii) more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the petition. Moreover, section 702(c)(4)(D) of the Act provides that, if the petition does not establish support of domestic producers or workers accounting for more than 50 percent of the total production of the domestic like product, Commerce shall: (i) Poll the industry or rely on other information in order to determine if there is support for the petition; or (ii) if there is a large number of producers in the domestic industry, determine industry support using any statistically valid sampling method to poll the ''industry.''

Section 771(4)(A) of the Act defines the ''industry'' as the producers as a whole of a domestic like product. Thus, to determine whether a petition has the requisite industry support, the statute directs Commerce to look to producers and workers who produce the domestic like product. The International Trade Commission (ITC), which is responsible for determining whether ''the domestic industry'' has been injured, must also determine what constitutes a domestic like product in order to define the industry. While both Commerce and the ITC must apply the same statutory definition regarding the domestic like product,[11] they do so for different purposes and pursuant to a separate and distinct authority. In addition, Commerce's determination is subject to limitations of time and information. Although this may result in different definitions of the like product, such differences do not render the decision of either agency contrary to law.[12]

Section 771(10) of the Act defines the domestic like product as ''a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this title.'' Thus, the reference point from which the domestic like product analysis begins is ''the article subject to an investigation'' (*i.e.,* the class or kind of merchandise to be investigated, which normally will be the scope as defined in the petition).

With regard to the domestic like product, the petitioner does not offer a definition of the domestic like product distinct from the scope of the investigation.[13] Based on our analysis of the information submitted on the record, we have determined that kegs, as defined in the scope, constitute a single domestic like product, and we have analyzed industry support in terms of that domestic like product.[14]

In determining whether the petitioner has standing under section 702(c)(4)(A) of the Act, we considered the industry support data contained in the Petition with reference to the domestic like product as defined in the ''Scope of the Investigation,'' in the Appendix to this notice. To establish industry support, the petitioner provided its own production of the domestic like product in 2017.[15] The petitioner states that there are no other known producers of kegs in the United States; therefore, the Petition is supported by 100 percent of the U.S. industry.[16]

Our review of the data provided in the Petition, the General Issues Supplement, and other information readily available to Commerce indicates that the petitioner has established industry support for the Petition.[17] First, the Petition established support from domestic producers (or workers) accounting for more than 50 percent of the total production of the domestic like product and, as such, Commerce is not required to take further action in order to evaluate industry support (*e.g.,* polling).[18] Second, the domestic producers (or workers) have met the statutory criteria for industry support under section 702(c)(4)(A)(i) of the Act because the domestic producers (or workers) who support the Petition account for at least 25 percent of the total production of the domestic like product.[19] Finally, the domestic

[8] *See* 19 CFR 351.303(b).

[9] *See Antidumping and Countervailing Duty Proceedings: Electronic Filing Procedures; Administrative Protective Order Procedures,* 76 FR 39263 (July 6, 2011). *See also Enforcement and Compliance: Change of Electronic Filing System Name,* 79 FR 69046 (November 20, 2014) for details of Commerce's electronic filing requirements, which went into effect on August 5, 2011. Information on help using ACCESS can be found at *https://access.trade.gov/help.aspx,* and a handbook can be found at *https://access.trade.gov/help/Handbook%20on%20Electronic%20Filling%20Procedures.pdf.*

[10] *See* Commerce's Letter, ''Countervailing Duty Petition on Refillable Stainless Steel Kegs from the People's Republic of China,'' dated September 21, 2018.

[11] *See* section 771(10) of the Act.

[12] *See USEC, Inc.* v. *United States,* 132 F. Supp. 2d 1, 8 (CIT 2001) (citing *Algoma Steel Corp., Ltd.* v. *United States,* 688 F. Supp. 639, 644 (CIT 1988), *aff'd* 865 F.2d 240 (Fed. Cir. 1989)).

[13] *See* Volume I of the Petition, at 33–36.

[14] For a discussion of the domestic like product analysis as applied to this case and information regarding industry support, *see* Countervailing Duty Investigation Initiation Checklist: Refillable Stainless Steel Kegs from the People's Republic of China (China CVD Initiation Checklist), at Attachment II, Analysis of Industry Support for the Antidumping and Countervailing Duty Petitions Covering Refillable Stainless Steel Kegs from the People's Republic of China, the Federal Republic of Germany, and Mexico (Attachment II). This checklist is dated concurrently with this notice and on file electronically via ACCESS. Access to documents filed via ACCESS is also available in the Central Records Unit, Room B8024 of the main Department of Commerce building.

[15] *See* Volume I of the Petition at 49 and 51.

[16] *Id.* at 5–6 and Exhibit GEN–10; *see also* General Issues Supplement, at 10–18 and Exhibit SUPP–GEN–6.

[17] *Id.*

[18] *Id.; see also* section 702(c)(4)(D) of the Act.

[19] *See* China CVD Initiation Checklist, at Attachment II.

producers (or workers) have met the statutory criteria for industry support under section 702(c)(4)(A)(ii) of the Act because the domestic producers (or workers) who support the Petition account for more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the Petition.[20] Accordingly, Commerce determines that the Petition was filed on behalf of the domestic industry within the meaning of section 702(b)(1) of the Act.

Commerce finds that the petitioner filed the Petition on behalf of the domestic industry because it is an interested party as defined in section 771(9)(C) of the Act, and it has demonstrated sufficient industry support with respect to the CVD investigation that it is requesting that Commerce initiate.[21]

Injury Test

Because China is a ''Subsidies Agreement Country'' within the meaning of section 701(b) of the Act, section 701(a)(2) of the Act applies to this investigation. Accordingly, the ITC must determine whether imports of the subject merchandise from China materially injure, or threaten material injury to, a U.S. industry.

Allegations and Evidence of Material Injury and Causation

The petitioner alleges that imports of the subject merchandise are benefitting from countervailable subsidies and that such imports are causing, or threaten to cause, material injury to the U.S. industry producing the domestic like product. In addition, the petitioner alleges that subject imports exceed the negligibility threshold provided for under section 771(24)(A) of the Act.[22]

The petitioner contends that the industry's injured condition is illustrated by a significant volume of subject imports and an increasing share of subject imports relative to total imports; underselling and price depression or suppression; recent declines in production and capacity utilization; negative impact on the domestic industry's investment, cash flows, and inventories; decline in the domestic industry's financial performance; and lost sales and revenues.[23] We have assessed the allegations and supporting evidence regarding material injury, threat of material injury, causation, as well as cumulation, and we have determined that these allegations are properly supported by adequate evidence, and meet the statutory requirements for initiation.[24]

Initiation of CVD Investigation

Based on the examination of the Petition, we find that the Petition meets the requirements of section 702 of the Act. Therefore, we are initiating a CVD investigation to determine whether imports of kegs from China benefit from countervailable subsidies conferred by the GOC. In accordance with section 703(b)(1) of the Act and 19 CFR 351.205(b)(1), unless postponed, we will make our preliminary determination no later than 65 days after the date of this initiation.

Based on our review of the Petition, we find that there is sufficient information to initiate a CVD investigation on 21 of the 24 subsidy programs alleged in the petition. For a full discussion of the basis for our decision to initiate or not on each program, *see* China CVD Initiation Checklist. A public version of the initiation checklist for this investigation is available on ACCESS.

Respondent Selection

The petitioner named 26 producers/exporters as accounting for the majority of exports of kegs to the United States from China.[25] In the event Commerce determines that the number of companies is large and it cannot individually examine each company based upon Commerce's resources, where appropriate, Commerce intends to select mandatory respondents based on quantity and value (Q&V) questionnaires issued to potential respondents. Commerce normally selects mandatory respondents in a CVD investigation using U.S. Customs and Border Protection (CBP) entry data. However, for this investigation, the Harmonized Tariff Schedule of the United States (HTSUS) numbers under which the subject merchandise would enter (7310.10.0010, 7310.10.0050, 7310.29.0025, and 7310.29.0050) are basket categories containing a wide variety of manufactured steel products unrelated to kegs. We, therefore, cannot rely on CBP entry data in selecting respondents. We instead intend to issue Q&V questionnaires to each potential respondent, for which the petitioner has provided a complete address. Commerce will post the Q&V questionnaire along with the filing instructions on the Enforcement and Compliance website at *http://trade.gov/enforcement/news.asp.*

Exporters and producers of kegs from China that do not receive Q&V questionnaires by mail may still submit a response to the Q&V questionnaire and can obtain a copy of the Q&V questionnaire from the Enforcement and Compliance website, at the URL given above. Responses to the Q&V questionnaire must be submitted by the relevant Chinese exporters/producers no later than 5:00 p.m. ET on October 24, 2018, which is two weeks from the signature date of this notice. All Q&V responses must be filed electronically via ACCESS. We intend to finalize our decisions regarding respondent selection within 20 days of publication of this notice.

Interested parties must submit applications for disclosure under APO in accordance with 19 CFR 351.305(b). Instructions for filing such applications may be found on the Commerce's website at *http://enforcement.trade.gov/apo.*

Distribution of Copies of the Petition

In accordance with section 702(b)(4)(A)(i) of the Act and 19 CFR 351.202(f), copies of the public version of the Petition have been provided to the GOC *via* ACCESS. To the extent practicable, we will attempt to provide a copy of the public version of the Petition to each exporter named in the Petitions, as provided under 19 CFR 351.203(c)(2).

ITC Notification

We will notify the ITC of our initiation, as required by section 702(d) of the Act.

Preliminary Determinations by the ITC

The ITC will preliminarily determine, within 45 days after the date on which the Petition was filed, whether there is a reasonable indication that imports of kegs from China are materially injuring, or threatening material injury to, a U.S. industry.[26] A negative ITC determination will result in the investigation being terminated.[27] Otherwise, this investigation will proceed according to statutory and regulatory time limits.

[20] *Id.*

[21] *Id.*

[22] *See* Volume I of the Petition, at 37–38.

[23] *Id.* at 23–33, 37–53, and Exhibit GEN–35; *see also* General Issues Supplement, at 18–33 and Exhibit SUPP GEN–7.

[24] *See* China CVD Initiation Checklist, at Attachment III, Analysis of Allegations and Evidence of Material Injury and Causation for the Antidumping and Countervailing Duty Petitions Covering Refillable Stainless Steel Kegs from the People's Republic of China, the Federal Republic of Germany, and Mexico (Attachment III).

[25] *See* Volume I of the Petition at Exhibit GEN–23.

[26] *See* section 703(a)(2) of the Act.

[27] *See* section 703(a)(1) of the Act.

Submission of Factual Information

Factual information is defined in 19 CFR 351.102(b)(21) as: (i) Evidence submitted in response to questionnaires; (ii) evidence submitted in support of allegations; (iii) publicly available information to value factors under 19 CFR 351.408(c) or to measure the adequacy of remuneration under 19 CFR 351.511(a)(2); (iv) evidence placed on the record by Commerce; and (v) evidence other than factual information described in (i)–(iv). 19 CFR 351.301(b) requires any party, when submitting factual information, to specify under which subsection of 19 CFR 351.102(b)(21) the information is being submitted [28] and, if the information is submitted to rebut, clarify, or correct factual information already on the record, to provide an explanation identifying the information already on the record that the factual information seeks to rebut, clarify, or correct.[29] Time limits for the submission of factual information are addressed in 19 CFR 351.301, which provides specific time limits based on the type of factual information being submitted. Interested parties should review the regulations prior to submitting factual information in these investigations.

Extensions of Time Limits

Parties may request an extension of time limits before the expiration of a time limit established under 19 CFR 351.301, or as otherwise specified by the Secretary. In general, an extension request will be considered untimely if it is filed after the expiration of the time limit established under 19 CFR 351.301. For submissions that are due from multiple parties simultaneously, an extension request will be considered untimely if it is filed after 10:00 a.m. ET on the due date. Under certain circumstances, we may elect to specify a different time limit by which extension requests will be considered untimely for submissions which are due from multiple parties simultaneously. In such a case, we will inform parties in the letter or memorandum setting forth the deadline (including a specified time) by which extension requests must be filed to be considered timely. An extension request must be made in a separate, stand-alone submission; under limited circumstances we will grant untimely-filed requests for the extension of time limits. Parties should review *Extension of Time Limits; Final Rule,* 78 FR 57790 (September 20, 2013), available at *http://www.gpo.gov/fdsys/pkg/FR-2013-09-20/html/2013-22853.htm,* prior to submitting factual information in these investigations.

Certification Requirements

Any party submitting factual information in an AD or CVD proceeding must certify to the accuracy and completeness of that information.[30] Parties must use the certification formats provided in 19 CFR 351.303(g).[31] Commerce intends to reject factual submissions if the submitting party does not comply with the applicable certification requirements.

Notification to Interested Parties

Interested parties must submit applications for disclosure under APO in accordance with 19 CFR 351.305. On January 22, 2008, Commerce published *Antidumping and Countervailing Duty Proceedings: Documents Submission Procedures; APO Procedures,* 73 FR 3634 (January 22, 2008). Parties wishing to participate in this investigation should ensure that they meet the requirements of these procedures (*e.g.,* the filing of letters of appearance as discussed at 19 CFR 351.103(d)).

This notice is issued and published pursuant to sections 702 and 777(i) of the Act and 19 CFR 351.203(c).

Dated: October 10, 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

Scope of the Investigation

The merchandise covered by this investigation are kegs, vessels, or containers that are approximately cylindrical in shape, made from stainless steel (*i.e.,* steel containing at least 10.5 percent chromium by weight and less than 1.2 percent carbon by weight, with or without other elements), and that are compatible with a ''D Sankey'' extractor (commonly known as a ''D Coupler'' or ''Sankey'') (refillable stainless steel kegs) with a nominal liquid volume capacity of 10 liters or more, regardless of the type of finish, gauge, thickness, or grade of stainless steel, and whether or not covered by or encased in other materials. Refillable stainless steel kegs may be imported assembled or unassembled, with or without all components (including spears, couplers or taps, necks, collars, and valves), and be filled or unfilled.

''Unassembled'' or ''unfinished'' refillable stainless steel kegs include drawn stainless steel cylinders that have been welded to form the body of the keg and welded to an upper (top) chime and/or lower (bottom) chime. Unassembled refillable stainless steel kegs may or may not be welded to a neck, may or may not have a valve assembly attached, and may be otherwise complete except for testing, certification, and/or marking.

Subject merchandise also includes refillable stainless steel kegs that have been further processed in a third country, including but not limited to, attachment of necks, collars, spears or valves, heat treatment, pickling, passivation, painting, testing, certification or any other processing that would not otherwise remove the merchandise from the scope of the investigation if performed in the country of manufacture of the in-scope refillable stainless steel keg.

Specifically excluded are the following:

(1) Vessels or containers that are not approximately cylindrical in nature (*e.g.,* box, ''hopper'' or ''cone'' shaped vessels);

(2) stainless steel kegs, vessels, or containers that have either a ''ball lock'' valve system or a ''pin lock'' valve system (commonly known as ''Cornelius,'' ''corny'' or ''ball lock'' kegs);

(3) necks, spears, couplers or taps, collars, and valves that are not imported with the subject merchandise; and

(4) stainless steel kegs that are filled with beer, wine, or other liquid and that are designated by the Commissioner of Customs as Instruments of International Traffic within the meaning of section 332(a) of the *Tariff Act of 1930,* as amended.

The merchandise covered by this investigation are currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under subheadings 7310.10.0010, 7310.00.0050, 7310.29.0025, and 7310.29.0050.

These HTSUS subheadings are provided for convenience and customs purposes; the written description of the scope of this investigation is dispositive.

[FR Doc. 2018–22483 Filed 10–15–18; 8:45 am]

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[28] *See* 19 CFR 351.301(b).

[29] *See* 19 CFR 351.301(b)(2).

[30] *See* section 782(b) of the Act.

[31] *See Certification of Factual Information to Import Administration During Antidumping and Countervailing Duty Proceedings,* 78 FR 42678 (July 17, 2013) (''*Final Rule*''); *see also* frequently asked questions regarding the *Final Rule,* available at *http://enforcement.trade.gov/tlei/notices/factual_info_final_rule_FAQ_07172013.pdf.*

DEPARTMENT OF COMMERCE

International Trade Administration

[A–570–093, A–428–846, A–201–849]

Refillable Stainless Steel Kegs From the People's Republic of China, the Federal Republic of Germany, and Mexico: Initiation of Less-Than-Fair-Value Investigations

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

DATES: Applicable October 10, 2018.

FOR FURTHER INFORMATION CONTACT: Thomas Schauer at (202) 482–0410 and Aimee Phelan at (202) 482–0697 (the

People's Republic of China (China)); Michael A. Romani (202) 482–0198 and Andre Gziryan (202) 482–2201 (the Federal Republic of Germany (Germany)); and, Allison Hollander (202) 482–2805 (Mexico); AD/CVD Operations, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230.

SUPPLEMENTARY INFORMATION:

The Petitions

On September 20, 2018, the U.S. Department of Commerce (Commerce) received antidumping duty (AD) Petitions concerning imports of refillable stainless steel kegs (kegs) from China, Germany, and Mexico, filed in proper form on behalf of the American Keg Company LLC (the petitioner), a domestic producer of kegs.[1] The AD Petitions were accompanied by a countervailing duty (CVD) Petition concerning imports of kegs from China.[2]

From September 25, to October 1, 2018, we requested information from the petitioner pertaining to the scope of the investigations and certain allegations contained within the petitions.[3] The petitioner supplemented the record in response to these requests.[4]

In accordance with section 732(b) of the Tariff Act of 1930, as amended (the Act), the petitioner alleges that imports of kegs from China, Germany, and Mexico are being, or are likely to be, sold in the United States at less than fair value within the meaning of section 731 of the Act, and that such imports are materially injuring, or threatening material injury to, the domestic industry producing kegs in the United States. Consistent with section 732(b)(1) of the Act, the Petitions are accompanied by information reasonably available to the petitioner supporting its allegations.

Commerce finds that the petitioner filed the Petitions on behalf of the domestic industry because the petitioner is an interested party as defined in section 771(9)(C) of the Act. Commerce also finds that the petitioner demonstrated sufficient industry support with respect to the initiation of the AD investigations that the petitioner is requesting.[5]

Period of Investigations

Because the Petitions were filed on September 20, 2018, pursuant to 19 CFR 351.204(b)(1), the period of investigation (POI) for the Germany and Mexico investigations is July 1, 2017, through June 30, 2018. Because China is a non-market economy (NME) country, pursuant to 19 CFR 351.204(b)(1), the POI is January 1, 2018, through June 30, 2018.

Scope of the Investigations

The product covered by these investigations are kegs from China, Germany, and Mexico. For a full description of the scope of these investigations, *see* the Appendix to this notice.

Comments on Scope of the Investigations

During our review of the Petitions, we contacted the petitioners regarding the proposed scope to ensure that the scope language in the Petitions is an accurate reflection of the products for which the domestic industry is seeking relief.[6] As a result, the scope of the Petitions was modified to clarify the description of merchandise covered by the Petitions. The description of the merchandise covered by these investigations, as described in the Appendix to this notice, reflects these clarifications.

As discussed in the preamble to Commerce's regulations, we are setting aside a period for interested parties to raise issues regarding product coverage (scope).[7] Commerce will consider all comments received from interested parties and, if necessary, will consult with interested parties prior to the issuance of the preliminary determinations. If scope comments include factual information,[8] all such factual information should be limited to public information. To facilitate preparation of its questionnaires, Commerce requests that all interested parties submit scope comments by 5:00 p.m. Eastern Time (ET) on October 30, 2018, which is 20 calendar days from the signature date of this notice.[9] Any rebuttal comments, which may include factual information, must be filed by 5:00 p.m. ET on November 9, 2018, which is 10 calendar days from the initial comments deadline.

Commerce requests that any factual information parties consider relevant to the scope of the investigations be submitted during this period. However, if a party subsequently finds that additional factual information pertaining to the scope of the investigations may be relevant, the party may contact Commerce and request permission to submit the additional

[1] *See* the petitioner's Letter, ''Petitions for the Imposition of Antidumping Duties on Imports of Refillable Stainless Steel Kegs from Germany, Mexico, and the People's Republic of China and Countervailing Duties on Imports of Refillable Stainless Steel Kegs from the People's Republic of China,'' dated June 20, 2018 (Petitions).

[2] *See* the Petitions at Volume V.

[3] *See* Commerce Letter, ''Petition for the Imposition of Antidumping Duties on Imports of Refillable Stainless Steel Kegs from the People's Republic of China, the Federal Republic of Germany, and Mexico: Supplemental Questions,'' dated September 25, 2018; and, ''Petitions for the Imposition of Antidumping Duties on Imports of Refillable Stainless Steel Kegs from the People's Republic of China, the Federal Republic of Germany, and Mexico, and Countervailing Duty Imports from the People's Republic of China: Supplemental Questions,'' dated September 25, 2018. *See also,* Commerce Letters including a questionnaire as an addenda thereto both titled ''Petitions for the Imposition of Antidumping Duties on Imports of Refillable Stainless Steel Kegs from the People's Republic of China: Supplemental Questions,'' dated September 25 and 26, 2018, respectively; ''Petition for the Imposition of Antidumping Duties on Imports of Refillable Stainless Steel Kegs from Germany: Supplemental Questions,'' dated September 25, 2018; and, Commerce Letters including a questionnaire as an addenda thereto both titled ''Petitions for the Imposition of Antidumping Duties on Imports of Refillable Stainless Steel Kegs from the People's Republic of Mexico: Supplemental Questions,'' dated September 25 and 26, 2018, respectively. *See also* Commerce Memoranda, ''Petition for the Imposition of Antidumping Duties on Imports of Refillable Stainless Steel Kegs from the People's Republic of China: Phone Call with the Counsel for the Petitioner,'' dated October 1, 2018; ''Petition for the Imposition of Antidumping Duties on Imports of Refillable Stainless Steel Kegs from the Federal Republic of Germany: Phone Call with the Counsel for the Petitioner,'' dated October 1, 2018; and, ''Petition for the Imposition of Antidumping Duties on Imports of Refillable Stainless Steel Kegs from Mexico: Phone Call with the Counsel for the Petitioner,'' dated October 1, 2018.

[4] *See* the petitioner's Letters, ''Supplement to the Petition for the Imposition of Antidumping Duties on Imports of Refillable Stainless Steel Kegs from China: Resubmission of Response to the Department's Supplemental Questions,'' dated September 27, 2018; and, ''Supplement to the Petition for the Imposition of Antidumping Duties on Imports of Refillable Stainless Steel Kegs from Mexico and Germany: Resubmission of Response to the Department's Supplemental Questions,'' dated September 28, 2018 (General Issues Supplement). *See also* the petitioner's Letters, ''Supplement to the Petition for the Imposition of Antidumping Duties on Imports of Refillable Stainless Steel Kegs from China: Resubmission of Response to the Department's Supplemental Questions,'' dated October 2, 2018; ''Supplement to the Petition for the Imposition of Antidumping Duties on Imports of Refillable Stainless Steel Kegs from Germany: Resubmission of Response to the Department's Supplemental Questions,'' dated October 2, 2018; and, ''Supplement to the Petition for the Imposition of Antidumping Duties on Imports of Refillable Stainless Steel Kegs from Mexico: Resubmission of Response to the Department's Supplemental Questions,'' dated October 2, 2018.

[5] *See* the ''Determination of Industry Support for the Petition'' section, *infra.*

[6] *See* General Issues Supplement, at 1–9; *see also* Revised Scope, at Exhibit 1.

[7] *See Antidumping Duties; Countervailing Duties, Final Rule,* 62 FR 27296, 27323 (May 19, 1997).

[8] *See* 19 CFR 351.102(b)(21) (defining ''factual information''). *See also* the petitioner's Letter, ''Supplement to the Petition for the Imposition of Antidumping Duties on Imports of Refillable Stainless Steel kegs from China: Response to the Department's Supplemental Questions,'' dated September 27, 2018, at General Issues—1.

[9] *See* 19 CFR 351.303(b).

information. All such submissions must be filed on the records of the concurrent AD and CVD investigations.

Filing Requirements

All submissions to Commerce must be filed electronically using Enforcement and Compliance's Antidumping Duty and Countervailing Duty Centralized Electronic Service System (ACCESS).[10] An electronically filed document must be received successfully in its entirety by the time and date it is due. Documents exempted from the electronic submission requirements must be filed manually (*i.e.,* in paper form) with Enforcement and Compliance's APO/Dockets Unit, Room 18022, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230, and stamped with the date and time of receipt by the applicable deadlines.

Comments on Product Characteristics for AD Questionnaires

Commerce is providing interested parties an opportunity to comment on the appropriate physical characteristics of kegs to be reported in response to Commerce's AD questionnaires. This information will be used to identify the key physical characteristics of the subject merchandise in order to report the relevant factors of production accurately, as well as, to develop appropriate product-comparison criteria.

Interested parties may provide any information or comments that they feel are relevant to the development of an accurate list of physical characteristics. Specifically, they may provide comments as to which characteristics are appropriate to use as: (1) General product characteristics, and (2) product comparison criteria. We note that it is not always appropriate to use all product characteristics as product comparison criteria. We base product comparison criteria on meaningful commercial differences among products. In other words, although there may be some physical product characteristics utilized by manufacturers to describe kegs, it may be that only a select few product characteristics take into account commercially meaningful physical characteristics. In addition, interested parties may comment on the order in which the physical characteristics should be used in matching products. Generally, Commerce attempts to list the most important physical characteristics first and the least important characteristics last.

In order to consider the suggestions of interested parties in developing and issuing the AD questionnaires, all product characteristics comments must be filed by 5:00 p.m. ET on October 30, 2018, which is 20 calendar days from the signature date of this notice.[11] Any rebuttal comments must be filed by 5:00 p.m. ET on November 9, 2018. All comments and submissions to Commerce must be filed electronically using ACCESS, as explained above, on the record of each of the AD investigations.

Determination of Industry Support for the Petitions

Section 732(b)(1) of the Act requires that a petition be filed on behalf of the domestic industry. Section 732(c)(4)(A) of the Act provides that a petition meets this requirement if the domestic producers or workers who support the petition account for: (i) At least 25 percent of the total production of the domestic like product; and (ii) more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the petition. Moreover, section 732(c)(4)(D) of the Act provides that, if the petition does not establish support of domestic producers or workers accounting for more than 50 percent of the total production of the domestic like product, Commerce shall: (i) Poll the industry or rely on other information in order to determine if there is support for the petition, as required by subparagraph (A); or (ii) determine industry support using a statistically valid sampling method to poll the ''industry.''

Section 771(4)(A) of the Act defines the ''industry'' as the producers as a whole of a domestic like product. Thus, to determine whether a petition has the requisite industry support, the statute directs Commerce to look to producers and workers who produce the domestic like product. The International Trade Commission (ITC), which is responsible for determining whether ''the domestic industry'' has been injured, must also determine what constitutes a domestic like product in order to define the industry. While both Commerce and the ITC must apply the same statutory definition regarding the domestic like product,[12] they do so for different purposes and pursuant to a separate and distinct authority. In addition, Commerce's determination is subject to limitations of time and information. Although this may result in different definitions of the like product, such differences do not render the decision of either agency contrary to law.[13]

Section 771(10) of the Act defines the domestic like product as ''a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this title.'' Thus, the reference point from which the domestic like product analysis begins is ''the article subject to an investigation'' (*i.e.,* the class or kind of merchandise to be investigated, which normally will be the scope as defined in the petitions).

With regard to the domestic like product, the petitioner does not offer a definition of the domestic like product distinct from the scope of the investigations.[14] Based on our analysis of the information submitted on the record, we have determined that kegs, as defined in the scope, constitute a single domestic like product, and we have analyzed industry support in terms of that domestic like product.[15]

In determining whether the petitioner has standing under section 732(c)(4)(A) of the Act, we considered the industry support data contained in the Petitions with reference to the domestic like product as defined in the ''Scope of the Investigation,'' in the Appendix to this notice. To establish industry support, the petitioner provided its own production of the domestic like product in 2017.[16] The petitioner states that there are no other known producers of kegs in the United States; therefore, the

[10] *See Antidumping and Countervailing Duty Proceedings: Electronic Filing Procedures; Administrative Protective Order Procedures,* 76 FR 39263 (July 6, 2011); *see also Enforcement and Compliance; Change of Electronic Filing System Name,* 79 FR 69046 (November 20, 2014) for details of Commerce's electronic filing requirements, effective August 5, 2011. Information on help using ACCESS can be found at *https://access.trade.gov/help.aspx* and a handbook can be found at *https://access.trade.gov/help/Handbook%20on%20Electronic%20Filling%20Procedures.pdf.*

[11] *See* 19 CFR 351.303(b).

[12] *See* section 771(10) of the Act.

[13] *See USEC, Inc.* v. *United States,* 132 F. Supp. 2d 1, 8 (CIT 2001) (citing *Algoma Steel Corp., Ltd.* v. *United States,* 688 F. Supp. 639, 644 (CIT 1988), *aff'd* 865 F.2d 240 (Fed. Cir. 1989)).

[14] *See* Volume I of the Petitions, at 33–36.

[15] For a discussion of the domestic like product analysis as applied to this case and information regarding industry support, *see* Antidumping Duty Investigation Initiation Checklists: Refillable Stainless Steel Kegs from the People's Republic of China (China AD Initiation Checklist); Refillable Stainless Steel Kegs from the Federal Republic of Germany (Germany AD Initiation Checklist); and, Refillable Stainless Steel Kegs from Mexico (Mexico AD Initiation Checklist), at Attachment II, ''Analysis of Industry Support for the Antidumping and Countervailing Duty Petitions Covering Refillable Stainless Steel Kegs from the People's Republic of China, the Federal Republic of Germany, and Mexico'' (Attachment II). These checklists are dated concurrently with this notice and are on file electronically via ACCESS. Access to documents filed via ACCESS is also available in the Central Records Unit, Room B8024 of the main Department of Commerce building.

[16] *See* Volume I of the Petitions, at 49 and 51.

Petitions are supported by 100 percent of the U.S. industry.[17]

Our review of the data provided in the Petitions, the General Issues Supplement, and other information readily available to Commerce indicates that the petitioner has established industry support for the Petitions.[18] First, the Petitions established support from domestic producers (or workers) accounting for more than 50 percent of the total production of the domestic like product and, as such, Commerce is not required to take further action in order to evaluate industry support (*e.g.,* polling).[19] Second, the domestic producers (or workers) have met the statutory criteria for industry support under section 732(c)(4)(A)(i) of the Act because the domestic producers (or workers) who support the Petitions account for at least 25 percent of the total production of the domestic like product.[20] Finally, the domestic producers (or workers) have met the statutory criteria for industry support under section 732(c)(4)(A)(ii) of the Act because the domestic producers (or workers) who support the Petitions account for more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the Petitions.[21] Accordingly, Commerce determines that the Petitions were filed on behalf of the domestic industry within the meaning of section 732(b)(1) of the Act.

Commerce finds that the petitioner filed the Petitions on behalf of the domestic industry because it is an interested party as defined in section 771(9)(C) of the Act, and it has demonstrated sufficient industry support with respect to the AD investigations that it is requesting that Commerce initiate.[22]

Allegations and Evidence of Material Injury and Causation

The petitioner alleges that the U.S. industry producing the domestic like product is being materially injured, or is threatened with material injury, by reason of the imports of the subject merchandise sold at less than normal value (NV). In addition, the petitioner alleges that subject imports exceed the negligibility threshold provided for under section 771(24)(A) of the Act.[23]

The petitioner contends that the industry's injured condition is illustrated by a significant volume of subject imports and an increasing share of subject imports relative to total imports; underselling and price depression or suppression; recent declines in production and capacity utilization; negative effects on the domestic industry's investment, cash flows, and inventories; decline in the domestic industry's financial performance; and lost sales and revenues.[24] We have assessed the allegations and supporting evidence regarding material injury, threat of material injury, causation, as well as cumulation, and we have determined that these allegations are properly supported by adequate evidence, and meet the statutory requirements for initiation.[25]

Allegations of Sales at Less Than Fair Value

The following is a description of the allegations of sales at less than fair value that are the basis for Commerce's decision to initiate AD investigations of imports of kegs from China, Germany, and Mexico. The sources of data for the deductions and adjustments relating to U.S. price and NV are discussed in greater detail in the country-specific AD Initiation Checklists.

Export Price

For China, the petitioner based U.S. export price (EP) on a price quote for kegs produced in, and exported from China and offered for sale in the United States.[26] For Germany, the petitioner based EP on a price quote for kegs produced in, and exported from, Germany and offered for sale in the United States.[27] For Mexico, the petitioner based EP on the average unit value for exports of kegs from Mexico to the U.S. market using data compiled by Descartes Datamyne.[28] Where appropriate, the petitioner made deductions from U.S. price for foreign brokerage and handling, foreign inland freight, and ocean freight, consistent with the terms of sale as applicable.[29]

Normal Value

For Germany and Mexico, the petitioner was unable to obtain home market or third-country prices for kegs; therefore, the petitioner calculated NV based on constructed value (CV) pursuant to section 773(a)(4) of the Act. *See* the section ''Normal Value Based on Constructed Value'' below.[30]

With respect to China, Commerce considers China to be an NME country.[31] In accordance with section 771(18)(C)(i) of the Act, any determination that a foreign country is an NME country shall remain in effect until revoked by Commerce. Therefore, we continue to treat China as an NME country for purposes of the initiation of this investigation. Accordingly, NV in China is appropriately based on factors of production (FOPs) valued in a surrogate market economy country, in accordance with section 773(c) of the Act.[32] In the course of this investigation, all parties, and the public, will have the opportunity to provide relevant information related to the granting of separate rates to individual exporters.

The petitioner claims that Brazil is an appropriate surrogate country for China because it is a market economy country that is at a level of economic development comparable to that of China and it is a significant producer of comparable merchandise.[33] The petitioner provided publicly available information from Brazil to value all FOPs.[34] Therefore, based on the information provided by the petitioner,

[17] *Id.,* at 5–6 and Exhibit GEN–10; *see also* General Issues Supplement, at 10–18 and Exhibit SUPP–GEN–6.

[18] *Id.*

[19] *Id.; see also* section 732(c)(4)(D) of the Act.

[20] *See* China AD Initiation Checklist, at Attachment II; Germany AD Initiation Checklist, at Attachment II; and Mexico AD Initiation Checklist, at Attachment II.

[21] *Id.*

[22] *Id.*

[23] *See* Volume I of the Petitions, at 37–38.

[24] *Id.* at 23–33, 37–53, and Exhibit GEN–35; *see also* General Issues Supplement, at 18–33 and Exhibit SUPP GEN–7.

[25] *See* China AD Initiation Checklist, at Attachment III, Analysis of Allegations and Evidence of Material Injury and Causation for the Antidumping and Countervailing Duty Petitions Covering Refillable Stainless Steel Kegs from the People's Republic of China, the Federal Republic of Germany, and Mexico (Attachment III); Germany AD Initiation Checklist, at Attachment III; and Mexico AD Initiation Checklist, at Attachment III; China AD Initiation Checklist, at Attachment III.

[26] *See* China AD Initiation Checklist.

[27] *See* Germany AD Initiation Checklist.

[28] *See* Mexico AD Initiation Checklist.

[29] *See* China AD Initiation Checklist, Germany AD Initiation Checklist, and Mexico AD Initiation Checklist.

[30] In accordance with section 505(a) of the Trade Preferences Extension Act of 2015, amending section 773(b)(2) of the Act, for these investigations, Commerce will request information necessary to calculate the CV and cost of production (COP) to determine whether there are reasonable grounds to believe or suspect that sales of the foreign like product have been made at prices that represent less than the COP of the product. Commerce no longer requires a COP allegation to conduct this analysis.

[31] *See Antidumping Duty Investigation of Certain Aluminum Foil from the People's Republic of China: Affirmative Preliminary Determination of Sales at Less-Than-Fair Value and Postponement of Final Determination,* 82 FR 50858, 50861 (November 2, 2017), and accompanying decision memorandum, *China's Status as a Non-Market Economy,* unchanged in *Certain Aluminum Foil from the People's Republic of China: Final Determination of Sales at Less Than Fair Value,* 83 FR 9282 (March 5, 2018).

[32] *See* China AD Initiation Checklist.

[33] *See* Volume II of the Petitions, at 4–5 and Exhibit PRC AD–5.

[34] *Id.* at 5–7 and Exhibits PRC–AD–3 and PRC–AD–9.

we determine that it is appropriate to use Brazil as the primary surrogate country for initiation purposes.

Interested parties will have the opportunity to submit comments regarding surrogate country selection and, pursuant to 19 CFR 351.301(c)(3)(i), will be provided an opportunity to submit publicly available information to value FOPs within 30 days before the scheduled date of the preliminary determination.

Factors of Production

Based on its assertion that information regarding the FOPs and volume of inputs consumed by Chinese producers/exporters of kegs was not reasonably available, the petitioner used its own consumption rates for ½ barrel kegs to estimate the Chinese manufacturers' FOPs.[35] The petitioner valued the estimated FOPs using surrogate values from Brazil reported in U.S. dollars, as noted above.[36] The petitioner calculated factory overhead, SG&A, and profit based on the experience of a Brazilian producer of steel wheels.[37]

Normal Value Based on Constructed Value

For Germany and Mexico, pursuant to section 773(a)(4) of the Act, the petitioner calculated cost of manufacture (COM) using its own input FOPs and usage rates for raw materials, labor, energy, packing, and a scrap offset.[38] The input FOPs were valued using publicly available data on country-specific costs.[39] Specifically, the prices for raw material and packing inputs were based on publicly available import data for Germany and Mexico, respectively.[40] Labor and energy costs were valued using publicly available sources for Germany and Mexico, respectively.[41] The petitioner calculated factory overhead, SG&A, and profit for Germany based on the experience of a German steel producer.[42] The petitioner calculated factory overhead, SG&A, and profit for Mexico based on the experience of a Mexican producer of stainless steel sheets, and steel products.[43]

[35] *See* China AD Initiation Checklist.

[36] *Id.*

[37] *Id.*

[38] *See* section 773(b)(3) of the Act. *See* also Germany AD Initiation Checklist and Mexico AD Checklist.

[39] *See* Germany AD Initiation Checklist and Mexico AD Initiation Checklist.

[40] *Id.*

[41] *Id.*

[42] *Id.*

[43] *See* Germany AD Initiation Checklist and Mexico AD Initiation Checklist.

Fair Value Comparisons

Based on the data provided by the petitioner, there is reason to believe that imports of kegs from China, Germany, and Mexico are being, or are likely to be, sold in the United States at less than fair value. Based on comparisons of EP to NV in accordance with sections 772 and 773 of the Act, the estimated dumping margins for kegs for each of the countries covered by this initiation are as follows: (1) China—204.42 percent;[44] (2) Germany—72.80 percent;[45] and (3) Mexico—18.48 percent.[46]

Initiation of Less-Than-Fair-Value Investigations

Based upon the examination of the Petitions, we find that the Petitions meet the requirements of section 732 of the Act. Therefore, we are initiating AD investigations to determine whether imports of kegs from China, Germany, and Mexico are being, or are likely to be, sold in the United States at less than fair value. In accordance with section 733(b)(1)(A) of the Act and 19 CFR 351.205(b)(1), unless postponed, we will make our preliminary determination no later than 140 days after the date of this initiation.

Respondent Selection

The petitioner identified 26 producers/exporters as accounting for the majority of exports of kegs to the United States from China.[47] In accordance with our standard practice for respondent selection in AD cases involving NME countries, for China we intend to issue quantity and value (Q&V) questionnaires to producers/exporters of merchandise subject to this investigation. In the event Commerce determines that it cannot individually examine each company, where appropriate, Commerce intends to select mandatory respondents based on the responses received to its Q&V questionnaire. Commerce will request Q&V information from known exporters and producers identified with complete contact information in the Petition.

The petitioner identified three and five producers/exporters as accounting for the majority of exports of kegs to the United States from Germany and Mexico, respectively.[48] Following standard practice in AD investigations involving market economy countries, Commerce would normally select respondents based on U.S. Customs and Border Protection (CBP) data for imports under the appropriate HTSUS numbers listed in the scope of the investigations. However, for these investigations, the HTSUS numbers under which the subject merchandise would enter, *i.e.,*7310.10.0010, 7310.10.0050, 7310.29.0025, and 7310.29.0050, are basket categories containing a wide variety of manufactured steel products unrelated to kegs, and thus, in this case we cannot rely on CBP entry data for respondent selection purposes. Accordingly, we intend to issue Q&V questionnaires to each potential respondent identified in the Germany and Mexico Petitions. In the event Commerce determines that the number of companies is large, and it cannot individually examine each company based upon Commerce's resources, where appropriate, Commerce intends to select mandatory respondents based on Q&V questionnaires issued to potential respondents.

Exporters and producers of kegs from China, Germany, and Mexico that do not receive Q&V questionnaires by mail may still submit a response to the Q&V questionnaire and can obtain a copy of the Q&V questionnaire from the Enforcement and Compliance website, at *http://trade.gov/enforcement/news.asp.* Responses to the Q&V questionnaire must be submitted by the relevant Chinese, German, and Mexican exporters/producers no later than 5:00 p.m. ET on October 24, 2018, which is two weeks from the signature date of this notice. All Q&V responses must be filed electronically *via* ACCESS.

Separate Rates

In order to obtain separate-rate status in an NME investigation, exporters and producers must submit a separate-rate application.[49] The specific requirements for submitting a separate-rate application in this investigation are provided in the application itself, which is available on Commerce's website at *http://enforcement.trade.gov/nme/nme-sep-rate.html.* The separate-rate application will be due 30 days after publication of this initiation notice.[50] Exporters and producers who submit a separate-rate application and which have been selected as mandatory respondents will only be eligible for consideration for separate-rate status if

[44] *See* China AD Initiation Checklist.

[45] *See* Germany AD Initiation Checklist.

[46] *See* Mexico AD Initiation Checklist.

[47] *See* Petitions Volume I at Exhibit GEN–23.

[48] *Id.*

[49] *See* Policy Bulletin 05.1: Separate-Rates Practice and Application of Combination Rates in Antidumping Investigation involving Non-Market Economy Countries (April 5, 2005), available at *http://enforcement.trade.gov/policy/bull05-1.pdf* (Policy Bulletin 05.1).

[50] Although in past investigations this deadline was 60 days, consistent with 19 CFR 351.301(a), which states that ''the Secretary may request any person to submit factual information at any time during a proceeding,'' this deadline is now 30 days.

they respond to all parts of Commerce's AD questionnaire as mandatory respondents. Commerce requires that companies from China submit a response to both the Q&V questionnaire and the separate-rate application by the respective deadlines in order to receive consideration for separate-rate status. Companies not filing a timely Q&V questionnaire response will not receive separate-rate consideration.

Use of Combination Rates

Commerce will calculate combination rates for certain respondents that are eligible for a separate rate in an NME investigation. The Separate Rates and Combination Rates Bulletin states:

{w}hile continuing the practice of assigning separate rates only to exporters, all separate rates that the Department will now assign in its NME Investigation will be specific to those producers that supplied the exporter during the period of investigation. Note, however, that one rate is calculated for the exporter and all of the producers which supplied subject merchandise to it during the period of investigation. This practice applies both to mandatory respondents receiving an individually calculated separate rate as well as the pool of non-investigated firms receiving the weighted-average of the individually calculated rates. This practice is referred to as the application of ''combination rates'' because such rates apply to specific combinations of exporters and one or more producers. The cash-deposit rate assigned to an exporter will apply only to merchandise both exported by the firm in question *and* produced by a firm that supplied the exporter during the period of investigation.[51]

Distribution of Copies of the Petitions

In accordance with section 732(b)(3)(A) of the Act and 19 CFR 351.202(f), copies of the public version of the Petitions have been provided to the governments of China, Germany, and Mexico *via* ACCESS. To the extent practicable, we will attempt to provide a copy of the public version of the Petitions to each exporter named in the Petitions, as provided under 19 CFR 351.203(c)(2).

ITC Notification

We will notify the ITC of our initiation, as required by section 732(d) of the Act.

Preliminary Determinations by the ITC

The ITC will preliminarily determine, within 45 days after the date on which the Petitions were filed, whether there is a reasonable indication that imports of kegs from China, Germany, and/or Mexico are materially injuring or threatening material injury to a U.S. industry. A negative ITC determination will result in the investigations being terminated with respect to that country.[52] Otherwise, the investigations will proceed according to statutory and regulatory time limits.

Submission of Factual Information

Factual information is defined in 19 CFR 351.102(b)(21) as: (i) Evidence submitted in response to questionnaires; (ii) evidence submitted in support of allegations; (iii) publicly available information to value factors under 19 CFR 351.408(c) or to measure the adequacy of remuneration under 19 CFR 351.511(a)(2); (iv) evidence placed on the record by Commerce; and (v) evidence other than factual information described in (i)–(iv). 19 CFR 351.301(b) requires any party, when submitting factual information, to specify under which subsection of 19 CFR 351.102(b)(21) the information is being submitted [53] and, if the information is submitted to rebut, clarify, or correct factual information already on the record, to provide an explanation identifying the information already on the record that the factual information seeks to rebut, clarify, or correct.[54] Time limits for the submission of factual information are addressed in 19 CFR 351.301, which provides specific time limits based on the type of factual information being submitted. Interested parties should review the regulations prior to submitting factual information in this investigation.

Extensions of Time Limits

Parties may request an extension of time limits before the expiration of a time limit established under 19 CFR 351.301, or as otherwise specified by the Secretary. In general, an extension request will be considered untimely if it is filed after the expiration of the time limit established under 19 CFR 351.301. For submissions that are due from multiple parties simultaneously, an extension request will be considered untimely if it is filed after 10:00 a.m. ET on the due date. Under certain circumstances, we may elect to specify a different time limit by which extension requests will be considered untimely for submissions which are due from multiple parties simultaneously. In such a case, we will inform parties in a letter or memorandum of the deadline (including a specified time) by which extension requests must be filed to be considered timely. An extension request must be made in a separate, stand-alone submission; under limited circumstances we will grant untimely-filed requests for the extension of time limits. Parties should review *Extension of Time Limits; Final Rule,* 78 FR 57790 (September 20, 2013), available at *http://www.gpo.gov/fdsys/pkg/FR-2013-09-20/html/2013-22853.htm,* prior to submitting factual information in this investigation.

Certification Requirements

Any party submitting factual information in an AD or CVD proceeding must certify to the accuracy and completeness of that information.[55] Parties must use the certification formats provided in 19 CFR 351.303(g).[56] Commerce intends to reject factual submissions if the submitting party does not comply with the applicable certification requirements.

Notification to Interested Parties

Interested parties must submit applications for disclosure under APO in accordance with 19 CFR 351.305(b). On January 22, 2008, Commerce published *Antidumping and Countervailing Duty Proceedings: Documents Submission Procedures; APO Procedures,* 73 FR 3634 (January 22, 2008). Parties wishing to participate in this investigation should ensure that they meet the requirements of these procedures (*e.g.,* the filing of letters of appearance as discussed at 19 CFR 351.103(d)). Instructions for filing such applications may be found on Commerce's website at *http://enforcement.trade.gov/apo.*

This notice is issued and published pursuant to sections 732(c)(2) and 777(i) of the Act, and 19 CFR 351.203(c).

Dated: October 10, 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

Scope of the Investigations

The merchandise covered by these investigations are kegs, vessels, or containers that are approximately cylindrical in shape, made from stainless steel (*i.e.,* steel containing at least 10.5 percent chromium by weight and less than 1.2 percent carbon by weight, with or without other elements), and that are compatible with a ''D Sankey''

[51] *See* Policy Bulletin 05.1 at 6 {emphasis added}.

[52] *Id.*

[53] *See* 19 CFR 351.301(b).

[54] *See* 19 CFR 351.301(b)(2).

[55] *See* section 782(b) of the Act.

[56] *See also Certification of Factual Information to Import Administration During Antidumping and Countervailing Duty Proceedings,* 78 FR 42678 (July 17, 2013) (*Final Rule*). Answers to frequently asked questions regarding the *Final Rule* are available at *http://enforcement.trade.gov/tlei/notices/factual_info_final_rule_FAQ_07172013.pdf.*

extractor (commonly known as a ''D Coupler'' or ''Sankey'') (refillable stainless steel kegs) with a nominal liquid volume capacity of 10 liters or more, regardless of the type of finish, gauge, thickness, or grade of stainless steel, and whether or not covered by or encased in other materials. Refillable stainless steel kegs may be imported assembled or unassembled, with or without all components (including spears, couplers or taps, necks, collars, and valves), and be filled or unfilled.

''Unassembled'' or ''unfinished'' refillable stainless steel kegs include drawn stainless steel cylinders that have been welded to form the body of the keg and welded to an upper (top) chime and/or lower (bottom) chime. Unassembled refillable stainless steel kegs may or may not be welded to a neck, may or may not have a valve assembly attached, and may be otherwise complete except for testing, certification, and/or marking.

Subject merchandise also includes refillable stainless steel kegs that have been further processed in a third country, including but not limited to, attachment of necks, collars, spears or valves, heat treatment, pickling, passivation, painting, testing, certification or any other processing that would not otherwise remove the merchandise from the scope of the investigations if performed in the country of manufacture of the in-scope refillable stainless steel keg.

Specifically excluded are the following:

(1) Vessels or containers that are not approximately cylindrical in nature (*e.g.,* box, ''hopper'' or ''cone'' shaped vessels);

(2) stainless steel kegs, vessels, or containers that have either a ''ball lock'' valve system or a ''pin lock'' valve system (commonly known as ''Cornelius,'' ''corny'' or ''ball lock'' kegs);

(3) necks, spears, couplers or taps, collars, and valves that are not imported with the subject merchandise; and

(4) stainless steel kegs that are filled with beer, wine, or other liquid and that are designated by the Commissioner of Customs as Instruments of International Traffic within the meaning of section 332(a) of the *Tariff Act of 1930,* as amended.

The merchandise covered by these investigations are currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under subheadings 7310.10.0010, 7310.00.0050, 7310.29.0025, and 7310.29.0050.

These HTSUS subheadings are provided for convenience and customs purposes; the written description of the scope of these investigations is dispositive.

[FR Doc. 2018–22482 Filed 10–15–18; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

[A–570–848]

Freshwater Crawfish Tail Meat From the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review and New Shipper Reviews, and Rescission of Review in Part; 2016–2017

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) preliminarily determines that companies covered by the administrative review and new shipper reviews did not make sales of subject merchandise at prices below normal value. We invite interested parties to comment on these preliminary results.

DATES: Applicable October 16, 2018.

FOR FURTHER INFORMATION CONTACT: Bryan Hansen at (202) 482–3683 (Hubei Nature), Joshua Poole (202) 482–1293 (Anhui Luan), or Hermes Pinilla (202) 482–3477 (Kunshan Xinrui), AD/CVD Operations, Office I, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230.

SUPPLEMENTARY INFORMATION:

Background

Commerce is conducting an administrative review and new shipper reviews of the antidumping duty order on freshwater crawfish tail meat from the People's Republic of China (China). The period of review (POR) for the administrative review and the aligned new shipper reviews is September 1, 2016, through August 31, 2017. The administrative review covers one mandatory respondent, Hubei Nature Agriculture Industry Co., Ltd. (Hubei Nature). The new shipper reviews cover Anhui Luan Hongyuan Foodstuffs Co., Ltd. (Anhui Luan) and Kunshan Xinrui Trading Co., Ltd. (Kunshan Xinrui). Commerce preliminarily determines that sales of subject merchandise by Hubei Nature have not been made at prices below normal value. Commerce also preliminarily determines that sales of subject merchandise by Anhui Luan and Kunshan Xinrui have not been made at prices below normal value.

Scope of the Order

The merchandise subject to the antidumping duty order is freshwater crawfish tail meat, which is currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under subheadings 1605.40.10.10, 1605.40.10.90, 0306.19.00.10, and 0306.29.00.00. On February 10, 2012, Commerce added HTSUS classification number 0306.29.01.00 to the scope description pursuant to a request by U.S. Customs and Border Protection (CBP). On September 21, 2018, Commerce added HTSUS classification numbers 0306.39.0000 and 0306.99.0000 to the scope description pursuant to a request by CBP. While the HTSUS numbers are provided for convenience and customs purposes, the written description is dispositive. A full description of the scope of the order is contained in the Preliminary Decision Memorandum.[1]

Rescission of Administrative Review in Part

Pursuant to 19 CFR 351.213(d)(1), Commerce will rescind an administrative review, in whole or in part, if the parties that requested a review withdraw the request within 90 days of the date of publication of the notice of initiation.

The petitioners, the Crawfish Processors Alliance, withdrew their review request for six of the 12 companies for which a review was requested.[2] This withdrawal of review requests was submitted on February 12, 2018, within the deadline set forth under 19 CFR 351.213(d)(1). Two of these companies also requested a review of their sales of subject merchandise. No other parties requested a review of the remaining four companies. Accordingly, Commerce is rescinding this review, in part, with respect to Deyan Aquatic Products and Food Co., Ltd., Hubei Yuesheng Aquatic Products Co., Ltd., Jingzhou Tianhe Aquatic Products Co., Ltd., and Shanghai Ocean Flavor

[1] *See* Memorandum, ''Freshwater Crawfish Tail Meat from the People's Republic of China: Decision Memorandum for the Preliminary Results of the Antidumping Duty Administrative Review and New Shipper Reviews; 2016–2017,'' dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

[2] We initiated an administrative review on the following companies: China Kingdom (Beijing) Import & Export Co., Ltd., Deyan Aquatic Products and Food Co., Ltd., Hubei Nature Agriculture Industry Co., Ltd., Hubei Qianjiang Huashan Aquatic Food and Product Co., Ltd., Hubei Yuesheng Aquatic Products Co., Ltd., Jingzhou Tianhe Aquatic Products Co., Ltd., Nanjing Gemsen International Co., Ltd., Shanghai Ocean Flavor International Trading Co., Ltd., Weishan Hongda Aquatic Food Co., Ltd., Xiping Opeck Food Co., Ltd., Xuzhou Jinjiang Foodstuffs Co., Ltd., Yancheng Hi-King Agriculture Developing Co., Ltd. *See Initiation of Antidumping and Countervailing Duty Administrative Reviews,* 82 FR 52268 (November 13, 2017).

International Trading Co., Ltd., in accordance with 19 CFR 351.213(d)(1).[3]

Preliminary Determination of No Shipments

Three companies that received a separate rate in previous segments of the proceeding and are subject to this review reported that they did not have any exports of subject merchandise during the POR.[4] We requested that CBP report any contrary information.[5] In response to our inquiry, CBP indicated that these three companies did not have any shipments of the subject merchandise sold to the United States during the POR.[6] Further, consistent with our practice, we find that it is not appropriate to rescind the review with respect to these companies but, rather, to complete the review and issue appropriate instructions to CBP based on the final results of review.[7]

Separate Rates

Commerce preliminarily determines that seven respondents are eligible to receive separate rates in these reviews.[8]

Separate Rate for Eligible Non-Selected Respondents

Commerce preliminarily determines that the respondents not selected for individual examination, Weishan Hongda Aquatic Food Co., Ltd. (Weishan Hongda), Xiping Opeck Food Co., Ltd. (Xiping Opeck), Xuzhou Jinjiang Foodstuffs Co., Ltd. (Xuzhou Jinjiang), and Yancheng Hi-King Agriculture Developing Co., Ltd. (Yancheng Hi-King) are eligible to receive a separate rate in the administrative review.[9] Consistent with our practice, we assigned to Weishan Hongda, Xiping Opeck, Xuzhou Jinjiang and Yancheng Hi-King the weighted-average margin calculated for Hubei Nature as the separate rate for the preliminary results of this review.[10]

China-Wide Entity

Commerce's policy regarding conditional review of the China-wide entity applies to this administrative review.[11] Under this policy, the China-wide entity will not be under review unless a party specifically requests, or Commerce self-initiates, a review of the entity. Because no party requested a review of the PRC-wide entity in this review, the entity is not under review and the entity's rate is not subject to change (*i.e.,* 223.01 percent).[12]

Verification

As provided in section 782(i) of the Act, we verified the information provided by Hubei Nature in the administrative review and Kunshan Xinrui in the new shipper review of freshwater crawfish tail meat from China using standard verification procedures, including on-site inspection of the producer's and exporter's facilities and examination of relevant sales and financial records. Our verification results are outlined in the verification reports for Hubei Nature and Kunshan Xinrui dated concurrently with this notice.

Methodology

Commerce is conducting these reviews in accordance with section 751(a)(1)(B), and 751(a)(2)(B) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.214. Export price is calculated in accordance with section 772(c) of the Act. Because China is a non-market economy within the meaning of section 771(18) of the Act, normal value has been calculated in accordance with section 773(c) of the Act.

For a full description of the methodology underlying our conclusions, *see* the Preliminary Decision Memorandum. The Preliminary Decision Memorandum is a public document and is made available to the public via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at *https://access.trade.gov,* and to all parties in Commerce's Central Records Unit, Room B8024 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be found at *http://enforcement.trade.gov/frn/.* A list of the topics discussed in the Preliminary Decision Memorandum is attached as an Appendix to this notice.

Preliminary Results of Administrative Review

Commerce preliminarily determines that the following weighted-average dumping margins exist for the administrative review covering the period September 1, 2016, through August 31, 2017:

Exporter	Weighted-average margin (percent)
Hubei Nature Agriculture Industry Co., Ltd	0.00
Weishan Hongda Aquatic Food Co., Ltd	0.00
Xiping Opeck Food Co., Ltd	0.00
Xuzhou Jinjiang Foodstuffs Co., Ltd	0.00
Yancheng Hi-King Agriculture Developing Co., Ltd	0.00

Preliminary Results of New Shipper Reviews

As a result of the new shipper reviews, Commerce preliminarily determines that the following dumping margins exist covering the period September 1, 2016, through August 31, 2017:[13]

Exporter	Producer	Weighted-average margin (percent)
Anhui Luan Hongyuan Foodstuffs Co., Ltd.	Anhui Luan Hongyuan Foodstuffs Co., Ltd.	0.00
Kunshan Xinrui Trading Co., Ltd.	Leping Yongle Food Co., Ltd.	0.00

Disclosure

We intend to disclose calculations performed in these preliminary results to parties within five days after public announcement of the preliminary results.[14]

Public Comment

Pursuant to 19 CFR 351.309(c)(ii), interested parties may submit case briefs no later than 30 days after the date of

[3] For more details, *see* the Preliminary Decision Memorandum.

[4] *See* No-Shipment Letters from China Kingdom (Beijing) Import & Export Co., Ltd., Hubei Qianjiang Huashan Aquatic Food and Product Co., Ltd., and Nanjing Gemsen International Co., Ltd., all dated November 30, 2017.

[5] *See* CBP message numbers 8103308, 8103309 and 8103310 dated April 13, 2018, available at *http://adcvd.cbp.dhs.gov/adcvdweb/.*

[6] *See* Memorandum, ''Re: No shipment inquiry with respect to the companies below during the period 09/01/2016 through 08/31/2017,'' dated May 9, 2018.

[7] *See, e.g., Wooden Bedroom Furniture from the People's Republic of China: Final Results and Final Rescission, In Part, of Administrative Review and Final Results of New Shipper Review; 2013,* 80 FR 34619 (June 17, 2015).

[8] *See* Preliminary Decision Memorandum at 8–10, for more details.

[9] *Id.* at 10–11 for more details.

[10] *Id.*

[11] *See Antidumping Proceedings: Announcement of Change in Department Practice for Respondent Selection in Antidumping Duty Proceedings and Conditional Review of the Nonmarket Economy Entity in NME Antidumping Duty Proceedings,* 78 FR 65963 (November 4, 2013).

[12] *See Freshwater Crawfish Tail Meat from the People's Republic of China; Notice of Final Results of Antidumping Duty Administrative Review,* 68 FR 19504 (April 21, 2003).

[13] Commerce reached these conclusions based on the totality of the circumstances surrounding the reported sale for each company. *See* Preliminary Decision Memorandum, *Bona Fides* Analysis section at 4–5.

[14] *See* 19 CFR 351.224(b).

publication of this notice.[15] Rebuttal briefs, limited to issues raised in the case briefs, may be filed no later than five days after the date for filing case briefs.[16] Parties who submit case briefs or rebuttal briefs in this proceeding are encouraged to submit with each argument: (1) A statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.[17]

Interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce, filed electronically using ACCESS. An electronically filed document must be received successfully in its entirety by ACCESS by 5:00 p.m. Eastern Time within 30 days after the date of publication of this notice.[18] Hearing requests should contain: (1) The party's name, address, and telephone number; (2) the number of participants; and (3) a list of issues to be discussed. Issues raised in the hearing will be limited to those raised in the respective case briefs.

Unless the deadline is extended, Commerce intends to issue the final results of these reviews, including the results of its analysis of issues raised by parties in their comments, within 120 days after the publication of these preliminary results, pursuant to section 751(a)(3)(A) of the Act and 19 CFR 351.213(h).

Assessment Rates

Upon issuing the final results, Commerce will determine, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries covered by these reviews.[19] If a respondent's weighted-average dumping margin is above *de minimis* (*i.e.,* 0.50 percent) in the final results of these reviews, we will calculate an importer-specific assessment rate on the basis of the ratio of the total amount of dumping calculated for each importer's examined sales and, where possible, the total entered value of sales. Specifically, Commerce will apply the assessment rate calculation method adopted in *Final Modification for Reviews*.[20] Where an importer- (or customer-) specific *ad valorem* rate is zero or *de minimis,* we will instruct CBP to liquidate appropriate entries without regard to antidumping duties.[21]

For entries that were not reported in the U.S. sales databases submitted by exporters individually examined during this review, Commerce will instruct CBP to liquidate such entries at the China-wide rate. If Commerce determines that an exporter under review had no shipments of the subject merchandise, any suspended entries that entered under that exporter's case number (*i.e.,* at that exporter's rate) will be liquidated at the China-wide rate.[22]

For the companies for which the review is rescinded, Commerce will instruct CBP to assess antidumping duties at the rate equal to the cash deposit of estimated antidumping duties required at the time of entry, or withdrawal from warehouse, for consumption, in accordance with 19 CFR 351.212(c)(1)(i). We intend to issue assessment instructions to CBP 15 days after the date of publication of the final results of these reviews.

Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results of these reviews for shipments of the subject merchandise from China entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by section 751(a)(2)(C) of the Act: (1) For the subject merchandise exported by the companies listed above that have separate rates, the cash deposit rate will be zero (2) for previously investigated or reviewed Chinese and non-Chinese exporters not listed above that received a separate rate in a prior segment of this proceeding, the cash deposit rate will continue to be the existing exporter-specific rate; (3) for all Chinese exporters of subject merchandise that have not been found to be entitled to a separate rate, the cash deposit rate will be that for the China-wide entity; and (4) for all non-Chinese exporters of subject merchandise which have not received their own rate, the cash deposit rate will be the rate applicable to the Chinese exporter that supplied that non-Chinese exporter. These deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers

This notice serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during these PORs. Failure to comply with this requirement could result in Commerce's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

Notification Regarding Administrative Protective Orders

This notice also serves as a reminder to parties subject to administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of the 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 sanctionable violation. Commerce is issuing and publishing the preliminary results of these reviews in accordance with sections 751(a)(1), 751(a)(2)(B)(iv), 751(a)(3), 777(i) of the Act, and 19 CFR 351.213, 351.214 and 351.221(b)(4).

Dated: October 2, 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

List of Topics Discussed in the Preliminary Decision Memorandum

I. Summary
II. Background
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V. *Bona Fides* Analysis
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A. Non-Market-Economy Country Status
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[FR Doc. 2018–22455 Filed 10–15–18; 8:45 am]

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[15] *See* 19 CFR 351.309(c).

[16] *See* 19 CFR 351.309(d).

[17] *See* 19 CFR 351.309(c)(2) and (d)(2) and 19 CFR 351.303 (for general filing requirements).

[18] *See* 19 CFR 351.310(c).

[19] *See* 19 CFR 351.212(b)(1).

[20] *See Antidumping Proceeding: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Duty Proceedings; Final Modification,* 77 FR 8103 (February 14, 2012) (*Final Modification for Reviews*).

[21] *See* 19 CFR 351.106(c)(2).

[22] *See Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties,* 76 FR 65694, 65695 (October 24, 2011).

DEPARTMENT OF COMMERCE

International Trade Administration

[A–583–008]

Certain Circular Welded Carbon Steel Pipes and Tubes From Taiwan: Final Results of Antidumping Duty Administrative Review and Final Determination of No Shipments; 2016–2017

AGENCY: Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) determines that Shin Yang Steel Co., Ltd. (Shin Yang), a producer/exporter of merchandise subject to this administrative review, made sales of subject merchandise at less than normal value during the period of review (POR) May 1, 2016, to April 30, 2017.

DATES: Applicable October 16, 2018.

FOR FURTHER INFORMATION CONTACT: Scott Hoefke, 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) 482–4947.

SUPPLEMENTARY INFORMATION:

Background

On June 12, 2018, Commerce published its preliminary results of the administrative review of certain circular welded carbon steel pipes and tubes from Taiwan.[1] This review covers Shin Yang Steel Co., Ltd. (Shin Yang) and Yieh Hsing Enterprise Co., Ltd. (Yieh Hsing). We invited interested parties to comment on our preliminary results. We received no comments regarding this administrative review. No interested party requested a hearing.

On January 23, 2018, Commerce exercised its discretion to toll all deadlines for the duration of the closure of the Federal Government from January 20, 2018, through January 22, 2018.[2] The revised deadline for the final determination of this review is now October 10, 2018.

Scope of the Order

The merchandise subject to the order is certain circular welded carbon steel pipes and tubes from Taiwan. The product is currently classified under the Harmonized Tariff Schedule of the United States (HTSUS) item numbers 7306.30.5025, 7306.30.5032, 7306.30.5040, and 7306.30.5055. Although the HTSUS numbers are provided for convenience and customs purposes, the written product description remains dispositive.[3]

Analysis of Comments Received and Changes Since the Preliminary Results

We made no changes to the *Preliminary Results* because we received no comments pertaining to the *Preliminary Results.*

Final Determination of No Shipments

In the *Preliminary Results,* Commerce preliminarily determined that Yieh Hsing had no shipments during the POR.[4] Following publication of the *Preliminary Results,* we received no comments from interested parties regarding Yieh Hsing. As a result, and because the record contains no evidence to the contrary, we continue to find that Yieh Hsing made no shipments during the POR. Accordingly, consistent with Commerce's practice, we intend to instruct U.S. Customs and Border Protection (CBP) to liquidate any existing entries of merchandise produced by Yieh Hsing, but exported by other parties without their own rate, at the all-others rate.[5]

Final Results of the Review

As a result of this review, we determine that the following weighted-average dumping margin exists for the period May 1, 2016, through April 30, 2017:

Producer/exporter	Weight-average dumping margin (percent) [6]
Shin Yang Steel Co., Ltd	7.47

Assessment

Commerce shall determine, and CBP shall assess, antidumping duties on all appropriate entries covered by this review pursuant to section 751(a)(2)(C) of the Act and 19 CFR 351.212(b).

For Shin Yang, because its weighted-average dumping margin is not zero or *de minimis* (*i.e.,* less than 0.5 percent), Commerce has calculated importer-specific antidumping duty assessment rates. We calculated importer-specific *ad valorem* antidumping duty assessment rates by aggregating the total amount of dumping calculated for the examined sales of each importer and dividing each of these amounts by the total entered value associated with those sales. We will instruct CBP to assess antidumping duties on all appropriate entries covered by this review where an importer-specific assessment rate is not zero or *de minimis.* Pursuant to 19 CFR 351.106(c)(2), we will instruct CBP to liquidate without regard to antidumping duties any entries for which the importer-specific assessment rate is zero or *de minimis.*

As noted in the ''Final Determination of No Shipments'' section, above, Commerce will instruct CBP to liquidate any existing entries of merchandise produced by Yieh Hsing but exported by other parties, at the rate for the intermediate reseller, if available, or at the all-others rate.

Cash Deposit Requirements

The following cash deposit requirements will be effective for all shipments of subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this administrative review, as provided for by section 751(a)(2)(C) of the Act: (1) The cash deposit rates for the companies listed in these final results will be equal to the rates established in the final results of this review; (2) for merchandise exported by producers or exporters not covered in this review but covered in a prior segment of this proceeding, the cash deposit rate will continue to be the company-specific rate published for the most recently completed segment in which the company was reviewed; (3) if the exporter is not a firm covered in this review or the original less-than-fair-value (LTFV) investigation, but the producer is, the cash deposit rate will be the rate established for the most recently completed segment of this proceeding for the producer of the subject

[1] *See Certain Circular Welded Carbon Steel Pipes and Tubes from Taiwan: Preliminary Results of Antidumping Duty Administrative Review and Preliminary Determination of No Shipments; 2016–2017,* 83 FR 27311 (June 12, 2018), and accompanying Preliminary Decision Memorandum.

[2] *See* Memorandum, ''Deadlines Affected by the Shutdown of the Federal Government,'' dated January 23, 2018. All deadlines in this segment of the proceeding have been extended by 3 days.

[3] The complete description of the scope of the order appears in the Preliminary Decision Memorandum.

[4] *See Preliminary Results,* 83 FR at 27312, and accompanying Preliminary Decision Memorandum, at 2–3.

[5] *See, e.g., Magnesium Metal from the Russian Federation: Preliminary Results of Antidumping Duty Administrative Review,* 75 FR 26922, 26923 (May 13, 2010), unchanged in *Magnesium Metal from the Russian Federation: Final Results of Antidumping Duty Administrative Review,* 75 FR 56989 (September 17, 2010).

[6] In the *Preliminary Results,* Commerce erroneously published a dumping margin for Shin Yang of 6.26 percent. The correct margin should have been 7.47 percent, as reflected in the memorandum, ''Preliminary Analysis Memorandum for Shin Yang Steel Co., Ltd. in the 2016–2017 Administrative Review of Certain Circular Welded Carbon Steel Pipes and Tubes from Taiwan,'' dated June 4, 2018. No party commented on this ministerial error contained in the *Preliminary Results,* but we are correcting the inadvertent error for these final results.

merchandise; and (4) the cash deposit rate for all other producers or exporters will continue to be 9.70 percent,[7] the all-others rate established in the LTFV investigation. These cash deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers

This notice 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 antidumping duties prior to liquidation of the relevant entries during this POR. Failure to comply with this requirement could result in Commerce's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

Notification to Interested Parties Regarding Administrative Protective Order

This notice also serves as the only reminder to parties subject to administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3), 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 sanctionable violation.

We are issuing and publishing this notice in accordance with sections 751(a)(1) and 777(i)(1) of the Act and 19 CFR 351.213(h).

Dated: October 10, 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. 2018–22501 Filed 10–15–18; 8:45 am]

BILLING CODE 3510–DS–P

[7] *See Certain Circular Welded Carbon Steel Pipes and Tubes from Taiwan: Antidumping Duty Order,* 49 FR 19369 (May 7, 1984).

DEPARTMENT OF COMMERCE

International Trade Administration

[A–570–985]

Xanthan Gum From the People's Republic of China: Notice of Court Decision Not in Harmony With Amended Final Determination in Less Than Fair Value Investigation; Notice of Amended Final Determination Pursuant to Court Decision; Notice of Revocation of Antidumping Duty Order in Part; and Discontinuation of Fourth and Fifth Antidumping Duty Administrative Reviews in Part

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: On September 17, 2018, the United States Court of International Trade (CIT or Court) sustained the Department of Commerce's (Commerce) remand redetermination pertaining to the less-than-fair-value (LTFV) investigation of xanthan gum from the People's Republic of China (China). Because of the CIT's final decision, we are notifying the public that the CIT's decision is not in harmony with Commerce's final determination in the LTFV investigation of xanthan gum from China. Pursuant to the CIT's final judgment, Neimenggu Fufeng Biotechnologies Co., Ltd. (aka Inner Mongolia Fufeng Biotechnologies Co., Ltd.) and Shandong Fufeng Fermentation, Co., Ltd. (collectively, Fufeng) are being excluded from the order.

DATES: September 27, 2018.

FOR FURTHER INFORMATION CONTACT: Stephen Bailey, AD/CVD Operations, Office IV, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230; telephone: (202) 482–0193.

SUPPLEMENTARY INFORMATION:

Background

The litigation in this case relates to Commerce's final determination in the antidumping duty investigation covering xanthan gum from China,[1] which was later amended.[2] In its *Amended Final Determination and Order,* Commerce reached affirmative determinations for mandatory respondents Fufeng and Deosen Biochemical Ltd. (Deosen).[3] CP Kelco U.S. and Fufeng appealed the *Amended Final Determination and Order* to the CIT, and on March 31, 2015, the CIT sustained, in part, and remanded, in part, Commerce's *Final Determination,*[4] as modified by the *Amended Final Determination*.[5] Specifically, the Court remanded, for reevaluation, Commerce's conclusion that the Thai Ajinomoto financial statements constituted a better source for calculating surrogate financial ratios than the Thai Fermentation statements, and granted the Government's request for a voluntary remand to reconsider Commerce's allocation of energy consumed at Fufeng's Neimenggu plant between the production of subject and non-subject merchandise.[6] Pursuant to a series of remand orders issued by the Court that resulted in four remand redeterminations, Commerce adjusted its allocation of energy consumed at Fufeng's Neimenggu plant and revised Fufeng's weighted average dumping margin by using Thai Fermentation's financial statements to derive the surrogate financial ratios.[7] On September 17, 2018, the CIT sustained Commerce's Final Remand Redetermination.[8]

Timken Notice

In its decision in *Timken,*[9] as clarified by *Diamond Sawblades,*[10] the United States Court of Appeals for the Federal Circuit (CAFC) held that, pursuant to section 516A(e) of the Tariff Act of 1930, as amended (the Act), Commerce must publish a notice of a court decision that is not ''in harmony'' with a Commerce determination and must suspend liquidation of entries pending a ''conclusive'' court decision. The CIT's September 17, 2018, final judgment sustaining Commerce's fourth remand redetermination [11] constitutes a final

[1] *See Xanthan Gum from the People's Republic of China: Final Determination of Sales at Less Than Fair Value,* 78 FR 33351 (June 4, 2013) (*Final Determination*) and accompanying Issues and Decision Memorandum.

[2] *See Xanthan Gum from the People's Republic of China: Amended Final Determination of Sales at Less Than Fair Value and Antidumping Duty Order,* 78 FR 43143 (July 19, 2013) (*Amended Final Determination and Order*).

[3] *Id.* at 43144.

[4] *See Final Determination,* 78 FR at 33351.

[5] *See CP Kelco US, Inc.* v. *United States,* Slip Op. 15–27, (CIT Mar. 31, 2015) (*CP Kelco I*).

[6] *Id.* at 2–3, 11–15, 32–34.

[7] *Id.; see also CP Kelco US, Inc.* v. *United States,* Slip Op. 16–36 (CIT Apr. 8, 2016) (*CP Kelco II*); *CP Kelco US, Inc.* v. *United States,* 211 F. Supp. 3d 1338 (CIT 2017) (*CP Kelco III*); *CP Kelco US, Inc.* v. *United States,* Slip Op. 18–36 (CIT Apr. 5, 2018) (*CP Kelco IV*).

[8] *See CP Kelco US, Inc.* v. *United States,* Slip Op. 18–120 (CIT Sept. 17, 2018) (*CP Kelco V*).

[9] *See Timken Co.* v. *United States,* 893 F.2d 337, 341 (Fed. Cir. 1990) (*Timken*).

[10] *See Diamond Sawblades Mfrs. Coalition* v. *United States,* 626 F.3d 1374 (Fed. Cir. 2010) (*Diamond Sawblades*).

[11] *See CP Kelco V,* at 6; *see also CP Kelco US, Inc.* v. *United* States, Court No. 13–00288, Slip Op. 18–

Continued

decision of the Court that is not in harmony with Commerce's *Amended Final Determination and Order.* This notice is published in fulfillment of the publication requirements of *Timken.*

Amended Final Determination

Because there is now a final court decision, Commerce is amending the *Final Determination* and *Amended Final Determination and Order* with respect to Fufeng. The revised weighted-average dumping margin for Fufeng for the period October 1, 2011, through March 31, 2012, is as follows:

Exporter	Producer	Weighted-average dumping margin (percent)
Neimenggu Fufeng Biotechnologies, Co., Ltd. (aka Inner Mongolia Fufeng Biotechnologies Co., Ltd.)/Shandong Fufeng Fermentation Co., Ltd.	Neimenggu Fufeng Biotechnologies, Co., Ltd. (aka Inner Mongolia Fufeng Biotechnologies Co., Ltd.)/Shandong Fufeng Fermentation Co., Ltd.	0.00

Partial Exclusion From Antidumping Duty Order and Partial Discontinuation of Fourth and Fifth Antidumping Duty Administrative Reviews

Pursuant to section 735(a)(4) of the Act, Commerce ''shall disregard any weighted average dumping margin that is *de minimis* as defined in section 733(b)(3) of the Act.'' [12] Furthermore, and pursuant to section 735(c)(2) of the Act, ''the investigation shall be terminated upon publication of that negative determination'' and Commerce shall ''terminate the suspension of liquidation'' and ''release any bond or other security, and refund any cash deposit.'' [13] As a result of this amended final determination, in which Commerce has calculated an estimated weighted-average dumping margin of 0.00 percent for Fufeng, Commerce is hereby excluding merchandise from the above producer-exporter combination from the antidumping duty order.[14] Accordingly, Commerce will direct U.S. Customs and Border Protection (CBP) to release any bonds or other security and refund cash deposits pertaining to any suspended entries from the producer-exporter combination listed above. This exclusion does not apply beyond the producer-exporter combination referenced above.

We note, however, pursuant to *Timken,* the suspension of liquidation must continue during the pendency of the appeals process. Thus, we will instruct CBP to suspend liquidation of all unliquidated entries from the producer-exporter combination referenced above at a cash deposit rate of 0.00 percent which are entered, or withdrawn from warehouse, for consumption after September 27, 2018, which is ten days after the CIT's final decision, in accordance with section 516A of the Act.[15] If the CIT's ruling is not appealed, or if appealed and upheld, Commerce will instruct CBP to terminate the suspension of liquidation and to liquidate entries subject to the producer-exporter combination rate stated above without regard to antidumping duties. As a result of the exclusion, Commerce (1) is discontinuing the ongoing fourth and fifth administrative reviews, in part, with respect to Fufeng's entries during those periods of review; [16] and (2) will not initiate any new administrative reviews of Fufeng's entries pursuant to the antidumping order.[17]

Lastly, we note that, at this time, Commerce remains enjoined by Court order from liquidating entries that: (1) Were produced and exported by Fufeng, and were entered, or withdrawn from warehouse, for consumption during the period July 19, 2013, through June 30, 2014; (2) were produced and exported by Fufeng, and were entered, or withdrawn from warehouse, for consumption during the period July 1, 2014, through June 30, 2015, by East West Technologies Inc.; and (3) were produced and exported by Fufeng, and were entered, or withdrawn from warehouse, for consumption during the period July 1, 2014, through June 30, 2015, by LABH Inc., designated as Entry No. 22703189153, with an entry date of July 7, 2014, and Fufeng's Invoice No. MEU14088. These entries will remain enjoined pursuant to the terms of the injunction during the pendency of any appeals process.

Notification to Interested Parties

This notice is issued and published in accordance with sections 516A(c)(1) and (e) of the Act.

Dated: October 10, 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. 2018–22484 Filed 10–15–18; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–580–867]

Large Power Transformers From the Republic of Korea: Continuation of Antidumping Duty Order

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) and the U.S. International Trade Commission (ITC) determined that revocation of the antidumping duty (AD) order on large power transformers

36 (April 5, 2018), Final Results of Fourth Redetermination Pursuant to Court Order, dated July 5, 2018 (*Fourth Remand Results*).

[12] Section 733(b)(3) of the Act defines *de minimis* dumping margin as ''less than 2 percent ad valorem or the equivalent specific rate for the subject merchandise.''

[13] *See* sections 735(c)(2)(A) and (B) of the Act.

[14] *See Fourth Remand Results,* at 12.

[15] *See, e.g., Drill Pipe from the People's Republic of China: Notice of Court Decision Not in Harmony with International Trade Commission's Injury Determination, Revocation of Antidumping and Countervailing Duty Orders Pursuant to Court Decision, and Discontinuation of Countervailing Duty Administrative Review,* 79 FR 78037, 78038 (December 29, 2014) (*Drill Pipe*); *High Pressure Steel Cylinders from the People's Republic of China: Notice of Court Decision Not in Harmony With Final Determination in Less Than Fair Value Investigation, Notice of Amended Final Determination Pursuant to Court Decision, Notice of Revocation of Antidumping Duty Order in Part, and Discontinuation of Fifth Antidumping Duty Administrative Review,* 82 FR 46758, 46760 (October 6, 2017).

[16] *See Xanthan Gum from the People's Republic of China: Preliminary Results of the Antidumping Duty Administrative Review, and Preliminary Determination of No Shipments; 2016–2017,* 83 FR 40229, August 14, 2018; *see also Initiation of Antidumping and Countervailing Duty Administrative Reviews,* 83 FR 45596 (September 10, 2018).

[17] *See Drill Pipe,* 79 FR at 78038; *see also Certain Steel Nails from the United Arab Emirates: Notice of Court Decision Not in Harmony with the Final Determination and Amended Final Determination of the Less Than Fair Value Investigation,* 80 FR 77316 (December 14, 2015).

(LPTs) from the Republic of Korea (Korea) would likely lead to a continuation or recurrence of dumping and material injury to an industry in the United States. Therefore, Commerce is publishing a notice of continuation for this AD order.

DATES: Applicable October 16, 2018.

FOR FURTHER INFORMATION CONTACT: Brian Davis, 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) 482–7924.

SUPPLEMENTARY INFORMATION:

Background

On August 31, 2012, Commerce published in the **Federal Register** the AD order on LPTs from Korea.[1] On July 3, 2017, Commerce published in the **Federal Register** a notice of initiation of its first five-year (sunset) review of the AD order on LPTs from Korea, pursuant to section 751(c) of the Tariff Act of 1930, as amended (the Act).[2]

Commerce conducted this sunset review on an expedited basis, pursuant to section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(C)(2), because it received a complete, timely, and adequate response from a domestic interested party but no substantive responses from respondent interested parties. As a result of this sunset review, Commerce determined that revocation of the AD order on LPTs from Korea would likely lead to a continuation or recurrence of dumping and, therefore, notified the ITC of the magnitude of the margins likely to prevail should the order be revoked.[3]

On October 2, 2018, the ITC published its determination that revocation of the AD order on LPTs would likely lead to a continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time, pursuant to section 751(c) of the Act.[4]

Scope of the Order

The scope of this order covers large liquid dielectric power transformers (LPTs) having a top power handling capacity greater than or equal to 60,000 kilovolt amperes (60 megavolt amperes), whether assembled or unassembled, complete or incomplete.

Incomplete LPTs are subassemblies consisting of the active part and any other parts attached to, imported with or invoiced with the active parts of LPTs. The ''active part'' of the transformer consists of one or more of the following when attached to or otherwise assembled with one another: The steel core or shell, the windings, electrical insulation between the windings, the mechanical frame for an LPT.

The product definition encompasses all such LPTs regardless of name designation, including but not limited to step-up transformers, step-down transformers, autotransformers, interconnection transformers, voltage regulator transformers, rectifier transformers, and power rectifier transformers.

The LPTs subject to this order are currently classifiable under subheadings 8504.23.0040, 8504.23.0080 and 8504.90.9540 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this order is dispositive.

Continuation of the Order

As a result of the determinations by Commerce and the ITC that revocation of the AD order would likely lead to a continuation or recurrence of dumping and material injury to an industry in the United States, pursuant to section 751(d)(2) of the Act and 19 CFR 351.218(a), Commerce hereby orders the continuation of the AD order on LPTs from Korea.

CBP will continue to collect antidumping duty cash deposits at the rates in effect at the time of entry for all imports of subject merchandise. The effective date of the continuation of this order will be the date of publication in the **Federal Register** of the notice of continuation of the AD order on LPTs. Pursuant to section 751(c)(2) of the Act, Commerce intends to initiate the sunset review of this order not later than 30 days prior to the fifth anniversary of the effective date of continuation.

This sunset review and this notice are in accordance with sections 751(c) and 752(d)(2) of the Act and published pursuant to section 777(i)(1) of the Act and 19 CFR 351.218(f)(4).

Dated: October 10, 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. 2018–22454 Filed 10–15–18; 8:45 am]

BILLING CODE 3510–DS–P

[1] *See Large Power Transformers from the Republic of Korea: Antidumping Duty Order,* 77 FR 53177 (August 31, 2012) (*AD Order*).

[2] *See Initiation of Five-Year (''Sunset'') Reviews*), 82 FR 30844 (July 3, 2017).

[3] *See Large Power Transformers from the Republic of Korea: Final Results of the Expedited First Sunset Review of the Antidumping Duty Order,* 82 FR 51604 (November 7, 2017) and accompanying Issues and Decision Memorandum.

[4] *See Large Power Transformers from the Republic of Korea,* 82 FR 49575 (October 2, 2018).

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

RIN 0648–XG548

Atlantic Coastal Fisheries Cooperative Management Act Provisions; General Provisions for Domestic Fisheries; Application for Exempted Fishing Permits

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

ACTION: Notice; request for comments.

SUMMARY: The Assistant Regional Administrator for Sustainable Fisheries, Greater Atlantic Region, NMFS, has made a preliminary determination that an Exempted Fishing Permit renewal application from the Commercial Fisheries Research Foundation contains all of the required information and warrants further consideration. This permit would facilitate research on the abundance and distribution of juvenile American lobster and Jonah crab along the northwest Atlantic coast. Regulations under the Magnuson-Stevens Fishery Conservation and Management Act and the Atlantic Coastal Fisheries Cooperative Management Act require publication of this notice to provide interested parties the opportunity to comment on applications for proposed Exempted Fishing Permits.

DATES: Comments must be received on or before October 31, 2018.

ADDRESSES: You may submit written comments by any of the following methods:

- *Email: NMFS.GAR.EFP@noaa.gov.* Include in the subject line ''Comments on CFRF Lobster Study Fleet EFP.''
- *Mail:* Michael Pentony, Regional Administrator, NMFS, Greater Atlantic Regional Fisheries Office, 55 Great Republic Drive, Gloucester, MA 01930. Mark the outside of the envelope ''Comments on CFRF Lobster Study Fleet EFP.''

FOR FURTHER INFORMATION CONTACT: Laura Hansen, NOAA Affiliate, 978–281–9225, *Laura.Hansen@noaa.gov.*

SUPPLEMENTARY INFORMATION: The Commercial Fisheries Research Foundation (CFRF) submitted a complete application to renew an existing Exempted Fishing Permit (EFP) on September 20, 2018, to conduct fishing activities that the regulations would otherwise restrict. The EFP would authorize 17 vessels to continue a study using ventless lobster traps to survey the abundance and distribution of juvenile American lobster and Jonah crab in regions and times of year not covered by traditional surveys. Overall, this EFP proposes to use 54 ventless lobster traps throughout Lobster Conservation Management Areas (LCMA) 2, 3, 4, and 5; covering statistical areas 514, 515, 521, 522, 525, 526, 533, 534, 537, 538, 539, 541, 542, 543, 561, 562, 613, 615, 616, 622, 623, 624, 626, 627, 628, 629, 632, 633, 634, 636, 637, 638, and 640. Maps depicting these areas are available on request. The study is designed to aid and inform management by addressing the questions of changing reproduction and recruitment dynamics of lobster, and developing a foundation of knowledge for data poor Jonah crab fishery.

Funding for this study has been awarded through the Campbell Foundation and the Saltonstall-Kennedy Grants Program (Grant # NA17NMF4270208). For this research, CFRF is requesting exemptions from the following Federal lobster regulations:

1. Gear specification requirements in 50 CFR 697.21(c) to allow for closed escape vents and smaller trap mesh and entrance heads;

2. Trap limit requirements, as listed in § 697.19, for LCMA 2, 3, 4 and 5, to be exceeded by 3 additional traps per fishing vessel for a total of 54 additional traps;

3. Trap tag requirements, as specified in § 697.19(j), to allow for the use of untagged traps (though each experimental trap will have the participating fisherman's identification attached); and

4. Possession restrictions in §§§ 697.20(a), 697.20(d), and 697.20(g) to allow for temporary possession of juvenile, v-notched, and egg-bearing lobsters for onboard biological sampling.

If the EFP is approved, this research would take place during the regular fishing activity of the participating vessels: 6 ''inshore'' vessels in LCMA 2 and 11 ''offshore'' vessels in LCMAs 3, 4, and 5. Experimental traps will be attached to a standard, Atlantic Large Whale-compliant trap trawl. Modifications to conventional lobster traps used in this study include a closed escape vents, single parlors, and smaller mesh sizes and entrance heads, all to allow for the capture of juvenile lobsters and Jonah crabs. Sampling would occur weekly in LCMA 2, and every 10 days in the other areas.

All lobster and Jonah crabs caught in the experimental traps will be counted, sexed, and measured. Biological information including shell hardness and presence of eggs will also be recorded. All species captured in study traps will be returned promptly to the sea after sampling. All data collected will be made available to state and Federal management agencies to improve and enhance the available data for these two crustacean species.

Currently, there are no Federal regulations for Jonah crab. We are preparing a proposed rule to establish Federal regulations for the Jonah crab fishery. We anticipate that the final rulemaking will occur during the proposed study period. To ensure that there is no disruption to research activities, we would modify the exemptions granted to this study, should they be approved, to include exemption from the possession of undersized and egg-bearing Jonah crabs. We would solicit comment on this expansion in the rulemaking being developed to propose and implement the Jonah Crab Fishery Management Plan.

If approved, the applicant may request minor modifications and extensions to the EFP throughout the study period. EFP modifications and extensions may be granted without further notice if they are deemed essential to facilitate completion of the proposed research and have minimal impacts that do not change the scope or impact of the initially approved EFP request. Any fishing activity conducted outside the scope of the exempted fishing activity would be prohibited.

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

Dated: October 11, 2018.

Margo B. Schulze-Haugen,

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

[FR Doc. 2018–22485 Filed 10–15–18; 8:45 am]

BILLING CODE 3510–22–P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

RIN 0648–XG447

Fisheries of the Caribbean, Gulf of Mexico, and South Atlantic; Exempted Fishing Permits

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

ACTION: Notice of receipt of an application for exempted fishing permit; request for comments.

SUMMARY: NMFS announces the receipt of an application for an exempted fishing permit (EFP) from Bradford Whipple and Howard Rau. If granted, the EFP would authorize the applicants to deploy golden crab traps and commercially fish on a limited basis for golden crab in the Federal waters of the Gulf of Mexico (Gulf). The project seeks to collect information on the effectiveness of golden crab traps in the Gulf and the viability of a commercial golden crab fishery in the Gulf.

DATES: Written comments must be received on or before October 31, 2018.

ADDRESSES: You may submit comments on the application, identified by ''NOAA–NMFS–2018–0108'' 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-2018-0108,* click the ''Comment Now!'' icon, complete the required fields, and enter or attach your comments.
- *Mail:* Karla Gore, Southeast Regional Office, NMFS, 263 13th Avenue South, St. Petersburg, FL 33701.
- *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).

Electronic copies of the applications may be obtained from the Southeast Regional Office website at *http://*

sero.nmfs.noaa.gov/sustainable_fisheries/gulf_fisheries/LOA_and_EFP/index.html.

FOR FURTHER INFORMATION CONTACT: Karla Gore, 727–824–5305; email: *karla.gore@noaa.gov*.

SUPPLEMENTARY INFORMATION: The EFP is requested under the authority of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1801 *et seq.*), and regulations at 50 CFR 600.745(b) concerning exempted fishing.

The Gulf of Mexico Fishery Management Council (Council) and NMFS do not manage the harvest of golden crab in Federal waters of the Gulf. However, the use or possession of a fish trap in Federal waters in the Gulf is prohibited (50 CFR 622.9(c)), and a ''fish trap'' is any trap capable of taking finfish, except for a trap historically used in the directed fishery for crustaceans (that is, blue crab, stone crab, and spiny lobster) (50 CFR 622.2). Therefore, golden crab traps are a prohibited gear in Gulf Federal waters.

If granted, the EFP would exempt the applicants from the prohibition on the use or possession of a fish trap in Federal waters of the Gulf to allow the testing of various golden crab trap designs and fishing configurations to determine if a commercial golden crab fishery is viable in the Gulf. Additionally, because most of the information and data on golden crab in the Gulf is at least 20 years old, this project would allow for the collection of new information on golden crab in the Gulf. The applicants have requested the EFP be effective for 2 years. During that time, the applicants would collect information on harvest rates, soak time, effectiveness of the various trap style, bycatch, and crab quality. The project design is intended to avoid impacts to non-target species, protected species, and habitats.

As described in the application, the applicants would test the catch efficiency of four different golden crab trap configurations that are currently used in the South Atlantic golden crab fishery. The two vessels to be used in the EFP would deploy a maximum of two strings of 6 to 40 traps per trip. The traps would be baited with fish carcasses and trap soak times would range from overnight up to 17 days depending on trap type and location. Sampling would occur year-round and the applicants expect to set and haul the traps a maximum of 60 times over the course of the 2-year project. At any time, there would be no more than 100 golden crab traps deployed on the seafloor during the project. Setting and hauling of the traps will occur during all hours.

The golden crab trap gear would be deployed in the southeastern Gulf, on mud bottom. From south to north, the gear would be set, between 25° and 28° north latitude with the western gear boundary ranging from 84.20° to 85.40° west longitude in depths ranging from 1,800 to 2,600 ft (548.6 m to 792.4 m). The 1,800 ft (548.6 m) contour will also mark the eastern boundary for gear deployment. This location is west of southwest Florida and outside the range of any other known directed-fishery operating in the Gulf, including the deep-water shrimp fishery. The applicants have agreed to avoid areas of known coral habitats and have communicated with the members of the Council's Scientific and Statistical Committee to identify these coral locations. This project area is also outside the boundaries of both the Flower Garden Banks National Marine Sanctuary and the Florida Keys National Marine Sanctuary. However, the project area is close to Bryde's whale habitat and part of the project area overlaps with an area where sperm whales are known to be present.

As described in the application, the traps to be tested would be of various shapes (rectangle, square and round), various sizes (from 6 ft by 6 ft by 2 ft to 2 ft by 3 ft by 4 ft, (1.8 m by 1.8 m by 0.6 m to 0.6 m by 0.9 m by 1.2 m)), and have different mesh sizes (1.5 inch to 4 inch (3.8 cm to 10.2 cm)). The traps would also have different types of entrances, including top entrances from 8 inch by 8 inch (20.3 cm by 20.3 cm) to 9 inch by 9 inch (22.9 cm by 22.9 cm), and on circle traps, top funnels that are 3 feet (0.9 m) in diameter. One variation of trap would include a 4-inch by 6-inch (10.2 cm to 15.2 cm) side entrance. All of the traps would have the same size escape gap (3 inches by 4 inches (7.6 cm by 10.2 cm)) and would be constructed of steel or rebar frames covered in vinyl-coated mesh. The weight of each trap is estimated to range from 50 lb to 100 lb (23 to 45 kg), depending on the design used.

Each trap location would be marked on the vessel's global positioning system (GPS) before deployment to ensure ease of retrieval. There would be no buoy lines to the surface and the gear would be set in muddy bottom habitat. Sophisticated sounder technology on each vessel is capable of identifying bottom characteristics that are suitable habitat (muddy bottom) for golden crab traps and fishing while avoiding coral habitat.

The applicants would conduct the testing using two vessels issued South Atlantic commercial golden crab permits. Vessel crew would keep detailed records during the sampling trips, including the location of the trip, set and haul date and time, species harvested, impacts on bottom features, trap efficiency, and any bycatch. This information would be shared with the Council and NMFS. Landings information would be collected through the vessel trip ticket program and any golden crab landed from the project would only be sold to federally licensed dealers.

The Council reviewed the EFP application at its April 2018 meeting, provided comments related to avoiding both coral areas and conflicts with shrimp vessels, and recommended that NMFS approve the application. NMFS finds the application warrants further consideration. Possible conditions the agency may impose on the permit, if granted, include but are not limited to, a prohibition on conducting research in known coral areas, marine protected areas, marine sanctuaries, special management zones, or areas where they might interfere with managed fisheries without additional authorization. Additionally, NMFS may require special protections for marine mammals, ESA-listed species and designated critical habitat, and may require particular gear markings. A final decision on issuance of the EFP will depend on NMFS' review of public comments received on the application, consultations with the appropriate fishery management agencies of the affected states, and the U.S. Coast Guard, as well as a determination that it is consistent with all applicable laws.

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

Dated: October 11, 2018.

Margo B. Schulze-Haugen,

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

[FR Doc. 2018–22487 Filed 10–15–18; 8:45 am]

BILLING CODE 3510–22–P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

RIN 0648–XG542

New England Fishery Management Council; Public Meeting

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

ACTION: Notice; public meeting.

SUMMARY: The New England Fishery Management Council (Council) is scheduling a public meeting of its Recreational Advisory Panel to consider actions affecting New England fisheries in the exclusive economic zone (EEZ). Recommendations from this group will be brought to the full Council for formal consideration and action, if appropriate.

DATES: This meeting will be held on Monday, October 29, 2018 at 10 a.m.

ADDRESSES: The meeting will be held at the Hilton Garden Inn, Four Home Depot Drive, Plymouth, MA 02360; phone: (508) 830–0200.

Council address: New England Fishery Management Council, 50 Water Street, Mill 2, Newburyport, MA 01950.

FOR FURTHER INFORMATION CONTACT: Thomas A. Nies, Executive Director, New England Fishery Management Council; telephone: (978) 465–0492.

SUPPLEMENTARY INFORMATION:

Agenda

The Recreational Advisory Panel will receive an overview of recreational fishing data for fishing year 2017 and preliminary fishing year 2018 from National Marine Fisheries Service staff. They will also discuss recent changes to the Marine Recreational Information Program data with respect to groundfish stocks. The panel will receive an update on the Council's public listening sessions on the possibility of limited entry in the groundfish party and charter fishery. The panel will discuss planning the Greater Atlantic Regional Fisheries Office's Upcoming Recreational Workshops building off the outcomes of the 2017 workshop. They also plan to hold a discussion of possible recreational priorities for 2019 and develop recommendations to the Groundfish Committee. Other business will be discussed as necessary.

Although non-emergency issues not contained in this agenda may come before this group for discussion, those issues may not be the subject of formal action during these meetings. Action will be restricted to those issues specifically listed in this notice and any issues arising after publication of this notice that require emergency action under section 305(c) of the Magnuson-Stevens Act, provided the public has been notified of the Council's intent to take final action to address the emergency.

Special Accommodations

This meeting is physically accessible to people with disabilities. Requests for sign language interpretation or other auxiliary aids should be directed to Thomas A. Nies, Executive Director, at (978) 465–0492, at least 5 days prior to the meeting date.

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

Dated: October 11, 2018.

Tracey L. Thompson,

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

[FR Doc. 2018–22497 Filed 10–15–18; 8:45 am]

BILLING CODE 3510–22–P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

RIN 0648–XG544

Pacific Fishery Management Council; Public Meetings

AGENCY: National Marine Fisheries Service, National Oceanic and Atmospheric Administration, Commerce.

ACTION: Notice of public meetings.

SUMMARY: The Pacific Fishery Management Council (Pacific Council) and its advisory entities will hold public meetings.

DATES: The Pacific Council and its advisory entities will meet November 1–8, 2018. The Pacific Council meeting will begin on Saturday, November 3, 2018 at 10 a.m. Pacific Daylight Time (PDT), reconvening at 8 a.m. each day through Thursday, November 8, 2018. All meetings are open to the public, except a closed session will be held from 8 a.m. to 10 a.m., Saturday, November 3 to address litigation and personnel matters. The Pacific Council will meet as late as necessary each day to complete its scheduled business.

ADDRESSES: The meetings will be held at the San Diego Marriott Del Mar, 11966 El Camino Real, San Diego, CA; phone: (858) 523–1700.

Council address: Pacific Fishery Management Council, 7700 NE Ambassador Place, Suite 101, Portland, OR 97220.

Instructions for attending the meeting via live stream broadcast are given under **SUPPLEMENTARY INFORMATION**, below.

FOR FURTHER INFORMATION CONTACT: Mr. Chuck Tracy, Executive Director; telephone: (503) 820–2280 or (866) 806–7204 toll-free; or access the Pacific Council website, *http://www.pcouncil.org* for the current meeting location, proposed agenda, and meeting briefing materials.

SUPPLEMENTARY INFORMATION: The November 1–8, 2018 meeting of the Pacific Council will be streamed live on the internet. The broadcasts begin initially at 10 a.m. PDT Saturday, November 3, 2018 and continue at 8 a.m. daily through Thursday, November 8, 2018. Broadcasts end daily at 5 p.m. PDT or when business for the day is complete. Only the audio portion and presentations displayed on the screen at the Pacific Council meeting will be broadcast. The audio portion is listen-only; you will be unable to speak to the Pacific Council via the broadcast. To access the meeting online, please use the following link: *http://www.gotomeeting.com/online/webinar/join-webinar* and enter the September Webinar ID, 530–089–227, and your email address. You can attend the webinar online using a computer, tablet, or smart phone, using the GoToMeeting application. It is recommended that you use a computer headset to listen to the meeting, but you may use your telephone for the audio-only portion of the meeting. The audio portion may be attended using a telephone by dialing the toll number 1–562–247–8321 (not a toll-free number), audio access code 240–052–611, and entering the audio pin shown after joining the webinar.

The following items are on the Pacific Council agenda, but not necessarily in this order. Agenda items noted as ''Final Action'' refer to actions requiring the Council to transmit a proposed fishery management plan, proposed plan amendment, or proposed regulations to the U.S. Secretary of Commerce, under sections 304 or 305 of the Magnuson-Stevens Fishery Conservation and Management Act. Additional detail on agenda items, Council action, advisory entity meeting times, and meeting rooms are described in Agenda Item A.4, Proposed Council Meeting Agenda, and will be in the advance November 2018 briefing materials and posted on the Pacific Council website at *www.pcouncil.org* no later than Tuesday, October 16, 2018.

A. Call to Order
1. Opening Remarks
2. Roll Call
3. Executive Director's Report
4. Approve Agenda

B. Open Comment Period
1. Comments on Non-Agenda Items

C. Habitat
1. Current Habitat Issues

D. Salmon Management
1. National Marine Fisheries Service Report
2. Preliminary Rebuilding Plans
3. 2019 Preseason Management Schedule

E. Coastal Pelagic Species Management
1. National Marine Fisheries Service Report

2. Methodology Review Preliminary Topic Selection
3. Amendment 17: Live Bait Fishery Allowance—Final Action
4. Preliminary Review of New 2019 Exempted Fishing Permits (EFPs)
5. Review of Fishery Management Plan Management Categories
6. Stock Assessment Prioritization Process

F. Pacific Halibut Management
1. Annual Regulations and 2A Catch Sharing Plan Changes—Final Action

G. Groundfish Management
1. National Marine Fisheries Service Report
2 Cost Recovery Report and Regulations
3. Five-Year Catch Share Follow-On Action Fishery Management Plan and Regulatory Amendments—Final Action
4. Omnibus Project Prioritization
5. Endangered Species Act Mitigation Measures for Seabirds—Scoping
6. Inseason Adjustments for 2018 and 2019—Final Action
7. Electronic Monitoring (EM)—Review of Existing and Out-of-Cycle Exempted Fishing Permits
8. Endangered Species Act Mitigation Measures for Salmon—Scoping

H. Ecosystem Management
1. Climate and Communities Initiative Update

I. Administrative Matters
1. Legislative Matters
2. Fiscal Matters
3. Approval of Council Meeting Record
4. Membership Appointments and Council Operating Procedures
5. Future Council Meeting Agenda and Workload Planning

J. Highly Migratory Species Management
1. National Marine Fisheries Service Report
2. Recommend International Management Activities
3. Biennial Harvest Specifications and Management Measures—Preliminary Action
4. Deep-Set Buoy Gear Authorization—Range of Alternatives and Limited Entry Criteria

Advisory Body Agendas

Advisory body agendas will include discussions of relevant issues that are on the Pacific Council agenda for this meeting, and may also include issues that may be relevant to future Council meetings. Proposed advisory body agendas for this meeting will be available on the Pacific Council website *http://www.pcouncil.org/council-operations/council-meetings/current-briefing-book/* no later than Tuesday, October 16, 2018.

Schedule of Ancillary Meetings

Day 1—Thursday, November 1, 2018

Scientific and Statistical Committee Groundfish and Coastal Pelagic Species Subcommittee 10 a.m.

Day 2—Friday, November 2, 2018

Habitat Committee—8 a.m.
Salmon Advisory Subpanel—8 a.m.
Salmon Technical Team—8 a.m.
Scientific and Statistical Committee—8 a.m.
Legislative Committee—10 a.m.
Budget Committee—1 p.m.

Day 3—Saturday, November 3, 2018

California State Delegation—7 a.m.
Oregon State Delegation—7 a.m.
Washington State Delegation—7 a.m.
Coastal Pelagic Species Advisory Subpanel—8 a.m.
Coastal Pelagic Species Management Team—8 a.m.
Groundfish Advisory Subpanel—8 a.m.
Groundfish Management Team—8 a.m.
Salmon Advisory Subpanel—8 a.m.
Salmon Technical Team—8 a.m.
Scientific and Statistical Committee—8 a.m.
Enforcement Consultants—3 p.m.

Day 4—Sunday, November—4, 2018

California State Delegation—7 a.m.
Oregon State Delegation—7 a.m.
Washington State Delegation—7 a.m.
Coastal Pelagic Species Advisory Subpanel—8 a.m.
Coastal Pelagic Species Management Team—8 a.m.
Groundfish Advisory Subpanel—8 a.m.
Groundfish Management Team—8 a.m.
Highly Migratory Species Advisory Subpanel—8 a.m.
Highly Migratory Species Management Team—8 a.m.
Enforcement Consultants Ad Hoc

Day 5—Monday, November 5, 2018

California State Delegation—7 a.m.
Oregon State Delegation—7 a.m.
Washington State Delegation—7 a.m.
Coastal Pelagic Species Advisory Subpanel—8 a.m.
Coastal Pelagic Species Management Team—8 a.m.
Groundfish Advisory Subpanel—8 a.m.
Groundfish Management Team—8 a.m.
Highly Migratory Species Advisory Subpanel—8 a.m.
Highly Migratory Species Management Team—8 a.m.
Enforcement Consultants Ad Hoc

Day 6—Tuesday, November 6, 2018

California State Delegation—7 a.m.
Oregon State Delegation—7 a.m.
Washington State Delegation—7 a.m.
Groundfish Advisory Subpanel—8 a.m.
Groundfish Management Team—8 a.m.
Highly Migratory Species Advisory Subpanel—8 a.m.
Highly Migratory Species Management Team—8 a.m.
Enforcement Consultants Ad Hoc

Day 7—Wednesday, November 7, 2018

California State Delegation—7 a.m.
Oregon State Delegation—7 a.m.
Washington State Delegation—7 a.m.
Groundfish Advisory Subpanel—8 a.m.
Groundfish Management Team—8 a.m.
Highly Migratory Species Advisory Subpanel—8 a.m.
Highly Migratory Species Management Team—8 a.m.
Enforcement Consultants Ad Hoc

Day 8—Thursday, November 8, 2018

California State Delegation—7 a.m.
Oregon State Delegation—7 a.m.
Washington State Delegation—7 a.m.

Although non-emergency issues not contained in this agenda may come before the Pacific Council for discussion, those issues may not be the subject of formal Council 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 Fishery Conservation and Management Act, provided the public has been notified of the Pacific Council's intent to take final action to address the emergency.

Special Accommodations

These meetings are physically accessible to people with disabilities. Requests for sign language interpretation or other auxiliary aids should be directed to Mr. Kris Kleinschmidt at (503) 820–2280, ext. 411 at least ten business days prior to the meeting date.

Dated: October 11, 2018.

Tracey L. Thompson,

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

[FR Doc. 2018–22502 Filed 10–15–18; 8:45 am]

BILLING CODE 3510–22–P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

Submission for OMB Review; Comment Request

The Department of Commerce 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.

Agency: National Oceanic and Atmospheric Administration (NOAA).

Title: NOAA Restoration Center Performance Progress Report.

OMB Control Number: 0648–0472.

Form Number(s): None.

Type of Request: Regular (revision and extension of a currently approved information collection).

Number of Respondents: 130.

Average Hours per Response: Performance Interim reports, 4 hours, 30 minutes; final reports, 7 hours, 45 minutes and Administrative Interim reports, 4 hours; final reports, 7 hours.

Burden Hours: 1,786.

Needs and Uses:

This request is for revision and extension of a currently approved information collection.

The NOAA Restoration Center (NOAA RC) provides technical and financial assistance to identify, develop, implement, and evaluate community-driven habitat restoration projects. Awards are made as grants or cooperative agreements under the authority of the Magnuson-Stevens Fishery Conservation and Management Act of 2006, 16 U.S.C. 1891a and the Fish and Wildlife Coordination Act, 16 U.S.C. 661, as amended by the Reorganization Plan No. 4 of 1970.

The NOAA RC requires specific information on habitat restoration projects that we fund, as part of routine progress reporting. Recipients of NOAA RC funds submit information such as project location, restoration techniques used, species benefited, acres restored, stream miles opened to access for diadromous fish, volunteer participation, and other parameters.

The required information enables NOAA to track, evaluate and report on coastal and marine habitat restoration and demonstrate accountability for federal funds. This information is used to populate a database of NOAA RC-funded habitat restoration. The database, with its robust querying capabilities, is instrumental to provide accurate and timely responses to NOAA, Department of Commerce, Congressional and constituent inquiries. It also facilitates reporting by NOAA on the Government Performance and Results Act ''acres restored'' performance measure. Grant recipients are required by the NOAA Grants Management Division to submit periodic performance reports and a final report for each award; this collection stipulates the information to be provided in these reports.

There are two progress report forms for simplicity. The Performance Report Form focuses on tracking project implementation, milestones, performance measures, monitoring, and expenditures. The Administrative Form only applies to recipients with an award that will implement multiple projects. It collects information on the administration of the award, the number of projects supported by the award, and award expenditures.

Revision: The Performance Progress Report now has additions in the drops downs to to allow for data to be entered for more than 3 years of project funding.

Affected Public: Business or other for-profit organizations; not-for-profit institutions; state, local or tribal governments.

Frequency: Semi-annually and one-time.

Respondent's Obligation: Required to obtain or retain benefits.

This information collection request may be viewed at *reginfo.gov.* Follow the instructions to view Department of Commerce collections currently under review by OMB.

Written comments and recommendations for the proposed information collection should be sent within 30 days of publication of this notice to *OIRA_Submission@omb.eop.gov* or fax to (202) 395–5806.

Dated: September 28, 2018.

Sarah Brabson,

NOAA PRA Clearance Officer.

[FR Doc. 2018–22453 Filed 10–15–18; 8:45 am]

BILLING CODE 3510–22–P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

RIN 0648–XG553

New England Fishery Management Council; Public Meeting

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

ACTION: Notice; public meeting.

SUMMARY: The New England Fishery Management Council (Council) is scheduling a public meeting of its Habitat Advisory Panel to consider actions affecting New England fisheries in the exclusive economic zone (EEZ). Recommendations from this group will be brought to the full Council for formal consideration and action, if appropriate.

DATES: This meeting will be held on Monday, November 5, 2018 at 10 a.m.

ADDRESSES:

Meeting address: The meeting will be held at the Hilton Garden Inn, Logan Airport, 100 Boardman Street, Boston, MA 02128; phone: (617) 567–6789.

Council address: New England Fishery Management Council, 50 Water Street, Mill 2, Newburyport, MA 01950.

FOR FURTHER INFORMATION CONTACT: Thomas A. Nies, Executive Director, New England Fishery Management Council; telephone: (978) 465–0492.

SUPPLEMENTARY INFORMATION:

Agenda

The advisory panel will review range of alternatives in the clam dredge framework. These alternatives were developed by the Habitat Plan Development Team with guidance from the Habitat Committee and the Council. The panel will also review the PDT's preliminary analysis of alternatives. They will also discuss findings of the Council's Enforcement Committee regarding the use of 5-minute VMS to monitor fishing activity within potential exemption areas. The panel will provide feedback to the Habitat Committee about the alternatives and related analyses. Other business will be discussed as necessary.

Although non-emergency issues not contained in this agenda may come before this group for discussion, those issues may not be the subject of formal action during these meetings. Action will be restricted to those issues specifically listed in this notice and any issues arising after publication of this notice that require emergency action under section 305(c) of the Magnuson-Stevens Act, provided the public has been notified of the Council's intent to take final action to address the emergency.

Special Accommodations

This meeting is physically accessible to people with disabilities. Requests for sign language interpretation or other auxiliary aids should be directed to Thomas A. Nies, Executive Director, at (978) 465–0492, at least 5 days prior to the date. This meeting will be recorded. Consistent with 16 U.S.C. 1852, a copy of the recording is available upon request.

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

Dated: October 11, 2018.

Tracey L. Thompson,

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

[FR Doc. 2018–22505 Filed 10–15–18; 8:45 am]

BILLING CODE 3510–22–P

DEPARTMENT OF EDUCATION

[Docket No.: ED–2018–ICCD–0084]

Agency Information Collection Activities; Submission to the Office of Management and Budget for Review and Approval; Comment Request; Common Core of Data (CCD) School-Level Finance Survey (SLFS) 2018–2020

AGENCY: National Center for Education Statistics (NCES), Department of Education (ED).

ACTION: Notice.

SUMMARY: In accordance with the Paperwork Reduction Act of 1995, ED is proposing a revision of an existing information collection.

DATES: Interested persons are invited to submit comments on or before November 15, 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–0084. 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, 550 12th Street SW, PCP, Room 9086, Washington, DC 20202–0023.

FOR FURTHER INFORMATION CONTACT: For specific questions related to collection activities, please contact Kashka Kubzdela, 202–245–7377 or email *NCES.Information.Collections@ed.gov.*

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: Common Core of Data (CCD) School-Level Finance Survey (SLFS) 2018–2020.

OMB Control Number: 1850–0930.

Type of Review: A revision of an existing information collection.

Respondents/Affected Public: State, Local, and Tribal Governments.

Total Estimated Number of Annual Responses: 306.

Total Estimated Number of Annual Burden Hours: 4,938.

Abstract: The School-Level Finance Survey (SLFS) data collection is conducted annually by the National Center for Education Statistics (NCES), within the U.S. Department of Education (ED). SLFS complements two existing data collections conducted by NCES in collaboration with the U.S. Census Bureau (Census): The School District Finance Survey (F–33) and the state-level National Public Education Financial Survey (NPEFS). SLFS expands F–33 to include its finance variables at the school level. Beginning with FY18, the SEAs will report total current expenditures at the school level in the same manner as for the district level on F–33. This request is to conduct in 2019 through 2021 SLFS for fiscal years 2018 through 2020 (corresponding to school years 2017/18 through 2019/20) and to expand the collected data to be analogous to the current ESSA expenditures per pupil provision.

Dated: October 11, 2018.

Kate Mullan,

Acting Director, Information Collection Clearance Division, Office of the Chief Privacy Officer, Office of Management.

[FR Doc. 2018–22445 Filed 10–15–18; 8:45 am]

BILLING CODE 4000–01–P

DEPARTMENT OF ENERGY

[Case Number 2017–011; EERE–2017–BT–WAV–0049]

Energy Conservation Program: Decision and Order Granting a Waiver to Big Ass Solutions From the Department of Energy Ceiling Fan Test Procedure

AGENCY: Office of Energy Efficiency and Renewable Energy, Department of Energy.

ACTION: Notice of decision and order.

SUMMARY: The U.S. Department of Energy (''DOE'') gives notice of a Decision and Order (Case Number 2017–011) that grants to Big Ass Solutions (''BAS'') a waiver from specified portions of the DOE test procedure for determining the energy efficiency of ceiling fans. Under the Decision and Order, BAS is required to test and rate specified basic models of its ceiling fans in accordance with the alternate test procedure specified in the Decision and Order.

DATES: The Decision and Order is effective on October 16, 2018. The Decision and Order will terminate upon the compliance date of any future amendment to the test procedure for ceiling fans located in 10 CFR part 430, subpart B, appendix U that addresses the issues presented in this waiver. At such time, BAS must use the relevant test procedure for this product for any testing to demonstrate compliance with standards, and any other representations of energy use.

FOR FURTHER INFORMATION CONTACT:

Ms. Lucy deButts, U.S. Department of Energy, Office of Energy Efficiency and Renewable Energy, Building Technologies Office, EE–5B, 1000 Independence Avenue SW, Washington, DC 20585–0121. Email: *AS_Waiver_Requests@ee.doe.gov.*

Ms. Elizabeth Kohl, U.S. Department of Energy, Office of the General Counsel, Mail Stop GC–33, Forrestal Building, 1000 Independence Avenue SW, Washington, DC 20585–0103. Email: *Elizabeth.Kohl@hq.doe.gov.* Telephone (202) 586–7796.

SUPPLEMENTARY INFORMATION: In accordance with Title 10 of the Code of Federal Regulations (10 CFR

430.27(f)(2)), DOE gives notice of the issuance of its Decision and Order as set forth below. The Decision and Order grants BAS a waiver from the applicable test procedure in 10 CFR part 430, subpart B, appendix U for specified basic models of ceiling fans, provided that BAS tests and rates such products using the alternate test procedure specified in the Decision and Order. BAS's representations concerning the energy efficiency of the specified basic models must be based on testing according to the provisions and restrictions in the alternate test procedure set forth in the Decision and Order, and the representations must fairly disclose the test results. Distributors, retailers, and private labelers are held to the same requirements when making representations regarding the energy efficiency of these products. (42 U.S.C. 6293(c))

Consistent with 10 CFR 430.27(j), not later than December 17, 2018, any manufacturer currently distributing in commerce in the United States products employing a technology or characteristic that results in the same need for a waiver from the applicable test procedure must submit a petition for waiver. Manufacturers not currently distributing such products in commerce in the United States must petition for and be granted a waiver prior to the distribution in commerce of those products in the United States. Manufacturers may also submit a request for interim waiver pursuant to the requirements of 10 CFR 430.27.

Signed in Washington, DC, on October 9, 2018.

Kathleen B. Hogan,

Deputy Assistant Secretary for Energy Efficiency, Energy Efficiency and Renewable Energy.

Case #2017–011

Decision and Order

I. Background and Authority

The Energy Policy and Conservation Act of 1975 (''EPCA''),[1] Public Law 94–163 (42 U.S.C. 6291–6317, as codified), among other things, authorizes the U.S. Department of Energy (''DOE'') to regulate the energy efficiency of a number of consumer products and industrial equipment. Title III, Part B [2] of EPCA established the Energy Conservation Program for Consumer Products Other Than Automobiles, which sets forth a variety of provisions designed to improve energy efficiency for certain types of consumer products. These products include ceiling fans, the focus of this document. (42 U.S.C. 6291(49); 42 U.S.C. 6295(ff))

Under EPCA, DOE's energy conservation program consists essentially of four parts: (1) Testing, (2) labeling, (3) Federal energy conservation standards, and (4) certification and enforcement procedures. Relevant provisions of EPCA include definitions (42 U.S.C. 6291), energy conservation standards (42 U.S.C. 6295), test procedures (42 U.S.C. 6293), labeling provisions (42 U.S.C. 6294), and the authority to require information and reports from manufacturers (42 U.S.C. 6296).

The Federal testing requirements consist of test procedures that manufacturers of covered products must use as the basis for: (1) Certifying to DOE that their products comply with the applicable energy conservation standards adopted pursuant to EPCA (42 U.S.C. 6295(s)), and (2) making representations about the efficiency of that product (42 U.S.C. 6293(c)). Similarly, DOE must use these test procedures to determine whether the product complies with relevant standards promulgated under EPCA. (42 U.S.C. 6295(s))

Under 42 U.S.C. 6293, EPCA sets forth the criteria and procedures DOE is required to follow when prescribing or amending test procedures for covered products. EPCA requires that any test procedures prescribed or amended under this section must be reasonably designed to produce test results which reflect energy efficiency, energy use or estimated annual operating cost of a covered product during a representative average use cycle or period of use and requires that test procedures not be unduly burdensome to conduct. (42 U.S.C. 6293(b)(3)) The test procedure for ceiling fans is contained in the Code of Federal Regulations (''CFR'') at 10 CFR part 430, subpart B, appendix U, *Uniform test method for measuring the energy consumption of ceiling fans* (''Appendix U'').

Under 10 CFR 430.27, any interested person may submit a petition for waiver from DOE's test procedure requirements. DOE will grant a waiver from the test procedure requirements if DOE determines either that the basic model for which the waiver was requested contains a design characteristic that prevents testing of the basic model according to the prescribed test procedures, or that the prescribed test procedures evaluate the basic model in a manner so unrepresentative of its true energy consumption characteristics as to provide materially inaccurate comparative data. 10 CFR 430.27(a)(1). DOE may grant the waiver subject to conditions, including adherence to alternate test procedures. 10 CFR 430.27(f)(2).

II. Petition for Waiver: Assertions and Determinations

By letter dated June 14, 2017, BAS filed a petition for waiver and an application for interim waiver from the test procedure applicable to ceiling fans set forth in Appendix U. According to BAS, testing at low speed for the basic models listed in the petition [3] may cause BAS undue hardship in meeting the stability requirements contained in appendix U. BAS stated that when testing the specified basic models at low speed the average air speed is so low that the acceptable variance under the stability criteria is often less than 2 feet per minute, which falls below the accuracies for airflow sensors required in section 3.3.2 of Appendix U. Consequently, in its petition, BAS offered two alternate test procedures for determining the stability criteria for testing low-speed small-diameter ceiling fans at low speed: (1) BAS's preferred method, which would require BAS to employ a stability criteria using airflow instead of air velocity measurements, and (2) BAS's alternate method, which would require relaxing the low speed stability criteria from DOE's requirement of 5 percent to 10 percent. BAS initially stated that this second method is not preferred because it could add significant variability to the calculated airflow on low speed. BAS also requested an interim waiver from the existing DOE test procedure. However, by email dated December 6, 2017, BAS withdrew its preferred method for modifying the stability criteria from consideration. Instead, BAS requested that DOE consider its alternate method as its recommendation for the alternate test procedure.[4]

On March 23, 2018, DOE published a notice announcing its receipt of the petition for waiver and granting BAS an interim waiver. 83 FR 12726. In the notice of petition for waiver, DOE reviewed the alternate test procedure suggested by BAS and granted the interim waiver initially finding that the alternate test procedure of relaxing the stability criteria for low speed will allow for the accurate measurement of efficiency of these products, while alleviating the testing problems associated with BAS's implementation of ceiling fan testing for the basic models specified in its petition. In that notice, DOE also solicited comments from interested parties on all aspects of the petition and specified an alternate test procedure that must be followed for testing and certifying the specific basic models for which BAS requested a waiver. *Id.*

DOE received two relevant comments to the notice of petition for waiver.[5] Both comments were supportive of DOE granting the waiver and encouraged DOE to make the alternate test procedure available to all ceiling fan manufacturers. Specifically, Hunter stated that it supports BAS's waiver and encouraged DOE to make the BAS alternate test procedure available to all ceiling fan test facilities that are dealing with similar issues with meeting stability criteria.[6]

[1] All references to EPCA in this document refer to the statute as amended through the EPS Improvement Act of 2017, Public Law 115–115 (January 12, 2018).

[2] For editorial reasons, upon codification in the U.S. Code, Part B was redesignated as Part A.

[3] The specific basic models for which the petition applies are ceiling fan basic models Isis F–IS2–0601S4, Isis F–IS2–0601, Isis F–IS2–0401L8S4, Isis F–IS2–0401L8, Isis F–IS2–0401I06L8S4, Isis F–IS2–0401I06L8, Isis F–IS2–0501L8S4 and Isis F–IS2–0501L8. These basic model names were provided by BAS in its June 2017 petition.

[4] A copy of the email is available at *http://www.regulations.gov,* under docket number EERE–2017–BT–WAV–0049.

[5] DOE received other comments regarding issues unrelated to the waiver petition. See the docket for this notice at *https://www.regulations.gov/docket?D=EERE-2017-BT-WAV-0049.*

[6] Hunter's comment can be accessed at: *https://www.regulations.gov/document?D=EERE-2017-BT-WAV-0049-0006.*

(Hunter, No. 6 at p. 1) American Lighting Association (ALA) stated that it supports BAS for bringing the issue forward. ALA stated that the issue of stability testing has plagued many manufacturers, and that if approval of the waiver is granted, then DOE should make the alternate test procedure applicable to all manufacturers of small diameter ceiling fans so that testing burden is reduced.[7] (ALA, No. 8 at p. 2)

While the petition for waiver from BAS and the interim waiver granted by DOE addressed the required testing at low speed only, Hunter also suggested that the same alternate test procedure stability criteria be applied to high speed as well, stating that there is test efficiency gain for high speed also. (Hunter, No. 6 at p. 2) Furthermore, Hunter stated that although relaxing the air velocity stability criteria for low and high speed for the entire industry would help reduce undue burden, it also recommended that DOE consider requiring stability for airflow instead of air velocity, stating that when overall airflow on low or high speed from one test run to the next is substantially unchanged, stability is reached, and that air velocity being the same for a particular sensor from one second to the next is of no real consequence and unnecessarily adds to the burden. *Id.*

As to Hunter's and ALA's request to make an alternate test procedure available to all manufacturers that are faced with similar issues as BAS, DOE considers such requests in the context of a rulemaking proceeding rather than through the waiver process. As noted, any manufacturer currently distributing in commerce in the United States products employing a technology or characteristic that results in the same need for a waiver from the applicable test procedure must submit a petition for waiver. 10 CFR 430.27(j). The waiver process addresses particular basic models that contain one or more design characteristics which either prevent testing according to the prescribed test procedures or cause the prescribed test procedures to evaluate the basic models in a manner so unrepresentative of its true energy and/or water consumption characteristics as to provide materially inaccurate comparative data. 10 CFR 430.27(a)(1). Changes to the test procedure that apply to the covered product more generally would appropriately be addressed as part of a rulemaking.

Regarding Hunter's request that DOE provide an alternate test procedure for testing at high speed, DOE would also consider such a request generally in the context of a rulemaking. The petition submitted by BAS does not address testing issues at high speed. DOE understands that the ceiling fans specified in the BAS petition, when operated at low speed, produce air velocities that have trouble meeting the stability criteria because the average air velocity is so low that it creates highly variable airflow patterns. BAS also specifically stated that at low speed for the basic models in question, the air speed is so low that the acceptable variance under the stability criteria (often less than 2 feet per minute) falls below the required accuracies for airflow sensors in section 3.3.2 of Appendix U (*i.e.,* the fans specified by BAS cannot be tested according the required test procedure). DOE understands that the cost of sensors to obtain the resolution needed at the very low speeds would be substantial. DOE is unaware of similar issues when testing at high speed. In the ceiling fan test procedure final rule, DOE observed that across nearly 40 fans tested at high speed, no sensors recorded an average velocity at levels low enough that the acceptable variance under the stability criteria fell below the required accuracies for airflow sensors in section 3.3.2 of Appendix U (*i.e.,* the average velocities were greater than 40 feet per minute). 81 FR 48620, 48628 (July 25, 2016). If Hunter has any test data indicating a problem with the stability criteria at high speed, DOE would consider that data in determining whether any changes to the test procedure would be appropriate.

Regarding Hunter's recommendation to require stability for airflow instead of air velocity to determining test room stability, under the current DOE test procedure, air velocity is measured at each sensor along the sensor arm, and airflow is calculated based on these measurements. The air velocity measurements indicate both the amount and location of air provided by the fan within the effective area (*i.e.,* the air profile). DOE found that large variations in air profile often indicate test room instability (*e.g.,* localized temperature gradients that effect airflow). Applying stability criteria to the air velocity measurements ensures that successive sets of measurements result in similar air profiles, which is indicative of test room stability. DOE has observed that the stability criteria applied only to airflow could be met with large variations in air profile (*i.e.,* at unstable test room conditions). This allows for airflow, and in turn fan efficiency, to vary significantly between multiple tests of the same fan because stable airflow can be achieved at varied test room conditions. If Hunter has any test data regarding the sufficiency of using airflow to conclude test room stability, however, DOE may consider stability criteria using airflow in a future rulemaking.

BAS's petition requested a waiver from the test procedure applicable to the specified ceiling fans only in regard to the stability criteria for testing at low speed. DOE reviewed the manufacturer specifications and test data provided by BAS. DOE concluded that the data demonstrated that the basic models specified in the petition cannot be tested under the DOE test procedure because when testing the basic models at low speed, the air speed is so low that the acceptable variance under the stability criteria (often less than 2 feet per minute) falls below the required accuracies for airflow sensors in section 3.3.2 of Appendix U. This Decision and Order grants an alternate test procedure for low speed only.

DOE understands that absent a waiver, the basic models identified by BAS in its petition cannot be tested and rated for energy consumption on a basis representative of their true energy consumption characteristics. DOE has reviewed the recommended procedure suggested by BAS and concludes that it will allow for the accurate measurement of the energy use of the basic model, while alleviating the testing problems associated with BAS's implementation of DOE's applicable ceiling fan test procedure for the specified basic models. In the Decision and Order, DOE is requiring that BAS test and rate the ceiling fan basic models for which it has requested a waiver according to the alternate test procedure specified in the Decision and Order, which is identical to the procedure provided in the interim waiver

In its petition BAS sought a test procedure waiver for certain basic models. This Decision and Order is applicable only to BAS and only to the basic models listed and does not extend to any other basic models.

BAS may request that the scope of this waiver be extended to include additional basic models that employ the same technology as those listed in this waiver. 10 CFR 430.27(g). BAS may also submit another petition for waiver from the test procedure for additional basic models that employ a different technology and meet the criteria for test procedure waivers. 10 CFR 430.27(a)(1).

DOE notes that it may modify the waiver at any time upon DOE's determination that the factual basis underlying the petition for waiver is incorrect, or upon a determination that the results from the alternate test procedure are unrepresentative of the basic models' true energy consumption characteristics. 10 CFR 430.27(k)(1). Likewise, BAS may request that DOE rescind or modify the waiver if the company discovers an error in the information provided to DOE as part of its petition, determines that the waiver is no longer needed, or for other appropriate reasons. 10 CFR 430.27(k)(2).

III. Consultations with Other Agencies

In accordance with 10 CFR 430.27(f)(2), DOE consulted with the Federal Trade Commission (''FTC'') staff concerning the BAS petition for waiver. The FTC staff did not have any objections to granting a waiver to BAS.

IV. Order

After careful consideration of all the material that was submitted by BAS and commenters in this matter, it is **ORDERED** that:

(1) BAS must, as of the date of publication of this Order in the **Federal Register,** test and rate the following ceiling fan basic models with the alternate test procedure as set forth in paragraph (2):

Brand Name	Basic Model
Isis	F–IS2–0601S4
Isis	F–IS2–0601
Isis	F–IS2–0401L8S4
Isis	F–IS2–0401L8
Isis	F–IS2–0401I06L8S4
Isis	F–IS2–0401I06L8
Isis	F–IS2–0501L8S4
Isis	F–IS2–0501L8

[7] ALA's comment can be accessed at: *https://www.regulations.gov/document?D=EERE-2017-BT-WAV-0049-0008.*

(2) The alternate test procedure for the BAS basic models listed in paragraph (1) of this Order is the test procedure for ceiling fans prescribed by DOE at 10 CFR part 430, subpart B, appendix U, except that under section 3.3.2 of appendix U, the stability criteria for low speed is relaxed from 5 percent to 10 percent. The alternative test procedure shall apply as follows:

3.3.2 Airflow and Power Consumption Testing Procedure

Measure the airflow (CFM) and power consumption (W) for HSSD ceiling fans until stable measurements are achieved, measuring at high speed only. Measure the airflow and power consumption for LSSD ceiling fans until stable measurements are achieved, measuring first at low speed and then at high speed. Airflow and power consumption measurements are considered stable for high speed if:

(1) The average air velocity for all axes for each sensor varies by less than 5% compared to the average air velocity measured for that same sensor in a successive set of air velocity measurements, and

(2) Average power consumption varies by less than 1% in a successive set of power consumption measurements.

Airflow and power consumption measurements are considered stable for low speed if:

(1) The average air velocity for all axes for each sensor varies by less than 10% compared to the average air velocity measured for that same sensor in a successive set of air velocity measurements, and

(2) Average power consumption varies by less than 1% in a successive set of power consumption measurements.

(3) *Representations.* BAS may not make representations about the efficiency of the basic models identified in paragraph (1) of this Order for compliance, marketing, or other purposes unless the basic model has been tested in accordance with the provisions set forth above and such representations fairly disclose the results of such testing in accordance with 10 CFR part 430, subpart B, appendix U and 10 CFR 429.32, as specified in this Order.

(4) This waiver shall remain in effect according to the provisions of 10 CFR 430.27.

(5) This waiver is issued on the condition that the statements, representations, and documentation provided by BAS are valid. If BAS makes any modifications to the configuration of these basic models, the waiver will no longer be valid and BAS will either be required to use the current Federal test method or submit a new application for a test procedure waiver. DOE may revoke or modify this waiver at any time if it determines the factual basis underlying the petition for waiver is incorrect, or the results from the alternate test procedure are unrepresentative of the basic models' true energy consumption characteristics. 10 CFR 430.27(k)(1). Likewise, BAS may request that DOE rescind or modify the waiver if BAS discovers an error in the information provided to DOE as part of its petition, determines that the waiver is no longer needed, or for other appropriate reasons. 10 CFR 430.27(k)(2).

(6) Granting of this waiver does not release BAS from the certification requirements set forth at 10 CFR part 429.

Signed in Washington, DC, on October 9, 2018.

Kathleen B. Hogan,

Deputy Assistant Secretary for Energy Efficiency Energy Efficiency and Renewable Energy.

[FR Doc. 2018–22476 Filed 10–15–18; 8:45 am]

BILLING CODE 6450–01–P

DEPARTMENT OF ENERGY

Senior Executive Service Performance Review Board

AGENCY: Department of Energy.

ACTION: Designation of Performance Review Board Chair.

SUMMARY: This notice provides the Performance Review Board Chair designee for the Department of Energy. This listing supersedes all previously published lists of Performance Review Board Chair.

DATES: This appointment is effective as of September 30, 2018.

Dennis M. Miotla

Signed in Washington, DC, on October 2, 2018.

Erin S. Moore,

Director, Office of Corporate Executive Management, Office of the Chief Human Capital Officer.

[FR Doc. 2018–22479 Filed 10–15–18; 8:45 am]

BILLING CODE 6450–01–P

DEPARTMENT OF ENERGY

Senior Executive Service Performance Review Board

AGENCY: Department of Energy.

ACTION: Designation of Performance Review Board Standing Register.

SUMMARY: This notice provides the Performance Review Board Standing Register for the Department of Energy. This listing supersedes all previously published lists of PRB members.

DATES: This appointment is effective as of September 30, 2018.

Bell, Melody
Brott, Matthew
Grose, Amy
Johnson Jr., Thomas
Kaplan, Stan
Kim, Dong
LeBeau, Tracey
Lee, Terri
Lewis, Roger
Lippold, David
Livengood, Joanna
Lushetsky, John
Marlay, Robert
Mays, Cynthia
Moore, Johnny
O'Konski, Peter
Rasar, Kimberly
Reilly, Thomas
White, John
Worthington, Patricia

Signed in Washington, DC, on October 2, 2018.

Erin S. Moore,

Director, Office of Corporate Executive Management, Office of the Chief Human Capital Officer.

[FR Doc. 2018–22480 Filed 10–15–18; 8:45 am]

BILLING CODE 6450–01–P

DEPARTMENT OF ENERGY

Agency Information Collection Extension

AGENCY: U.S. Department of Energy.

ACTION: Notice and request for comments.

SUMMARY: The Department of Energy (DOE), pursuant to the Paperwork Reduction Act of 1995, intends to extend for three years, an information collection request with the Office of Management and Budget (OMB). This information collection request consists of forms that will certify to DOE that respondents were advised of the requirements for occupying or continuing to occupy a Human Reliability Program (HRP) position. The forms include: Human Reliability Program Certification (DOE F 470.3), Acknowledgement and Agreement to Participate in the Human Reliability Program (DOE F 470.4), Authorization and Consent to Release Human Reliability Program Records in Connection with HRP (DOE F 470.5), Refusal of Consent (DOE F 470.6), and Human Reliability Program (HRP) Alcohol Testing Form (DOE F 470.7). The HRP is a security and safety reliability program for individuals who apply for or occupy certain positions that are critical to the national security. It requires an initial and annual supervisory review, medical assessment, management evaluation, and a DOE personnel security review of all applicants or incumbents. It is also used to ensure that employees assigned to nuclear explosive duties do not have emotional, mental, or physical conditions that could result in an accidental or unauthorized detonation of nuclear explosives.

DATES: Comments regarding this proposed information collection must be received on or before December 17, 2018. If you anticipate difficulty in

submitting comments within that period, contact the person listed below as soon as possible.

ADDRESSES: Written comments may be sent to Regina Cano, U.S. Department of Energy, Office of Corporate Security Strategy (AU–1.2), 1000 Independence Ave. SW, Washington, DC 20585, telephone at (202) 586–7079, by fax at (202) 586–9779, or by email at *regina.cano@hq.doe.gov.*

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of the information collection instrument and instructions should be directed to Regina Cano, (202) 586–7079, *regina.cano@hq.doe.gov.* More information on the HRP can be found at *https://www.energy.gov/ehss/human-reliability-program-handbook.* Forms included in this collection can be found at *https://www.energy.gov/cio/management-administration-forms-0000-1999.*

SUPPLEMENTARY INFORMATION: Comments are invited on: (a) Whether the extended collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology.

This information collection request pertains to the Human Reliability Program (HRP). This information collection request contains: (1) *OMB No.:* 1910–5122; (2) *Information Collection Request Title:* Human Reliability Program; (3) *Type of Review:* renewal; (4) *Purpose:* This collection provides for DOE management to ensure that individuals who occupy HRP positions meet program standards of reliability and physical and mental suitability; (5) *Annual Estimated Number of Respondents:* 43,960; (6) *Annual Estimated Number of Total Responses:* 43,999; (7) *Annual Estimated Number of Burden Hours:* 3,819; (8) *Annual Estimated Reporting and Recordkeeping Cost Burden:* $342,888; (9) *Response Obligation:* Mandatory.

Statutory Authority: 42 U.S.C. 2165; 42 U.S.C. 2201; 42 U.S.C. 5814–5815; 42 U.S.C. 7101 *et seq.*; 50 U.S.C. 2401 *et seq.*; E.O. 10450, 3 CFR 1949–1953 Comp., p. 936, as amended; E.O. 10865, 3 CFR 1959–1963 Comp., p. 398, as amended; 3 CFR Chap. IV.

Signed in Washington, DC, on October 9, 2018.

Matthew B. Moury,

Associate Under Secretary for Environment, Health, Safety and Security.

[FR Doc. 2018–22478 Filed 10–15–18; 8:45 am]

BILLING CODE 6450–01–P

DEPARTMENT OF ENERGY

Energy Information Administration

Agency Information Collection Extension

AGENCY: U.S. Energy Information Administration (EIA), U.S. Department of Energy (DOE).

ACTION: Notice.

SUMMARY: EIA submitted an information collection request for extension as required by the Paperwork Reduction Act of 1995. The information collection requests a three-year extension with no changes of Form NWPA–830G, ''*Standard Contract for Disposal of Spent Nuclear Fuel and/or High-Level Radioactive Waste,*'' *Appendix G,* under OMB Control Number 1901–0260. Form NWPA–830G, ''Appendix G—Standard Remittance Advice for Payment of Fees'' (including Annex A to Appendix G), which is part of the Standard Contract collects information concerning a company's quarterly payments into the Nuclear Waste Fund of ongoing fees for spent nuclear fuel disposal. Form NWPA–830G, is a mandatory form that serves as the source document for entries into DOE accounting records to transmit data from purchasers to DOE concerning payment of the Spent Nuclear Fuel Disposal Fee into the Nuclear Waste Fund. Although the Department of Energy determined that, effective May 16, 2014, the Spent Nuclear Fuel Disposal Fee is 0.0 mills per kWh, it has (through its Office of the General Counsel) directed EIA to continue activities associated with the collection and verification of net electricity generation data and estimation of the spent nuclear fuel disposal fees that would otherwise accrue from this generation.

DATES: Comments on this information collection must be received no later than November 15, 2018. If you anticipate any difficulties in submitting your comments by the deadline, contact the DOE Desk Officer at 202–395–4718.

ADDRESSES: Written comments should be sent to

DOE Desk Officer: Brandon Debruhl, Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Room 10102, 735 17th Street NW, Washington, DC 20503, Email: *Brandon_F_DeBruhl@omb.eop.gov*

and to

Michael Scott, U.S. Department of Energy, U.S. Energy Information Administration, 1000 Independence Ave. SW, Washington, DC 20585, *Michael.Scott@eia.gov.*

FOR FURTHER INFORMATION CONTACT: Michael Scott, (202) 586–0253, email *Michael.Scott@eia.gov.* Form NWPA–830G, ''Appendix G—Standard Remittance Advice for Payment of Fees,'' may be accessed from this URL: *https://www.eia.gov/survey/form/nwpa_830g/proposed/2019/appendix_g.pdf,* and Annex A to Appendix G from the URL below: *https://www.eia.gov/survey/form/nwpa_830g/proposed/2019/annex_a_appendix_g.pdf.*

SUPPLEMENTARY INFORMATION:

This information collection request contains:

(1) *OMB No.* 1901–0260;

(2) *Information Collection Request Title:* Form NWPA–830G, *Standard Contract for Disposal of Spent Nuclear Fuel and/or High-Level Radioactive Waste, Appendix G;*

(3) *Type of Request:* Three-year extension;

(4) *Purpose:* Form NWPA–830G, is the source document for entries into DOE accounting records to transmit data from purchasers to DOE concerning payment of the Spent Nuclear Fuel Disposal Fee into the Nuclear Waste Fund. Appendix G collects payment data based on a utility's net electricity generated and sold. 15 U.S.C. 772(b) provides that EIA may require all persons owning or operating facilities or business premises who are engaged in any phase of energy supply or major energy consumption to make available to the Administrator such information and periodic reports, records, documents, and other data, relating to the purposes of this Act, including full identification of all data and projections as to source, time and methodology of development.

The Nuclear Waste Policy Act of 1982 (42 U.S.C. 10101 *et seq.*) required that DOE enter into Standard Contracts with all generators or owners of spent nuclear fuel and high-level radioactive waste of domestic origin. Form NWPA–830G *Appendix G—Standard Remittance Advice for Payment of Fees,* including Annex A to Appendix G, is an Appendix to this Standard Contract. Appendix G and Annex A to Appendix G are commonly referred to as Remittance Advice (RA) forms. RA

forms must be submitted quarterly by generators and owners of spent nuclear fuel and high-level radioactive waste of domestic origin who signed the Standard Contract. Appendix G is designed to serve as the source document for entries into DOE accounting records to transmit data to DOE concerning payment of fees into the Nuclear Waste Fund for spent nuclear fuel and high-level waste disposal. Annex A to Appendix G is used to provide data on the amount of net electricity generated and sold, upon which these fees are based.

(5) *Annual Estimated Number of Respondents:* 99;

(6) *Annual Estimated Number of Total Responses:* 396;

(7) *Annual Estimated Number of Burden Hours:* 1,980;

(8) *Annual Estimated Reporting and Recordkeeping Cost Burden:* The cost of burden hours to the respondents is estimated to be $149,866 (1,980 burden hours times $75.69 per hour). EIA estimates that there are no additional costs to respondents associated with the survey other than the costs associated with the burden hours.

Statutory Authority: 42 U.S.C. 10222 and 15 U.S.C. 772(b).

Issued in Washington, DC, on *September 19, 2018.*

Nanda Srinivasan,

Director, Office of Survey Development and Statistical Integration, U.S. Energy Information Administration.

[FR Doc. 2018–22481 Filed 10–15–18; 8:45 am]

BILLING CODE 6450–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

Sunshine Act Meeting Notice

The following notice of meeting is published pursuant to section 3(a) of the government in the Sunshine Act (Pub. L. 94–409), 5 U.S.C. 552b:

AGENCY HOLDING MEETING: Federal Energy Regulatory Commission.

DATE AND TIME: October 18, 2018 10:00 a.m.

PLACE: Room 2C, 888 First Street NE, Washington, DC 20426.

STATUS: Open.

MATTERS TO BE CONSIDERED: Agenda

* *NOTE*—Items listed on the agenda may be deleted without further notice.

CONTACT PERSON FOR MORE INFORMATION: Kimberly D. Bose, Secretary, Telephone (202) 502–8400.

For a recorded message listing items struck from or added to the meeting, call (202) 502–8627.

This is a list of matters to be considered by the Commission. It does not include a listing of all documents relevant to the items on the agenda. All public documents, however, may be viewed on line at the Commission's website at *http://ferc.capitolconnection.org/* using the eLibrary link, or may be examined in the Commission's Public Reference Room.

1048TH—MEETING, OPEN MEETING

[October 18, 2018, 10:00 a.m.]

Item No	Docket No.	Company
	ADMINISTRATIVE	
A–1	AD19–1–000	Agency Administrative Matters.
A–2	AD19–2–000	Customer Matters, Reliability, Security and Market Operations.
A–3	AD06–3–000	Market Update.
	ELECTRIC	
E–1	RM17–13–000	Supply Chain Rise Management Reliability Standards.
E–2	EL11–66–001, EL11–66–004, EL11–66–005	Martha Coakley, Attorney General of the Commonwealth of Massachusetts; Connecticut Public Utilities Regulatory Authority; Massachusetts Department of Public Utilities; New Hampshire Public Utilities Commission; Connecticut Office of Consumer Counsel; Maine Office of the Public Advocate; George Jepsen, Connecticut Attorney General; New Hampshire Office of Consumer Advocate; Rhode Island Division of Public Utilities and Carriers; Vermont Department of Public Service; Massachusetts Municipal Wholesale Electric Company; Associated Industries of Massachusetts; The Energy Consortium; Power Options, Inc.; and the Industrial Energy Consumers Group v. Bangor Hydro-Electric Company; Central Maine Power Company; New England Power Company; New Hampshire Transmission LLC; NSTAR Electric and Gas Corporation; Northeast Utilities Service Company; The United Illuminating Company; Unitil Energy Systems, Inc.; Fitchburg Gas and Electric Light Company; and Vermont Transco, LLC.
	EL13–33–000, EL13–33–002	ENE (Environment Northeast); The Greater Boston Real Estate Board; National Consumer Law Center; and NEPOOL Industrial Customer Coalition v. Bangor Hydro-Electric Company; Central Maine Power Company; New England Power Company; New Hampshire Transmission LLC; NSTAR Electric Company; Northeast Utilities Service Company; The United Illuminating Company; Unitil Energy Systems, Inc.; Fitchburg Gas and Electric Light Company; and Vermont Transco, LLC.

1048TH—MEETING, OPEN MEETING—Continued

[October 18, 2018, 10:00 a.m.]

Item No	Docket No.	Company
	EL14–86–000	Attorney General of the Commonwealth of Massachusetts; Connecticut Public Utilities Regulatory Authority; Massachusetts Municipal Wholesale Electric Company; New Hampshire Electric Cooperative, Inc.; Massachusetts Department of Public Utilities; New Hampshire Public Utilities Commission; George Jepsen, Attorney General of the State of Connecticut; Connecticut Office of Consumer Counsel; Maine Office of the Public Advocate; New Hampshire Office of the Consumer Advocate; Rhode Island Division of Public Utilities and Carriers; Vermont Department of Public Service; Associated Industries of Massachusetts; The Energy Consortium; Power Options, Inc.; Western Massachusetts Industrial Group; Environment Northeast; National Consumer Law Center; Greater Boston Real Estate Board; and Industrial Energy Consumer Group v. Bangor Hydro-Electric Company; Central Maine Power Company; New England Power Company; New Hampshire Transmission LLC; Northeast Utilities Service Company, on behalf of its operating company affiliates: The Connecticut Light and Power Company, Western Massachusetts Electric Company, and Public Service Company of New Hampshire; NSTAR Electric Company; The United Illuminating Company; Unitil Energy Systems, Inc.; Fitchburg Gas and Electric Light Company; and Vermont Transco, LLC.
	EL16–64–000, EL16–64–002	Belmont Municipal Light Department; Braintree Electric Light Department; Concord Municipal Light Plant; Georgetown Municipal Light Department; Groveland Electric Light Department; Hingham Municipal Lighting Plant; Littleton Electric Light & Water Department; Middleborough Gas & Electric Department; Middleton Electric Light Department; Reading Municipal Light Department; Rowley Municipal Lighting Plant; Taunton Municipal Lighting Plant; and Wellesley Municipal Light Plant v. Central Maine Power Company, Emera Maine, Eversource Energy Service Company and its operating company affiliates: The Connecticut Light and Power Company, Western Massachusetts Electric Company, Public Service Company of New Hampshire, and NSTAR Electric Company; New England Power Company; New Hampshire Transmission LLC; The United Illuminating Company; Fitchburg Gas and Electric Light Company; and Vermont Transco, LLC.
E–3	EL18–140–000	Consumers Energy Company; Interstate Power and Light Company; Midwest Municipal Transmission Group; Missouri River Energy Services; Southern Minnesota Municipal Power Agency; and WPPI Energy v. International Transmission Company; ITC Midwest, LLC; and Michigan Electric Transmission Company.
E–4	EL09–61–004	Louisiana Public Service Commission v. Entergy Corporation; Entergy Services, Inc.; Entergy Louisiana, LLC; Entergy Arkansas, Inc.; Entergy Mississippi, Inc.; Entergy New Orleans, Inc.; Entergy Gulf States Louisiana, L.L.C.; and Entergy Texas, Inc.
E–5	RR18–9–000	North American Electric Reliability Corporation.
E–6	OMITTED.	
E–7	ER18–156–002	Southern California Edison Company.
E–8	ER16–1169–002	Ameren Illinois Company.
E–9	ER18–1632–001	Southwest Power Pool, Inc.
	GAS	
G–1	OR15–25–000	BP Products North America Inc. v. Sunoco Pipeline L.P.
	HYDRO	
H–1	P–10808–062, P–10808–063	Boyce Hydro Power, LLC.
	CERTIFICATES	
C–1	CP16–121–000	National Grid LNG LLC.

Issued: October 11, 2018.

Kimberly D. Bose,

Secretary.

A free webcast of this event is available through *http://ferc.capitolconnection.org/.* Anyone with internet access who desires to view this event can do so by navigating to *www.ferc.gov's* Calendar of Events and locating this event in the Calendar. The event will contain a link to its webcast. The Capitol Connection provides technical support for the free webcasts. It also offers access to this event via television in the DC area and via phone bridge for a fee. If you have any questions, visit *http://ferc.capitolconnection.org/.*

Immediately following the conclusion of the Commission Meeting, a press

briefing will be held in the Commission Meeting Room. Members of the public may view this briefing in the designated overflow room. This statement is intended to notify the public that the press briefings that follow Commission meetings may now be viewed remotely at Commission headquarters, but will not be telecast through the Capitol Connection service.

[FR Doc. 2018–22605 Filed 10–12–18; 4:15 pm]

BILLING CODE 6717–01–P

ENVIRONMENTAL PROTECTION AGENCY

[FRL–9985–50–Region 2]

Notice of Approval and Opportunity for Public Comment and Public Hearing for Public Water System Supervision Program Revision for New Jersey

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice.

SUMMARY: Public notice is hereby given that the state of New Jersey has revised its approved Public Water System Supervision Program. New Jersey has adopted drinking water regulations for the Revised Total Coliform Rule. The EPA has determined that New Jersey's Revised Total Coliform Rule meets all minimum federal requirements, and that it is no less stringent than the corresponding federal regulation. Therefore, the EPA has decided to approve the State program revisions. All interested parties may request a public hearing or submit comments.

DATES: Comments or request for public hearing must be received on or before November 15, 2018.

ADDRESSES: Comments or a request for a public hearing must be submitted to the Regional Administrator, U.S. Environmental Protection Agency, Region 2, 290 Broadway, FL 24, New York, NY 10007.

All documents relating to this determination are available for inspection between the hours of 8:00 a.m. and 3:00 p.m., Monday through Friday, at the following offices: U.S. Environmental Protection Agency, Region 2, Clean Water Division, 290 Broadway, FL 24, New York, NY 10007–1823; and New Jersey Department of Environmental Protection, Division of Water Supply & Geoscience, 401 East State St., Trenton, NJ 08608.

FOR FURTHER INFORMATION CONTACT: Daniel D'Agostino, Clean Water Division, Drinking Water and Groundwater Protection Section (24W–058), Environmental Protection Agency, Region 2, 290 Broadway, FL 24, New York, NY 10007–1823; telephone number: 212–637–3805; email address: *DAgostino.Daniel@epa.gov.*

SUPPLEMENTARY INFORMATION: All interested parties are invited to submit written comments on this determination and may request a hearing. All comments will be considered, and if necessary EPA will issue a response. Frivolous or insubstantial requests for a hearing will be denied by the Regional Administrator. If a substantial request for a public hearing is made by November 15, 2018, a public hearing will be held. A request for public hearing shall include the following: (1) The name, address, and telephone number of the individual, organization, or other entity requesting a hearing; (2) a brief statement of the requesting person's interest in the Regional Administrator's determination and of information that the requesting person intends to submit at such hearing; and (3) the signature of the individual making the request; or, if the request is made on behalf of an organization or other entity, the signature of a responsible official of the organization or other entity.

Authority: Section 1413 of the Safe Drinking Water Act, as amended (1996), and 40 CFR part 142 of the National Primary Drinking Water Regulations.

Dated: October 1, 2018.

Peter D. Lopez,

Regional Administrator, Region 2.

[FR Doc. 2018–22488 Filed 10–15–18; 8:45 am]

BILLING CODE 6560–50–P

FEDERAL ELECTION COMMISSION

Sunshine Act Meetings

FEDERAL REGISTER CITATION OF PREVIOUS ANNOUNCEMENT: 83 FR 50093.

PREVIOUSLY ANNOUNCED TIME AND DATE OF THE MEETING: Tuesday, October 9, 2018 AT 10:00 a.m.

CHANGES IN THE MEETING: The meeting was continued on Thursday, October 11, 2018.

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CONTACT PERSON FOR MORE INFORMATION: Judith Ingram, Press Officer. Telephone: (202) 694–1220.

Laura E. Sinram,

Deputy Secretary of the Commission.

[FR Doc. 2018–22560 Filed 10–12–18; 11:15 am]

BILLING CODE 6715–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Administration for Children and Families

Proposed Information Collection Activity

AGENCY: Office of Planning, Research, and Evaluation; ACF; HHS.

ACTION: Request for public comment.

Title: Annual Survey of Refugees (OMB #0907–0033).

SUMMARY: The Administration for Children and Families (ACF) within the U.S. Department of Health and Human Services (HHS) seeks to continue data collection for the Annual Survey of Refugees with minor updates to improve survey administration procedures. The Annual Survey of Refugees is a yearly sample survey of refugees entering the U.S. in the previous five fiscal years. No changes to the survey instrument or estimated response burden are proposed.

Data from the Annual Survey of Refugees are used to meet the Office of Refugee Resettlement's Congressional reporting requirements, as set forth in the Refugee Act of 1980 (Section 413(a) of the Immigration and Nationality Act). The ACF Office of Refugee Resettlement makes aggregated survey findings available to the general public and uses findings for the purposes of program planning, policy-making, and budgeting.

Respondents: The Annual Survey of Refugees secures a nationally-representative sample of refugee households arriving in the United States in the previous five fiscal years.

ANNUAL BURDEN ESTIMATES

Instrument	Total number of respondents	Annual number of respondent	Number of responses per respondent	Average burden hours per response	Annual burden hours
ORR–9 (Annual Survey of Refugees)	6,000	2,000	1	0.5	1,000

ANNUAL BURDEN ESTIMATES—Continued

Instrument	Total number of respondents	Annual number of respondent	Number of responses per respondent	Average burden hours per response	Annual burden hours
Pre-survey information form	6,000	2,000	1	0.05	100

Estimated Total Annual Burden Hours: 3,300.

DATES: *Comments due within 60 days of publication.* In compliance with the requirements of Section 3506(c)(2)(A) of the Paperwork Reduction Act of 1995, the Administration for Children and Families is soliciting public comment on the specific aspects of the information collection described above.

ADDRESSES: Copies of the proposed collection of information can be obtained and comments may be forwarded by writing to the Administration for Children and Families, Office of Planning, Research, and Evaluation, 330 C Street SW, Washington, DC 20201, Attn: OPRE Reports Clearance Officer. Email address: *OPREinfocollection@acf.hhs.gov.* All requests should be identified by the title of the information collection.

SUPPLEMENTARY INFORMATION: The Department specifically requests comments on (a) whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden of the proposed collection of information; (c) the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology. Consideration will be given to comments and suggestions submitted within 60 days of this publication.

Authority: Sec. 413. [8 U.S.C. 1523].

Emily B. Jabbour,

ACF/OPRE Certifying Officer.

[FR Doc. 2018–22441 Filed 10–15–18; 8:45 am]

BILLING CODE 4184–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Administration for Children and Families

Submission for OMB Review; Comment Request

Title: Sponsorship Review Procedures for Approval for Unaccompanied Alien Children.

OMB No.: 0970–0278.

Description: The Administration for Children (ACF), Office of Refugee Resettlement (ORR) requests the continuation of an existing information collection under OMB control number 0970–0278, Reunification Procedures for Unaccompanied Alien Children, renamed to Sponsorship Review Procedures for Approval of Unaccompanied Alien Children. The information collection allows ACF to conduct suitability assessments to vet potential sponsors of unaccompanied alien children in accordance with a Memorandum of Agreement (MOA) between ORR and the Department of Homeland Security. Specifically, the information collection allows ORR to obtain biometric and biographical information from sponsors, adult members of their household, and adult care givers identified in a sponsor care plan, where applicable. ORR in turn shares the information collected with other federal departments to conduct background checks. The existing OMB approval for these instruments expires October 31, 2018.

Respondents: Sponsors, adult household members, parents or legal guardians of unaccompanied alien children.

ANNUAL BURDEN ESTIMATES

Instrument	Number of respondents	Number of responses per respondent	Average burden hours per response	Total burden hours
Family Reunification Application	50,000	1	0.75	37,500
Authorization for Release of Information	90,000	1	0.5	45,000
Fingerprint Instructions	90,000	1	1.25	112,500
Letter of Designation	25,000	1	0.5	12,500

Estimated Total Annual Burden per Respondent: 207,500.

Additional Information: Copies of the existing collection may be obtained by writing to the Administration for Children and Families, Office of Planning, Research and Evaluation, 330 C Street SW, Washington, DC 20201. Attention Reports Clearance Officer. All requests should be identified by the title of the information collection. Email address: *infocollection@acf.hhs.gov.*

ACF first sought comments on this revised collection of information on May 11, 2018 (83 FR 22490) and again on August 24, 2018 (83 FR 42895). The more recent request for comment erroneously described the request as one for emergency processing and immediate approval. This notice corrects that error to clarify that ACF is seeking public comments on the proposed information collection, including aspects previously approved under emergency processing, prior to its renewal.

OMB Comment: OMB is required to make a decision concerning the collection of information between 30 and 60 days after publication of this document in the **Federal Register**. Therefore, a comment is best assured of having its full effect if OMB receives it within 30 days of publication. Written comments and recommendations for the proposed information collection should be sent directly to the following: Office of Management and Budget, Paperwork Reduction Project, Email: *OIRA_SUBMISSION@OMB.EOP.GOV*, Attn:

Desk Officer for the Administration for Children and Families.

Robert A. Sargis,

Reports Clearance Officer.

[FR Doc. 2018–22461 Filed 10–15–18; 8:45 am]

BILLING CODE P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

[Docket No. FDA–2017–D–6617]

Developing Targeted Therapies in Low-Frequency Molecular Subsets of a Disease; 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 final guidance for industry entitled ''Developing Targeted Therapies in Low-Frequency Molecular Subsets of a Disease.'' This final guidance incorporates public comments to the draft guidance published in the **Federal Register** of December 18, 2017.

The pharmacological effect of a targeted therapy is often related to a particular molecular alteration, and many diseases are caused by a range of different molecular alterations (some of which may be rare). Therefore, a targeted therapy may have differential effects among patients with the same disease who have different molecular alterations. The purpose of this guidance is to describe general approaches to evaluating the benefits and risks of targeted therapeutics within a clinically defined disease where some molecular alterations may occur at low frequencies.

DATES: The announcement of the guidance is published in the **Federal Register** on October 16, 2018.

ADDRESSES: You may submit either electronic or written comments on Agency guidances 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–2017–D–6617 for ''Developing Targeted Therapies in Low-Frequency Molecular Subsets of a Disease.'' Received comments 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.

You may submit comments on any guidance at any time (see 21 CFR 10.115(g)(5)).

Submit written requests for single copies of this guidance to the Division of Drug Information, Center for Drug Evaluation and Research, Food and Drug Administration, 10001 New Hampshire Ave., Hillandale Building, 4th Floor, Silver Spring, MD 20993–0002; or the Office of Communication, Outreach, and Development, Center for Biologics Evaluation and Research (CBER), Food and Drug Administration, 10903 New Hampshire Ave., Bldg. 71, Rm. 3128, Silver Spring, MD 20993–0002. Send one self-addressed adhesive label to assist that office in processing your requests. The guidance may also be obtained by mail by calling CBER at 1–800–835–4709 or 240–402–8010. See the **SUPPLEMENTARY INFORMATION** section for electronic access to the guidance document.

FOR FURTHER INFORMATION CONTACT: Michael Pacanowski, Center for Drug Evaluation and Research, Food and Drug Administration, 10903 New Hampshire Ave., Bldg. 71, Rm. 7301, Silver Spring, MD 20993–0002, 301–796–3919; or Stephen Ripley, Center for Biologics Evaluation and Research, Food and Drug Administration, 10903 New Hampshire Ave., Bldg. 71, Rm. 7301, Silver Spring, MD 20993–0002, 240–402–7911.

SUPPLEMENTARY INFORMATION:

I. Background

FDA is announcing the availability of a guidance for industry entitled ''Developing Targeted Therapies in

Low-Frequency Molecular Subsets of a Disease.'' This guidance is intended to assist sponsors in designing drug development programs to generate the evidence needed to demonstrate efficacy of a targeted therapy across molecular subsets within a disease where some molecular alterations may occur at low frequencies.

In recent years, advances in our understanding of the molecular pathology of many diseases have led to the development of targeted therapies. Although variability in drug response has long been recognized in drug development, targeted therapies present new challenges in addressing the heterogeneity in drug response because the pharmacological effect of a targeted therapy is often related to a particular molecular alteration (*e.g.,* a mutation, gene fusion, epigenetic change, etc.). Many clinically defined diseases are influenced or caused by a range of different molecular alterations, some of which may be rare, that impact a common target protein or pathway involved in the disease pathogenesis. This heterogeneity in the molecular etiology of a given disease can result in differential effects of a targeted therapy among patients with the same disease but who have different molecular alterations. Therefore, the type and quantity of evidence that is needed to demonstrate efficacy across molecular subsets within a disease needs to be clearly specified.

This guidance addresses the following important topics in evaluating the benefits and risks of targeted therapeutics within a disease where some molecular alterations may occur at low frequencies:

- Identification of patients for inclusion in clinical trials
- Interpretation of study results and generalizability of findings to the study population
- Benefit-risk determination and therapeutic product labeling
- Refining the indicated population after the initial approval

This final guidance incorporates public comments to the draft guidance published in December of 2017 and includes minimal revisions for clarity.

This guidance is being issued consistent with FDA's good guidance practices regulation (21 CFR 10.115). The guidance represents the current thinking of FDA on ''Developing Targeted Therapies in Low-Frequency Molecular Subsets of a Disease.'' 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 guidance at either *https://www.fda.gov/Drugs/GuidanceComplianceRegulatoryInformation/Guidances/default.htm, https://www.fda.gov/BiologicsBloodVaccines/GuidanceComplianceRegulatoryInformation/Guidances/default.htm,* or *https://www.regulations.gov.*

Dated: October 10, 2018.

Leslie Kux,

Associate Commissioner for Policy.

[FR Doc. 2018–22437 Filed 10–15–18; 8:45 am]

BILLING CODE 4164–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

[Docket No. FDA–2018–D–3268]

Rare Diseases: Early Drug Development and the Role of Pre-Investigational New Drug Application Meetings; 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 draft guidance for industry entitled ''Rare Diseases: Early Drug Development and the Role of Pre-Investigational New Drug Application Meetings.'' The purpose of this draft guidance is to assist sponsors of drug and biological products for the treatment of rare diseases in planning and conducting more efficient and productive pre-investigational new drug application (pre-IND) meetings. Drug development for rare diseases has many challenges related to the nature of these diseases. This draft guidance is intended to advance and facilitate the development of drugs and biological products for the treatment of rare diseases.

DATES: Submit either electronic or written comments on the draft guidance by December 17, 2018 to ensure that the Agency considers your comment on this 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–2018–D–3268 for ''Rare Diseases: Early Drug Development and the Role of Pre-Investigational New Drug Application Meetings; Draft Guidance for Industry.'' Received comments 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.

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, or Office of Communication, Outreach, and Development, Center for Biologics Evaluation and Research, Food and Drug Administration, 10903 New Hampshire Ave., Bldg. 71, Rm. 3128, Silver Spring, MD 20993–0002. Send one self-addressed adhesive label to assist that office in processing your requests. See the **SUPPLEMENTARY INFORMATION** section for electronic access to the draft guidance document.

FOR FURTHER INFORMATION CONTACT: Lucas Kempf, Center for Drug Evaluation and Research, Food and Drug Administration, 10903 New Hampshire Ave., Bldg. 22, Rm. 6460, Silver Spring, MD 20993–0002, 301–796–1140; or Stephen Ripley, Center for Biologics Evaluation and Research, Food and Drug Administration, 10903 New Hampshire Ave., Bldg. 71, Rm. 7301, Silver Spring, MD 20993–0002, 240–402–7911.

SUPPLEMENTARY INFORMATION:

I. Background

FDA is announcing the availability of a draft guidance for industry entitled ''Rare Diseases: Early Drug Development and the Role of Pre-Investigational New Drug Application Meetings.'' This guidance is intended to assist sponsors of drug and biological products for the treatment of rare diseases in planning and conducting more efficient and productive pre-IND meetings through a discussion of selected issues commonly encountered in the early phases of rare disease drug development. Although these issues are encountered in other drug development programs, the issues are frequently more difficult to address in the context of a rare disease than in the context of a common disease, of which there is often greater and more widespread medical experience. A rare disease is defined in section 526(a)(2) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 360bb(a)(2)) as a disease or condition that affects fewer than 200,000 people in the United States or affects more than 200,000 in the United States and for which there is no reasonable expectation that the cost of developing and making available in the United States a drug for such disease or condition will be recovered from sales in the United States of such drug. Most rare diseases affect far fewer than 200,000 people.

Most rare disorders are serious conditions with no approved treatments, and rare disease patients often have considerable unmet medical needs. Collectively, rare diseases are highly diverse. FDA is committed to helping sponsors of drugs for rare diseases have successful pre-IND meetings that address the particular challenges posed by each drug.

This guidance addresses the following important topics related to pre-IND meetings:

- Regulatory considerations across various FDA disciplines including chemistry, manufacturing, and controls; nonclinical; clinical pharmacology; and clinical.
- Additional considerations, including expedited programs for serious conditions, companion diagnostics, orphan drug incentives, pediatric studies, and data standards.

Early consideration of these issues allows sponsors to efficiently and adequately plan for a productive pre-IND meeting with FDA.

This draft guidance is being issued consistent with FDA's good guidance practices regulation (21 CFR 10.115). The draft guidance, when finalized, will represent the current thinking of FDA on ''Rare Diseases: Early Drug Development and the Role of Pre-Investigational New Drug Application Meetings.'' 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. The Paperwork Reduction Act of 1995

This guidance refers to previously approved collections of information that are subject to review by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501–3520). The collections of information in 21 CFR parts 312 and 314 have been approved under OMB control numbers 0910–0014 and 0910–0001, respectively. The collection of information resulting from the draft guidance for industry ''Formal Meetings Between the FDA and Sponsors or Applicants of PDUFA Products'' (available at *https://www.fda.gov/ucm/groups/fdagov-public/@fdagov-drugs-gen/documents/document/ucm590547.pdf*) has been approved under OMB control number 0910–0429. The collection of information resulting from the guidance for industry ''Expedited Programs for Serious Conditions—Drugs and Biologics'' (available at *https://www.fda.gov/ucm/groups/fdagov-public/@fdagov-drugs-gen/documents/document/ucm358301.pdf*) has been approved under OMB control number 0910–0765.

III. Electronic Access

Persons with access to the internet may obtain the draft guidance at either *https://www.fda.gov/Drugs/GuidanceComplianceRegulatoryInformation/Guidances/default.htm, https://www.fda.gov/BiologicsBloodVaccines/GuidanceComplianceRegulatoryInformation/default.htm,* or *https://www.regulations.gov.*

Dated: October 10, 2018.

Leslie Kux,

Associate Commissioner for Policy.

[FR Doc. 2018–22435 Filed 10–15–18; 8:45 am]

BILLING CODE 4164–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

[Docket No. FDA–2018–D–3090]

Hematologic Malignancies: Regulatory Considerations for Use of Minimal Residual Disease in Development of Drug and Biological Products for Treatment; 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 draft guidance for industry entitled ''Hematologic Malignancies: Regulatory Considerations for Use of Minimal Residual Disease in Development of Drug and Biological Products for Treatment.'' This draft guidance is intended to assist sponsors planning to use minimal residual disease (MRD) as a biomarker in clinical trials conducted under an investigational new drug application (IND) or to support marketing approval of drugs and biological products for the treatment of specific hematologic malignancies.

DATES: Submit either electronic or written comments on the draft guidance by December 17, 2018 to ensure that the Agency considers your comment on this 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–2018–D–3090 for ''Hematologic Malignancies: Regulatory Considerations for Use of Minimal Residual Disease in Development of Drug and Biological Products for Treatment.'' Received comments 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.

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, or Office of Communication, Outreach, and Development, Center for Biologics Evaluation and Research, Food and Drug Administration, 10903 New Hampshire Ave., Bldg. 71, Rm. 3128, Silver Spring, MD 20993–0002. Send one self-addressed adhesive label to assist that office in processing your requests. See the **SUPPLEMENTARY INFORMATION** section for electronic access to the draft guidance document.

FOR FURTHER INFORMATION CONTACT: Nicole Gormley, Center for Drug Evaluation and Research, Food and Drug Administration, 10903 New Hampshire Ave., Bldg. 22, Rm. 2310, Silver Spring, MD 20993–0002, 240–402–0210; or Stephen Ripley, Center for Biologics Evaluation and Research, Food and Drug Administration, 10903 New Hampshire Ave., Bldg. 71, Rm. 7301, Silver Spring, MD 20993–0002, 240–402–7911.

SUPPLEMENTARY INFORMATION:

I. Background

FDA is announcing the availability of a draft guidance for industry entitled ''Hematologic Malignancies: Regulatory Considerations for Use of Minimal Residual Disease in Development of Drug and Biological Products for Treatment.'' This draft guidance is intended to assist sponsors planning to use MRD as a biomarker in clinical trials conducted under an IND or to support marketing approval of drugs and biological products for the treatment of specific hematologic malignancies.

This draft guidance is being issued consistent with FDA's good guidance practices regulation (21 CFR 10.115). The draft guidance, when finalized, will represent the current thinking of FDA

on regulatory considerations for use of MRD in drug and biological products in development for hematologic malignancies. 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. Paperwork Reduction Act of 1995

This draft guidance refers to previously approved collections of information found in FDA regulations. These collections of information are subject to review by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501–3520). The collection of information in 21 CFR part 312 for submitting INDs has been approved under OMB control number 0910–0014. The collection of information in 21 CFR part 314 for the submission of new drug applications has been approved under OMB control number 0910–0001. The collection of information in the draft guidance for industry entitled ''Formal Meetings Between the FDA and Sponsors or Applicants of PDUFA Products'' (available at *https://www.fda.gov/ucm/groups/fdagov-public/@fdagov-drugs-gen/documents/document/ucm590547.pdf*) has been approved under OMB control number 0910–0429. The submission of special protocol assessments has been approved under OMB control number 0910–0470.

The submission of biologics license applications has been approved under OMB control number 0910–0338. The submission of investigational device exemptions has been approved under OMB control number 0910–0078.

III. Electronic Access

Persons with access to the internet may obtain the draft guidance at either *https://www.fda.gov/Drugs/GuidanceComplianceRegulatoryInformation/Guidances/default.htm, https://www.fda.gov/BiologicsBloodVaccines/GuidanceComplianceRegulatoryInformation/Guidances/default.htm,* or *https://www.regulations.gov.*

Dated: October 10, 2018.

Leslie Kux,

Associate Commissioner for Policy.

[FR Doc. 2018–22436 Filed 10–15–18; 8:45 am]

BILLING CODE 4164–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Performance Review Board Members

Title 5, U.S.C. Section 4314(c)(4) of the Civil Service Reform Act of 1978, Public Law 95–454, requires that the appointment of Performance Review Board Members be published in the **Federal Register**. The following persons may be named to serve on the Performance Review Boards or Panels, which oversee the evaluation of performance appraisals of Senior Executive Service members of the Department of Health and Human Services.

Employee last name	Employee first name
Alvarez	Karl
Bush	Laina
Cash	Lester
Hoffman	Darrell
Kerr	Lawrence
Walker	Edwin

Dated: October 10, 2018.

Charles H. McEnerney III,

Director, Executive and Scientific Resources Division.

[FR Doc. 2018–22491 Filed 10–15–18; 8:45 am]

BILLING CODE 4151–17–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Substance Abuse and Mental Health Services Administration

Agency Information Collection Activities: Submission for Office of Management and Budget (OMB) Review; Comment Request

Periodically, the Substance Abuse and Mental Health Services Administration (SAMHSA) will publish a summary of information collection requests under OMB review, in compliance with the Paperwork Reduction Act (44 U.S.C. Chapter 35). To request a copy of these documents, call the SAMHSA Reports Clearance Officer on (240) 276–1243.

Project: State Targeted Response to the Opioid Crisis Grant Program Mid-Year and End-Year Performance Reports—(OMB No. 0930–0378)—in Use Without OMB Approval

The Substance Abuse and Mental Health Services Administration (SAMHSA) is authorized under Section 1003 of the 21st Century Cures Act, as amended, to support a grant program, for up to 2 years, that addresses the supplemental activities pertaining to opioids currently undertaken by the state agency or territory and will support a comprehensive response to the opioid epidemic.

SAMHSA received approval from OMB in September 2017 to collect performance data from Opioid State Targeted Response (STR) grantees (OMB No. 0930–0378). However, SAMHSA omitted a data collection table (Table E) in the original OMB request. This data table is currently in use by Opioid STR grantees, who are reporting Table E data to SAMHSA on a semi-annual basis. In order to correct this violation, SAMHSA is now seeking OMB approval for a new data collection package that includes not only the instruments originally approved by OMB in September 2017, but also this additional data collection table. It is important for SAMHSA to continue to collect this information in order to assess the impact of funding from the Opioid STR program on increasing access to prevention strategies, as well as treatment and recovery services that address the opioid crisis. Additionally, this data will provide SAMHSA with critical information to effectively manage the Opioid STR program, to help states and territories adopt, or scale-up, effective practices and policies, and to help prepare to implement the new State Opioid Response grant program.

The primary purpose of the Opioid STR program is to address the opioid crisis by increasing access to treatment, reducing unmet treatment need, and reducing opioid overdose related deaths through the provision of prevention, treatment and recovery activities for opioid use disorder (OUD) (including prescription opioids as well as illicit drugs such as heroin).

There are 57 (states and jurisdictions) award recipients in this program. All funded states and jurisdictions are asked to report on their implementation and performance through an online data collection system. Award recipients report performance on the following measures specific to this program: Number of people who receive OUD treatment, number of people who receive OUD recovery services, number of providers implementing medication-assisted treatment, and the number of OUD prevention and treatment providers trained, to include nurse practitioners, physician assistants, as well as physicians, nurses, counselors, social workers, case managers, etc. This information is collected at the mid-point and conclusion of each grant award year. Additionally, each award recipient

describes the purposes for which the grant funds received were expended and the activities implemented under this program.

ANNUALIZED ESTIMATED BURDEN HOURS FOR THE PROGRESS REPORT

Respondent	Number of respondents	Number of responses per respondent	Total responses	Average burden per response (in hours)	Total burden hours
State and Jurisdictions	57	2	114	8.5	969

Written comments and recommendations concerning the proposed information collection should be sent by November 15, 2018 to the SAMHSA Desk Officer at the Office of Information and Regulatory Affairs, Office of Management and Budget (OMB). To ensure timely receipt of comments, and to avoid potential delays in OMB's receipt and processing of mail sent through the U.S. Postal Service, commenters are encouraged to submit their comments to OMB via email to: *OIRA_Submission@omb.eop.gov.* Although commenters are encouraged to send their comments via email, commenters may also fax their comments to: 202–395–7285. Commenters may also mail them to: Office of Management and Budget, Office of Information and Regulatory Affairs, New Executive Office Building, Room 10102, Washington, DC 20503.

Summer King,

Statistician.

[FR Doc. 2018–22446 Filed 10–15–18; 8:45 am]

BILLING CODE 4162–20–P

DEPARTMENT OF HOMELAND SECURITY

U.S. Customs and Border Protection

Accreditation and Approval of Intertek USA Inc. (Yorktown, VA) as a Commercial Gauger and Laboratory

AGENCY: U.S. Customs and Border Protection, Department of Homeland Security.

ACTION: Notice of accreditation and approval of Intertek USA Inc. (Yorktown, VA), as a commercial gauger and laboratory.

SUMMARY: Notice is hereby given, pursuant to CBP regulations, that Intertek USA Inc. (Yorktown, VA), has been approved to gauge petroleum and certain petroleum products and accredited to test petroleum and certain petroleum products for customs purposes for the next three years as of August 23, 2017.

DATES: Intertek USA Inc. (Yorktown, VA) was approved and accredited as a commercial gauger and laboratory as of August 23, 2017. The next triennial inspection date will be scheduled for August 2020.

FOR FURTHER INFORMATION CONTACT: Melanie Glass, Laboratories and Scientific Services, U.S. Customs and Border Protection, 1300 Pennsylvania Avenue NW, Suite 1500N, Washington, DC 20229, tel. 202–344–1060.

SUPPLEMENTARY INFORMATION: Notice is hereby given pursuant to 19 CFR 151.12 and 19 CFR 151.13, that Intertek USA, Inc., 109–B Freedom Blvd., Yorktown, VA 23692, has been approved to gauge petroleum and certain petroleum products and accredited to test petroleum and certain petroleum products for customs purposes, in accordance with the provisions of 19 CFR 151.12 and 19 CFR 151.13.

Intertek USA Inc. (Yorktown, VA) is approved for the following gauging procedures for petroleum and certain petroleum products from the American Petroleum Institute (API):

API chapters	Title
1	Vocabulary.
3	Tank Gauging.
5	Metering.
7	Temperature Determination.
8	Sampling.
12	Calculations.
17	Maritime Measurement.

Intertek USA Inc. (Yorktown, VA) is accredited for the following laboratory analysis procedures and methods for petroleum and certain petroleum products set forth by the U.S. Customs and Border Protection Laboratory Methods (CBPL) and American Society for Testing and Materials (ASTM):

CBPL No.	ASTM	Title
27–01	D287	Standard Test Method for API Gravity of Crude Petroleum and Petroleum Products (Hydrometer Method).
27–02	D1298	Standard Test Method for Density, Relative Density (Specific Gravity), or API Gravity of Crude Petroleum and Liquid Petroleum Products by Hydrometer Method.
27–04	D95	Standard Test Method for Water in Petroleum Products and Bituminous Materials by Distillation.
27–05	D4928	Standard Test Method for Water in Crude Oils by Coulometric Karl Fischer Titration.
27–06	D473	Standard Test Method for Sediment in Crude Oils and Fuel Oils by the Extraction Method.
27–07	D4807	Standard Test Method for Sediment in Crude Oil by Membrane Filtration.
27–08	D86	Standard Test Method for Distillation of Petroleum Products.
27–09	D4953	Standard Test Method for Vapor Pressure of Gasoline and Gasoline-Oxgenate Blends (Dry Method).
27–11	D445	Standard Test Method for Kinematic Viscosity of Transparent and Opaque Liquids.
27–13	D4294	Standard Test Method for Sulfur in Petroleum and Petroleum Products by Energy-Dispersive X-ray Fluorescence Spectrometry.
27–46	D5002	Standard Test Method for Density and Relative Density of Crude Oils by Digital Density Analyzer.
27–48	D4052	Standard Test Method for Density and Relative Density of Liquids by Digital Density Meter.
27–50	D93	Standard Test Methods for Flash-Point by Pensky-Martens Closed Cup Tester.
27–54	D1796	Standard Test Method for Water and Sediment in Fuel Oils by the Centrifuge Method.

CBPL No.	ASTM	Title
27–58	D5191	Standard Test Method For Vapor Pressure of Petroleum Products (Mini Method).
	D3606	Standard Test Method for Determination of Benzene and Toluene in Finished Motor and Aviation Gasoline by Gas Chromatography.
	D4815	Standard Test Method for Determination of MTBE, ETBE, TAME, DIPE, tertiary-Amyl Alcohol and C1 to C4 Alcohols in Gasoline by Gas Chromatography.
	D5599	Standard Test Method for Determination of Oxygenates in Gasoline by Gas Chromatography and Oxygen Selective Flame Ionization Detection.
	D5769	Determination of Benzene, Toluene, and Total Aromatics in Finished Gasolines by Gas Chromatography/Mass Spectrometry.

Anyone wishing to employ this entity to conduct laboratory analyses and gauger services should request and receive written assurances from the entity that it is accredited or approved by the U.S. Customs and Border Protection to conduct the specific test or gauger service requested. Alternatively, inquiries regarding the specific test or gauger service this entity is accredited or approved to perform may be directed to the U.S. Customs and Border Protection by calling (202) 344–1060. The inquiry may also be sent to *CBPGaugersLabs@cbp.dhs.gov.* Please reference the website listed below for a complete listing of CBP approved gaugers and accredited laboratories. *http://www.cbp.gov/about/labs-scientific/commercial-gaugers-and-laboratories.*

Dated: October 1, 2018.

Dave Fluty,

Executive Director, Laboratories and Scientific Services.

[FR Doc. 2018–22465 Filed 10–15–18; 8:45 am]

BILLING CODE 9111–14–P

DEPARTMENT OF HOMELAND SECURITY

U.S. Customs and Border Protection

Approval of the Strawn Group, as a Commercial Gauger

AGENCY: U.S. Customs and Border Protection, Department of Homeland Security.

ACTION: Notice of approval of The Strawn Group, Houston, TX as a commercial gauger.

SUMMARY: Notice is hereby given, pursuant to CBP regulations, that The Strawn Group (Houston, TX) has been approved to gauge petroleum and certain petroleum products for customs purposes for the next three years as of October 3, 2017.

DATES: The Strawn Group (Houston, TX) was approved as commercial gauger as of October 3, 2017. The next triennial inspection date will be scheduled for October 2020.

FOR FURTHER INFORMATION CONTACT: Melanie A. Glass, Laboratories and Scientific Services, U.S. Customs and Border Protection, 1300 Pennsylvania Avenue NW, Suite 1500N, Washington, DC 20229, tel. 202–344–1060.

SUPPLEMENTARY INFORMATION: Notice is hereby given pursuant to 19 CFR 151.13, that The Strawn Group, 3855 Villa Ridge Road, Houston, TX 77068, has been approved to gauge petroleum and certain petroleum products for customs purposes, in accordance with the provisions of 19 CFR 151.13. The Strawn Group is approved for the following gauging procedures for petroleum and certain petroleum products per the American Petroleum Institute (API) Measurement Standards:

API chapters	Title
8.2	Standard practice for automatic sampling of liquid petroleum and petroleum products.
8.3	Standard practice for mixing and handling of liquid samples of petroleum and petroleum products.

Anyone wishing to employ this entity to conduct gauger services should request and receive written assurances from the entity that it is approved by the U.S. Customs and Border Protection to conduct the specific gauger service requested. Alternatively, inquiries regarding the specific gauger service this entity is approved to perform may be directed to the U.S. Customs and Border Protection by calling (202) 344–1060. The inquiry may also be sent to *CBPGaugersLabs@cbp.dhs.gov.* Please reference the website listed below for a complete listing of CBP approved gaugers and accredited laboratories. *http://www.cbp.gov/about/labs-scientific/commercial-gaugers-and-laboratories.*

Dated: October 1, 2018.

Dave Fluty,

Executive Director, Laboratories and Scientific Services.

[FR Doc. 2018–22466 Filed 10–15–18; 8:45 am]

BILLING CODE 9111–14–P

DEPARTMENT OF HOMELAND SECURITY

U.S. Citizenship and Immigration Services

[OMB Control Number 1615–0033]

Agency Information Collection Activities; Revision of a Currently Approved Collection: Report of Medical Examination and Vaccination Record

AGENCY: U.S. Citizenship and Immigration Services, Department of Homeland Security.

ACTION: 60-Day notice.

SUMMARY: The Department of Homeland Security (DHS), U.S. Citizenship and Immigration (USCIS) invites the general public and other Federal agencies to comment upon this proposed revision of a currently approved collection of information or new collection of information. In accordance with the Paperwork Reduction Act (PRA) of 1995, the information collection notice is published in the **Federal Register** to obtain comments regarding the nature of the information collection, the categories of respondents, the estimated burden (*i.e.,* the time, effort, and resources used by the respondents to respond), the estimated cost to the respondent, and the actual information collection instruments.

DATES: Comments are encouraged and will be accepted for 60 days until December 17, 2018.

ADDRESSES: All submissions received must include the OMB Control Number 1615–0033 in the body of the letter, the agency name and Docket ID USCIS–2006–0074. To avoid duplicate submissions, please use only *one* of the following methods to submit comments:

(1) *Online.* Submit comments via the Federal eRulemaking Portal website at *http://www.regulations.gov* under e-Docket ID number USCIS–2006–0074;

(2) *Mail.* Submit written comments to DHS, USCIS, Office of Policy and Strategy, Chief, Regulatory Coordination Division, 20 Massachusetts Avenue NW, Washington, DC 20529–2140.

FOR FURTHER INFORMATION CONTACT: USCIS, Office of Policy and Strategy, Regulatory Coordination Division, Samantha Deshommes, Chief, 20 Massachusetts Avenue NW, Washington, DC 20529–2140, telephone number 202–272–8377 (This is not a toll-free number. Comments are not accepted via telephone message). Please note contact information provided here is solely for questions regarding this notice. It is not for individual case status inquiries. Applicants seeking information about the status of their individual cases can check Case Status Online, available at the USCIS website at *http://www.uscis.gov,* or call the USCIS National Customer Service Center at 800–375–5283 (TTY 800–767–1833).

SUPPLEMENTARY INFORMATION:

Comments

You may access the information collection instrument with instructions, or additional information by visiting the Federal eRulemaking Portal site at: *http://www.regulations.gov* and enter USCIS–2006–0074 in the search box. 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 consider limiting the amount of personal information that you provide in any voluntary submission you make to DHS. DHS may withhold information provided in comments from public viewing that it determines may impact the privacy of an individual or is offensive. For additional information, please read the Privacy Act notice that is available via the link in the footer of *http://www.regulations.gov.*

Written comments and suggestions from the public and affected agencies 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 agency's 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:* Revision of a Currently Approved Collection.

(2) *Title of the Form/Collection:* Report of Medical Examination and Vaccination Record.

(3) *Agency form number, if any, and the applicable component of the DHS sponsoring the collection:* I–693; USCIS.

(4) *Affected public who will be asked or required to respond, as well as a brief abstract: Primary: Individuals or households.* The information on the Report of Medical Examination and Vaccination Record, Form I–693, will be used by USCIS when considering the eligibility for adjustment of status under 8 CFR 209.1(c), 209.2(d), 210.2(d), 245.5 and 245a.3(d)(4); and for V nonimmigrant status under 8 CFR 214.15(f). The information on the Report of Medical Examination and Vaccination Record, Form I–693, will be used by EOIR in considering the eligibility for immigration benefits in removal proceedings. The information on the Report of Medical Examination and Vaccination Record, Form I–693, may also be used by CBP in determining admissibility at a port of entry.

(5) *An estimate of the total number of respondents and the amount of time estimated for an average respondent to respond:* The estimated total number of respondents for the information collection Form I–693 is 667,000 and the estimated hour burden per response is 2.5 hours.

(6) *An estimate of the total public burden (in hours) associated with the collection:* The total estimated annual hour burden associated with this collection is 1,667,500 hours.

(7) *An estimate of the total public burden (in cost) associated with the collection:* The estimated total annual cost burden associated with this collection of information is $329,331,250.

Dated: October 11, 2018.

Samantha Deshommes,

Chief, Regulatory Coordination Division, Office of Policy and Strategy, U.S. Citizenship and Immigration Services, Department of Homeland Security.

[FR Doc. 2018–22459 Filed 10–15–18; 8:45 am]

BILLING CODE 9111–97–P

DEPARTMENT OF HOMELAND SECURITY

U.S. Citizenship and Immigration Services

[OMB Control Number 1615–0136]

Agency Information Collection Activities; Extension, Without Change, of a Currently Approved Collection: Application for Significant Public Benefit Entrepreneur Parole and Instructions for Biographic Information for Entrepreneur Parole Dependents

AGENCY: U.S. Citizenship and Immigration Services, Department of Homeland Security.

ACTION: 60-day notice.

SUMMARY: The Department of Homeland Security (DHS), U.S. Citizenship and Immigration (USCIS) invites the general public and other Federal agencies to comment upon this proposed extension of a currently approved collection of information. In accordance with the Paperwork Reduction Act (PRA) of 1995, the information collection notice is published in the **Federal Register** to

obtain comments regarding the nature of the information collection, the categories of respondents, the estimated burden (*i.e.,* the time, effort, and resources used by the respondents to respond), the estimated cost to the respondent, and the actual information collection instruments.

DATES: Comments are encouraged and will be accepted for 60 days until December 17, 2018.

ADDRESSES: All submissions received must include the OMB Control Number 1615–0136 in the body of the letter, the agency name and Docket ID USCIS–2016–0005. To avoid duplicate submissions, please use only *one* of the following methods to submit comments:

(1) *Online.* Submit comments via the Federal eRulemaking Portal website at *http://www.regulations.gov* under e-Docket ID number USCIS–2016–0005;

(2) *Mail.* Submit written comments to DHS, USCIS, Office of Policy and Strategy, Chief, Regulatory Coordination Division, 20 Massachusetts Avenue NW, Washington, DC 20529–2140.

FOR FURTHER INFORMATION CONTACT: USCIS, Office of Policy and Strategy, Regulatory Coordination Division, Samantha Deshommes, Chief, 20 Massachusetts Avenue NW, Washington, DC 20529–2140, telephone number 202–272–8377 (This is not a toll-free number. Comments are not accepted via telephone message). Please note contact information provided here is solely for questions regarding this notice. It is not for individual case status inquiries. Applicants seeking information about the status of their individual cases can check Case Status Online, available at the USCIS website at *http://www.uscis.gov,* or call the USCIS National Customer Service Center at 800–375–5283 (TTY 800–767–1833).

SUPPLEMENTARY INFORMATION:

Comments

You may access the information collection instrument with instructions, or additional information by visiting the Federal eRulemaking Portal site at: *http://www.regulations.gov* and enter USCIS–2016–0005 in the search box. 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 consider limiting the amount of personal information that you provide in any voluntary submission you make to DHS. DHS may withhold information provided in comments from public viewing that it determines may impact the privacy of an individual or is offensive. For additional information, please read the Privacy Act notice that is available via the link in the footer of *http://www.regulations.gov.*

Written comments and suggestions from the public and affected agencies 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 agency's 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, Without Change, of a Currently Approved Collection.

(2) *Title of the Form/Collection:* Application for Significant Public Benefit Entrepreneur Parole and Instructions for Biographic Information for Entrepreneur Parole Dependents.

(3) *Agency form number, if any, and the applicable component of the DHS sponsoring the collection:* I–941; USCIS.

(4) *Affected public who will be asked or required to respond, as well as a brief abstract: Primary:* Individuals or households. Entrepreneurs can use this form to make an initial request for parole based upon significant public benefit; make a subsequent request for parole for an additional period; or file an amended application to notify USCIS of a material change.

(5) *An estimate of the total number of respondents and the amount of time estimated for an average respondent to respond:* The estimated total number of respondents for the information collection I–941 is 2,940 and the estimated hour burden per response is 4.7 hours. The estimated total number of respondents for the biometric processing is 2,940 and the estimated hour burden per response is 1.17 hours.

(6) *An estimate of the total public burden (in hours) associated with the collection:* The total estimated annual hour burden associated with this collection is 17,258 hours.

(7) *An estimate of the total public burden (in cost) associated with the collection:* The estimated total annual cost burden associated with this collection of information is $1,440,600.

Dated: September 27, 2018.

Samantha L. Deshommes,

Chief, Regulatory Coordination Division, Office of Policy and Strategy, U.S. Citizenship and Immigration Services, Department of Homeland Security.

[FR Doc. 2018–22458 Filed 10–15–18; 8:45 am]

BILLING CODE 9111–97–P

DEPARTMENT OF THE INTERIOR

Office of the Secretary

[189D0102DM, DLSN00000.000000, DS62400000, DX62401; OMB Control Number 1084–0010]

Agency Information Collection Activities; Claim for Relocation Payments—Residential, DI–381 and Claim for Relocation Payments—Nonresidential, DI–382

AGENCY: Office of Acquisition and Property Management, Office of the Secretary, Interior.

ACTION: Notice of information collection; request for comment.

SUMMARY: In accordance with the Paperwork Reduction Act of 1995, we, the Office of Acquisition and Property Management are proposing to renew an information collection.

DATES: Interested persons are invited to submit comments on or before November 15, 2018.

ADDRESSES: Send written comments on this information collection request (ICR) by mail 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 Mary Heying, Department of the Interior, Office of Acquisition and Property Management, 1849 C St. NW, MS 4262 MIB, Washington, DC 20240, fax (202) 513–7645 or by email to *mary_heying@ios.doi.gov.* Please reference OMB Control Number 1084–0010 in the subject line of your comments.

FOR FURTHER INFORMATION CONTACT: To request additional information about this ICR, contact Mary Heying by email

at *mary_heying@ios.doi.gov,* or by telephone at 202–513–0722. 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, 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 April 26, 2018 (83 FR 18342). No comments were received.

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 the Office of Acquisition and Property Management; (2) will this information be processed and used in a timely manner; (3) is the estimate of burden accurate; (4) how might the Office of Acquisition and Property Management enhance the quality, utility, and clarity of the information to be collected; and (5) how might the Office of Acquisition and Property Management 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. We will include or summarize each comment in our request to OMB to approve this ICR. 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: 42 U.S.C. 4601, Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, requires each Federal agency acquiring real estate interests to provide relocation benefits to individuals and businesses displaced as a result of the acquisition. Form DI–381, Claim For Relocation Payments—Residential, and DI–382, Claim For Relocation Payments—Nonresidential, permit the applicant to present allowable moving expenses and certify occupancy status, after having been displaced because of Federal acquisition of their real property.

The information required is obtained through application made by the displaced person or business to the funding agency for determination as to the specific amount of monies due under the law. The forms, through which application is made, require specific information since the Uniform Relocation Assistance and Real Property Acquisition Act allows for various amounts based upon each actual circumstance. Failure to make application to the agency would eliminate any basis for payment of claims.

Title of Collection: Claim for Relocation Payments—Residential, DI–381 and Claim for Relocation Payments—Nonresidential, DI–382.

OMB Control Number: 1084–0010.

Form Number: DI–381 and DI–382.

Type of Review: Extension of a currently approved collection.

Respondents/Affected Public: Individuals and businesses who are displaced because of Federal acquisitions of their real property.

Total Estimated Number of Annual Respondents: 24.

Total Estimated Number of Annual Responses: 24.

Estimated Completion Time per Response: 50 minutes.

Total Estimated Number of Annual Burden Hours: 20 Hours.

Respondent's Obligation: Required to Obtain or Retain a Benefit.

Frequency of Collection: As needed.

Total Estimated Annual Nonhour Burden Cost: This collection does not have a nonhour cost burden.

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: October 11, 2018.

Tammy L. Bagley,

Associate Director, Facilities and Property Management.

[FR Doc. 2018–22450 Filed 10–15–18; 8:45 am]

BILLING CODE 4334–63–P

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[LLORB00000.L10200000.BS0000. LXSSH1060000.18X.HAG 18–0166]

Notice of Public Meeting for the Southeast Oregon Resource Advisory Council

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice of public meeting.

SUMMARY: In accordance with the Federal Land Policy and Management Act of 1976 and the Federal Advisory Committee Act of 1972, the U.S. Department of the Interior, the Bureau of Land Management (BLM) Southeast Oregon Resource Advisory Council (RAC) will meet as indicated below.

DATES: The Southeast Oregon RAC will meet via teleconference Friday, November 16, 2018, from 8:30 a.m. to 3:30 p.m. Pacific Standard Time.

ADDRESSES: The Southeast Oregon RAC meeting will be held via teleconference. The telephone conference line number for the meeting is 1–866–524–6456, Participant Code: 608605.

FOR FURTHER INFORMATION CONTACT: Larisa Bogardus; Public Affairs Officer; 1301 S G Street, Lakeview, Oregon 97630; 541–947–6811; *lbogardus@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 meeting will include discussion regarding the management of land as part of the Lakeview District's Resource Management Plan Amendment process. A final agenda will be posted online at *https://www.blm.gov/get-involved/resource-advisory-council/near-you/oregon-washington/southeast-oregon-rac* at least one week prior to the teleconference.

The 15-member Southeast Oregon RAC was chartered and its members appointed by the Secretary of the Interior. The members provide diverse perspectives in commodity, conservation, and general interests. They provide advice to the BLM and Forest Service resource managers regarding management plans and proposed resource actions on public land in southeast Oregon. All meetings are open to the public in their entirety

and a public comment period is scheduled for 11:30–12:00.

Before including your address, phone number, email address, or other personal identifying information in your comments, please 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.

Authority: 43 CFR 1784.4–2

Jeffrey Rose,

Burns District Manager.

[FR Doc. 2018–22495 Filed 10–15–18; 8:45 am]

BILLING CODE 4310–33–P

INTERNATIONAL TRADE COMMISSION

[Investigation No. TPA–105–003]

United States-Mexico-Canada Agreement: Likely Impact on the U.S. Economy and on Specific Industry Sectors; Institution of Investigation and Scheduling of Hearing

AGENCY: United States International Trade Commission.

ACTION: Institution of investigation and scheduling of public hearing.

SUMMARY: Following receipt of a request from the U.S. Trade Representative (USTR) on August 31, 2018, the U.S. International Trade Commission (Commission) has instituted investigation No. TPA–105–003 for the purpose of preparing the report required by section 105(c) of the Bipartisan Congressional Trade Priorities and Accountability Act of 2015 (19 U.S.C. 4204(c)). The report will assess the likely impact of the United States-Mexico-Canada Agreement (USMCA) on the U.S. economy as a whole, on selected industry sectors, and on U.S. consumer interests. The Commission will submit its report to the President and Congress.

DATES:

October 29, 2018: Deadline for filing requests to appear at the public hearing

October 30, 2018: Deadline for filing prehearing briefs and statements

November 15, 2018 and continuing on November 16, 2018 if necessary: Public hearing

November 23, 2018: Deadline for filing posthearing briefs

December 20, 2018: Written submissions from the public

Transmittal of Commission report to the President and Congress: No later than 105 days after the President enters into the agreement

ADDRESSES: All Commission offices, including the Commission's hearing rooms, are located in the United States International Trade Commission Building, 500 E Street SW, Washington, DC. All written submissions should be addressed to the Secretary, United States International Trade Commission, 500 E Street SW, Washington, DC 20436. 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: Co-Project Leader Serge Shikher (202–205–2393 or *serge.shikher@usitc.gov*) or Co-Project Leader Mihir Torsekar (202–205–3350 or *mihir.torsekar@usitc.gov*) for information specific to this investigation. For information on the legal aspects of this investigation, contact William Gearhart of the Commission's Office of the General Counsel (202–205–3091 or *william.gearhart@usitc.gov*). The media should contact Margaret O'Laughlin, Office of External Relations (202–205–1819 or *margaret.olaughlin@usitc.gov*). Hearing-impaired individuals may obtain information on this matter by contacting the Commission's TDD terminal at 202–205–1810. General information concerning the Commission may also be obtained by accessing its website (*http://www.usitc.gov*). Persons with mobility impairments who will need special assistance in gaining access to the Commission should contact the Office of the Secretary at 202–205–2002.

SUPPLEMENTARY INFORMATION:

Background

On August 31, 2018, the Commission received a letter from the United States Trade Representative (USTR) stating that the President that day had notified Congress of his intent to enter into a trade agreement ''with Mexico—and with Canada if it is willing.'' On October 1, 2018, the Office of the USTR published the text of the United States-Mexico-Canada Agreement (USMCA) on its website at *https://www.ustr.gov.* In his August 31, 2018, letter, the USTR requested that the Commission prepare the report specified in section 105(c)(2)(3) of the Bipartisan Congressional Trade Priorities and Accountability Act of 2015 (19 U.S.C. 4204(c)(2)–(3)) (TPA Act). The TPA Act requires that the Commission submit to the President and Congress a report assessing the likely impact of the agreement on the United States economy as a whole and on specific industry sectors, including the impact the agreement will have on the gross domestic product, exports and imports, aggregate employment and employment opportunities, the production, employment, and competitive position of industries likely to be significantly affected by the agreement, and the interests of U.S. consumers. In addition, the TPA Act requires the Commission to review available economic assessments regarding the agreement, including literature regarding any substantially equivalent proposed agreement, and provide in its assessment a description of the analyses used and conclusions drawn in such literature, and a discussion of areas of consensus and divergence between the various analyses and conclusions, including those of the Commission regarding the agreement.

The statute requires that the Commission submit its assessment to the President and Congress no later than 105 days after the President enters into the Agreement.

Public Hearing

A public hearing in connection with this investigation will be held at the U.S. International Trade Commission Building, 500 E Street SW, Washington, DC, beginning at 9:30 a.m. on November 15, 2018, and continuing on November 16, 2018, if necessary. Requests to appear at the public hearing should be filed with the Secretary, no later than 5:15 p.m., October 29, 2018; all pre-hearing briefs and statements should be filed no later than 5:15 p.m., October 30, 2018; and all post-hearing briefs responding to matters raised at the hearing should be filed no later than 5:15 p.m., November 23, 2018. All requests to appear, pre-hearing briefs and statements, and post-hearing briefs must be filed in accordance with the procedural requirements in the ''Submissions'' section below. In the event that, as of the close of business on November 8, 2018, no witnesses are scheduled to appear at the hearing, the hearing will be canceled.

Written Submissions

In lieu of or in addition to participating in the hearing, the Commission invites interested parties to submit written statements concerning this investigation. All written submissions should be addressed to the Secretary, and should be received no later than 5:15 p.m., December 20, 2018. All written submissions must conform with the provisions of section 201.8 of the Commission's *Rules of Practice and Procedure* (19 CFR 201.8). Section 201.8 and the Commission's *Handbook on*

Filing Procedures require that interested parties file documents electronically on or before the filing deadline and submit eight (8) true paper copies by 12:00 p.m. Eastern Time on the next business day. In the event that confidential treatment of a document is requested, interested parties must file, at the same time as the eight paper copies, at least four (4) additional true paper copies in which the confidential information must be deleted (see the following paragraph for further information regarding confidential business information or ''CBI''). Persons with questions regarding electronic filing should contact the Office of the Secretary, Docket Services Division (202–205–1802).

Confidential Business Information (CBI)

Any submissions that contain CBI must also conform to the requirements of section 201.6 of the *Commission's Rules of Practice and Procedure* (19 CFR 201.6). Section 201.6 of the rules requires that the cover of the document and the individual pages be clearly marked as to whether they are the ''confidential'' or ''non-confidential'' version, and that the CBI is clearly identified using brackets. All written submissions, except for those containing CBI, will be made available for inspection by interested parties.

All information, including CBI, submitted in this investigation may be disclosed to and used (i) by the Commission, its employees and Offices, and contract personnel (a) for developing or maintaining the records of this or a related proceeding, or (b) in internal investigations, audits, reviews, and evaluations relating to the programs, personnel, and operations of the Commission, including under 5 U.S.C. Appendix 3; or (ii) by U.S. government employees and contract personnel for cybersecurity purposes. The Commission will not otherwise disclose any CBI in a manner that would reveal the operations of the firm supplying the information. The report that the Commission sends to the President and Congress will not include any CBI.

Summaries of Written Submissions

The Commission intends to publish summaries of the written submissions filed by interested persons. Persons wishing to have a summary of their submission included in the report should include a summary with their written submission and should mark the summary as having been provided for that purpose. The summary should be clearly marked as ''summary'' at the top of the page. It may not exceed 500 words, should be in MSWord format or a format that can be easily converted to MSWord, and should not include any CBI. The summary will be published as provided if it meets these requirements and is germane to the subject matter of the investigation. The Commission will identify the name of the organization furnishing the summary and will include a link to the Commission's Electronic Document Information System (EDIS) where the full written submission can be found.

By order of the Commission.

Issued: October 12, 2018.

Lisa Barton,

Secretary to the Commission.

[FR Doc. 2018–22672 Filed 10–15–18; 8:45 am]

BILLING CODE 7020–02–P

DEPARTMENT OF JUSTICE

Antitrust Division

Notice Pursuant to the National Cooperative Research and Production Act of 1993—Cable Television Laboratories, Inc.

Notice is hereby given that, on September 26, 2018, pursuant to Section 6(a) of the National Cooperative Research and Production Act of 1993, 15 U.S.C. 4301 *et seq.* (''the Act''), Cable Television Laboratories, Inc. (''CableLabs'') filed written notifications simultaneously with the Attorney General and the Federal Trade Commission disclosing changes in its membership. The notifications were filed for the purpose of extending the Act's provisions limiting the recovery of antitrust plaintiffs to actual damages under specified circumstances. Specifically, LiLAC Services Ltd., Hamilton, BERMUDA, and CCI Systems, Inc. d/b/a Packerland Broadband, Iron Mountain, MI, have been added as parties to this venture.

No other changes have been made in either the membership or planned activity of the group research project. Membership in this group research project remains open, and CableLabs intends to file additional written notifications disclosing all changes in membership.

On August 8, 1988, CableLabs filed its original notification pursuant to Section 6(a) of the Act. The Department of Justice published a notice in the **Federal Register** pursuant to Section 6(b) of the Act on September 7, 1988 (53 FR 34593).

The last notification was filed with the Department on October 5, 2017. A notice was published in the **Federal Register** pursuant to Section 6(b) of the Act on October 31, 2017 (82 FR 50444).

Suzanne Morris,

Chief, Premerger and Division Statistics Unit, Antitrust Division.

[FR Doc. 2018–22468 Filed 10–15–18; 8:45 am]

BILLING CODE 4410–11–P

DEPARTMENT OF JUSTICE

Federal Bureau of Investigation

Meeting of the CJIS Advisory Policy Board

AGENCY: Federal Bureau of Investigation (FBI), DOJ.

ACTION: Meeting notice.

SUMMARY: The purpose of this notice is to announce the meeting of the Federal Bureau of Investigation's Criminal Justice Information Services (CJIS) Advisory Policy Board (APB). The CJIS APB is a federal advisory committee established pursuant to the Federal Advisory Committee Act (FACA). This meeting announcement is being published as required by Section 10 of the FACA.

DATES: The APB will meet in open session from 9 a.m. until 5 p.m., on December 5–6, 2018.

ADDRESSES: The meeting will take place at the Hyatt Regency New Orleans, 601 Loyola Avenue, New Orleans, LA 70113, telephone 504–561–1234.

FOR FURTHER INFORMATION CONTACT: Inquiries may be addressed to Ms. Melissa Abel; Management and Program Assistant; CJIS Training and Advisory Process Unit, Resources Management Section; FBI CJIS Division, Module C2, 1000 Custer Hollow Road, Clarksburg, West Virginia 26306–0149; telephone (304) 625–5670, facsimile (304) 625–5090.

SUPPLEMENTARY INFORMATION: The FBI CJIS APB is responsible for reviewing policy issues and appropriate technical and operational issues related to the programs administered by the FBI's CJIS Division, and thereafter, making appropriate recommendations to the FBI Director. The programs administered by the CJIS Division are the Next Generation Identification, Interstate Identification Index, Law Enforcement Enterprise Portal, National Crime Information Center, National Instant Criminal Background Check System, National Incident-Based Reporting System, National Data Exchange, and Uniform Crime Reporting.

This meeting is open to the public. All attendees will be required to check-in at the meeting registration desk.

Registrations will be accepted on a space available basis. Interested persons whose registrations have been accepted may be permitted to participate in the discussions at the discretion of the meeting chairman and with approval of the Designated Federal Officer (DFO). Any member of the public may file a written statement with the Board. Written comments shall be focused on the APB's current issues under discussion and may not be repetitive of previously submitted written statements. Written comments should be provided to Mr. Nicky Megna, Acting DFO, at least seven (7) days in advance of the meeting so that the comments may be made available to the APB for their consideration prior to the meeting.

Anyone requiring special accommodations should notify Mr. Megna at least seven (7) days in advance of the meeting.

Dated: October 10, 2018.

Nicky Megna,

CJIS Acting Designated Federal Officer, Criminal Justice Information, Services Division, Federal Bureau of Investigation.

[FR Doc. 2018–22469 Filed 10–15–18; 8:45 am]

BILLING CODE 4410–02–P

DEPARTMENT OF LABOR

Office of the Secretary

Agency Information Collection Activities; Submission for OMB Review; Comment Request; Youth CareerConnect Grant Program Participant Tracking System

ACTION: Notice of availability; request for comments.

SUMMARY: The Department of Labor (DOL) is submitting the information collection request (ICR) titled, ''Youth CareerConnect Grant Program Participant Tracking System,'' to the Office of Management and Budget (OMB) for review and approval for use in accordance with the Paperwork Reduction Act of 1995 (PRA). Public comments on the ICR are invited.

DATES: The OMB will consider all written comments that agency receives on or before November 15, 2018.

ADDRESSES: A copy of this ICR with applicable supporting documentation; including a description of the likely respondents, proposed frequency of response, and estimated total burden may be obtained free of charge from the RegInfo.gov website at *http://www.reginfo.gov/public/do/PRAViewICR?ref_nbr=201805-1291-001* (this link will only become active on the day following publication of this notice) or by contacting Michel Smyth by telephone at 202–693–4129, TTY 202–693–8064, (these are not toll-free numbers) or by email at *DOL_PRA_PUBLIC@dol.gov.*

Submit comments about this request by mail to the Office of Information and Regulatory Affairs, Attn: OMB Desk Officer for DOL–OASAM, Office of Management and Budget, Room 10235, 725 17th Street NW, Washington, DC 20503; by Fax: 202–395–5806 (this is not a toll-free number); or by email: *OIRA_submission@omb.eop.gov.* Commenters are encouraged, but not required, to send a courtesy copy of any comments by mail or courier to the U.S. Department of Labor—OASAM, Office of the Chief Information Officer, Attn: Departmental Information Compliance Management Program, Room N1301, 200 Constitution Avenue NW, Washington, DC 20210; or by email: *DOL_PRA_PUBLIC@dol.gov.*

FOR FURTHER INFORMATION CONTACT: Michel Smyth by telephone at 202–693–4129, TTY 202–693–8064, (these are not toll-free numbers) or by email at *DOL_PRA_PUBLIC@dol.gov.*

SUPPLEMENTARY INFORMATION: This ICR seeks PRA authority for the Youth CareerConnect (YCC) Grant Program Participant Tracking System information collection. Specifically, YCC grantees submit participant-level data and quarterly aggregate reports for individuals who receive services through YCC programs and their partnerships with entities administering the workforce investment system as established under the Workforce Innovation and Opportunity Act. The reports include aggregate data on demographic characteristics, types of services received, placements, program outcomes, and follow-up status. Specifically, reports summarize data on participants who received core YCC program services, (*i.e.,* program enrollment, retention and credential rates, placement services, and other services essential to successful outcomes for YCC program participants). American Competitiveness and Workforce Improvement Act section 414 authorizes this information collection. *See* 29 U.S.C. 3224a.

This information collection is subject to the PRA. A Federal agency generally cannot conduct or sponsor a collection of information, and the public is generally not required to respond to an information collection, unless it is approved by the OMB under the PRA and displays a currently valid OMB Control Number. In addition, notwithstanding any other provisions of law, no person shall generally be subject to penalty for failing to comply with a collection of information that does not display a valid Control Number. *See* 5 CFR 1320.5(a) and 1320.6. The DOL obtains OMB approval for this information collection under Control Number 1291–0002. For additional substantive information about this ICR, see the related notice published in the **Federal Register** on March 6, 2018 (83 FR 9547).

Interested parties are encouraged to send comments to the OMB, Office of Information and Regulatory Affairs at the address shown in the **ADDRESSES** section within thirty (30) days of publication of this notice in the **Federal Register**. In order to help ensure appropriate consideration, comments should mention OMB Control Number 1291–0002. The OMB is particularly interested in comments that:

- Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;
- Evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;
- Enhance the quality, utility, and clarity of the information to be collected; and
- Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, *e.g.,* permitting electronic submission of responses.

Agency: DOL–OASAM.

Title of Collection: Youth CareerConnect Grant Program Participant Tracking System.

OMB Control Number: 1291–0002.

Affected Public: Individuals or Households; State, Local, and Tribal Governments.

Total Estimated Number of Respondents: 3,308.

Total Estimated Number of Responses: 3,364.

Total Estimated Annual Time Burden: 9,259 hours.

Total Estimated Annual Other Costs Burden: $0.

Authority: 44 U.S.C. 3507(a)(1)(D).

Dated: October 9, 2018.

Michel Smyth,

Departmental Clearance Officer.

[FR Doc. 2018–22434 Filed 10–15–18; 8:45 am]

BILLING CODE 4510–HX–P

EXECUTIVE OFFICE OF THE PRESIDENT

Office of National Drug Control Policy

Designation of 10 Areas as High Intensity Drug Trafficking Areas

AGENCY: Office of National Drug Control Policy (ONDCP).

ACTION: Notice of HIDTA Designations.

SUMMARY: The Director of the Office of National Drug Control Policy designated 10 additional areas as High Intensity Drug Trafficking Areas (HIDTA) pursuant to 21 U.S.C. 1706. The new areas are (1) Montgomery and Powell Counties in Kentucky as part of the Appalachia HIDTA; (2) Charleston County in South Carolina and the Eastern Band of Cherokee Indian Reservation as part of the Atlanta/Carolinas HIDTA; (3) Atlantic County in New Jersey as part of the Liberty Mid-Atlantic HIDTA; (4) Allegheny, Beaver, and Washington Counties in Pennsylvania and Butler County in Ohio as part of the Ohio HIDTA; and (5) Mineral County in West Virginia as part of the Washington/Baltimore HIDTA.

FOR FURTHER INFORMATION CONTACT: Questions regarding this notice should be directed to Michael K. Gottlieb, National HIDTA Program Director, Office of National Drug Control Policy, Executive Office of the President, Washington, DC 20503; (202) 395–4868.

Dated: October 11, 2018.

Michael Passante,

Deputy General Counsel.

[FR Doc. 2018–22462 Filed 10–15–18; 8:45 am]

BILLING CODE 3280–F5–P

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

National Endowment for the Humanities

National Environmental Policy Act Implementing Procedures

AGENCY: National Endowment for the Humanities.

ACTION: Notice of availability and request for comment.

SUMMARY: The National Endowment for the Humanities (''NEH'') proposes to promulgate procedures implementing the National Environmental Policy Act of 1969 (''NEPA''), Executive Order (''E.O.'') 11514 (as amended), and Council on Environmental Quality (''CEQ'') NEPA implementing regulations. Pursuant to CEQ regulations, NEH is soliciting comments on its proposed procedures.

DATES: NEH is providing a 30-day review period. You must submit comments by no later than November 15, 2018.

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

- *Email: akress@neh.gov.* Include ''NEH NEPA Implementing Procedures'' in the subject line of the email.
- *Mail:* National Endowment for the Humanities, Office of the General Counsel, 400 7th Street SW, Room 4060, Washington, DC 20506, ATTN: Adam Kress.
- *Fax:* (202) 606–8600. Please send your comments to the attention of Adam Kress.

Instructions: All submissions received must include the agency name and title for this **Federal Register** document: ''NEPA Implementing Procedures.'' Please submit your comments using only one method. NEH will post comments as received to *https://www.neh.gov/about/foia/library.* NEH will not redact or edit personal identifying information from comment submissions. You should only submit information that you wish to make publicly available. NEH reserves the right, but shall have no obligation, to redact and/or refuse to post any or all of your submission that it may deem to be inappropriate for publication, such as obscene language.

FOR FURTHER INFORMATION CONTACT: Adam M. Kress, (202) 606–8322; *akress@neh.gov.*

SUPPLEMENTARY INFORMATION: NEH is an independent agency within the executive branch of the United States government, established by the National Foundation on the Arts and the Humanities Act of 1965. NEH extends financial assistance to individuals and organizations to support research, education, preservation, and public programs in the humanities. It also has statutory authority to extend financial assistance to cultural organizations to enable infrastructure development and capacity building, including through the design, purchase, construction, restoration, or renovation of facilities needed for humanities activities and historic landscapes.

NEPA and implementing regulations promulgated by CEQ (40 CFR parts 1500–1508) established a broad national policy to use all practicable means and measures, including financial and technical assistance, in a manner calculated to foster and promote the general welfare, as well as to create and maintain conditions under which man and nature can exist in productive harmony and fulfill the social, economic, and other requirements of present and future generations of Americans. The CEQ regulations implementing the procedural provisions of NEPA are designed to ensure that this national policy, environmental considerations, and associated public concerns are given careful attention and appropriate weight in all decisions of the federal government. Sections 102(2) of NEPA and 40 CFR 1505.1 and 1507.3 require federal agencies to develop and, as needed, revise implementing procedures consistent with the CEQ regulations. NEH is issuing the following NEPA implementing procedures that comply with NEPA and supplement the CEQ regulations.

In accordance with CEQ regulations (40 CFR 1507.3), NEH consulted with CEQ prior to publication of the proposed procedures set forth below. These proposed procedures include proposed categorical exclusions specific to NEH projects and actions that NEH determined will not normally have a potentially significant effect, individually or cumulatively, on the human environment.

Executive Order 12866: Regulatory Planning and Review and Executive Order 13563: Improving Regulation and Regulatory Review

Executive Orders 13563 and 12866 direct agencies to assess all costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, distribute impacts, and equity). Executive Order 13563 emphasizes the importance of quantifying both costs and benefits, of reducing costs, of harmonizing rules, and of promoting flexibility. These procedures have not been designated a ''significant regulatory action'' because they do not: (1) Have an annual effect on the economy of $100 million or more or adversely affect in a material way the economy; a section of the economy; productivity; competition; jobs; the environment; public health or safety; or State, local, or tribal governments or communities; (2) create a serious inconsistency or otherwise interfere with an action taken or planned by another Agency; (3) materially alter the budgetary impact of entitlements,

grants, user fees, or loan programs, or the rights and obligations of recipients thereof; or (4) raise novel legal or policy issues arising out of legal mandates, the President's priorities, or the principles set forth in these Executive Orders. The text of the complete proposed procedures appears below.

Dated: October 10, 2018.

Adam M. Kress,

Attorney-Advisor, National Endowment for the Humanities.

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The National Environmental Policy Act Procedures for NEH

1. Purpose

These procedures implement the provisions of NEPA, 42 U.S.C. 4321 *et seq.* They adopt and supplement the CEQ regulations implementing NEPA, 40 CFR parts 1500–1508, by establishing policy, directing environmental planning, and assigning responsibilities in NEH to prepare, review, and approve environmental documents, 40 CFR 1508.10, that comply with NEPA.

2. Applicability

These procedures apply NEPA to NEH programs and activities, including programs and activities carried out by state and local governments, federally-recognized tribal governments and non-governmental organizations, with the use of NEH financial assistance.

3. Environmental Policy

It is the policy of NEH to:

(a) Start the NEPA process at the earliest possible time as an effective decision-making tool while evaluating a proposed action;

(b) Comply with the procedures and policies of NEPA and other related environmental laws, regulations, and orders applicable to NEH actions;

(c) Provide guidance to applicants responsible for ensuring that proposals comply with all appropriate NEH requirements;

(d) Integrate NEPA requirements and other planning and environmental review procedures required by law or NEH practice so that all such procedures run concurrently rather than consecutively;

(e) Encourage and facilitate public involvement in NEH actions that affect the quality of the human environment;

(f) Use the NEPA process to identify and assess reasonable alternatives to proposed NEH actions to avoid or minimize adverse effects upon the quality of the human environment; and

(g) Use all practicable means consistent with NEPA and other essential considerations of national policy to restore or enhance the quality of the human environment and avoid, minimize, or otherwise mitigate any possible adverse effects of NEH actions upon the quality of the human environment.

4. Terms and Abbreviations

(a) For the purposes of this section, the definitions in the CEQ regulations, 40 CFR parts 1500 through 1508, are adopted and supplemented as set out in paragraphs (a)(i) through (vi) of this section. In the event of a conflict the CEQ regulations apply.

(i) *Action.* Action and Federal action as defined in 40 CFR 1508.18 include projects and programs entirely or partly financed, assisted, conducted, regulated, or approved by NEH.

(ii) *Applicant.* The state, local or federally-recognized tribal government or non-governmental partner or organization applying to NEH for financial assistance or other approval. An applicant may be an organization already in receipt of NEH-awarded funds.

(iii) *Approving Official.* The NEH Chairman or an NEH staff member designated by the NEH Chairman to fulfill the responsibilities defined in Section 6 below, including overseeing development of and approval of the NEPA document.

(iv) *Finding of No Significant Impact (FONSI)* is a document by NEH briefly presenting the reasons why an action, not otherwise excluded as provided in Section 10 below, will not have a significant impact on the human environment and for which an EIS will not be prepared.

(v) *NEH Proposal (or proposal).* A proposal, as defined at 40 CFR 1508.23, is an NEH proposal whether initiated by NEH, another federal agency or an applicant.

(vi) *NEH Chairman:* The Chairman of NEH, as established in Section 7 of the National Foundation on the Arts and the Humanities Act of 1965, 20 U.S.C. 956.

(b) The following abbreviations are used throughout these procedures:

(i) CATEX—Categorical exclusions;

(ii) CEQ—Council on Environmental Quality;

(iii) EA—Environmental assessment;

(iv) EIS—Environmental impact statement;

(v) FONSI—Finding of no significant impact;

(vi) NEPA—National Environmental Policy Act of 1969, as amended;

(vii) NOI—Notice of intent; and

(viii) ROD—Record of decision.

5. Federal and Intergovernmental Relationships

NEH occasionally partners with federal, state and local agencies, and federally-recognized tribal governments, and may depend on these governmental agencies for project management. Under such circumstances, NEH may rely on the expertise and processes already in use by partnering agencies to help prepare NEH NEPA analyses and documents.

(a) With federal partners, NEH will work as either a joint lead agency (40 CFR 1501.5 and 1508.16) or cooperating agency (40 CFR 1501.6 and 1508.5). NEH may invite other Federal agencies to serve as the lead agency, a joint lead agency, or as a cooperating agency.

(b) Consistent with 40 CFR 1508.5, NEH may invite state and local government partners, and federally-recognized tribal governments, to serve as cooperating agencies.

6. Applicant Responsibility

Applicants shall work under NEH direction provided by the Approving Official, and assist NEH in fulfilling its NEPA obligations by preparing NEPA analyses and documents that comply with the provisions of NEPA (42 U.S.C. 4321–4347), the CEQ regulations (40 CFR parts 1500 through 1508), and the requirements set forth in this part.

Applicants shall follow NEH direction when they assist NEH with the following responsibilities, among others:

(a) Prepare and disseminate applicable environmental documentation concurrent with a

proposal's engineering, planning, and design;

(b) Create and distribute public notices;

(c) Coordinate public hearings and meetings as required;

(d) Submit all environmental documents created pursuant to these procedures to NEH for review and approval before public distribution;

(e) Participate in all NEH-conducted hearings or meetings;

(f) Consult with NEH prior to obtaining the services of an environmental consultant; in the case that an EIS is required, the consultant or contractor will be selected by NEH; and

(g) Implement mitigation measures included as voluntary commitments by the applicant or as requirements of the applicant in NEH decision documents (FONSI or ROD).

7. NEH Responsibility

(a) The NEH Chairman or his/her designee shall designate an Approving Official for each NEH proposal, and shall provide environmental guidance to the Approving Official;

(b) The Approving Official shall provide direction and guidance to the applicant as well as identification and development of required analyses and documentation;

(c) The Approving Official shall make an independent evaluation of the environmental issues, take responsibility for the scope and content of the environmental document (EA or EIS), and make the environmental finding;

(d) The Approving Official shall ensure mitigation measures included in NEH decision documents (FONSI or ROD) are implemented; and

(e) The Approving official shall be responsible for coordinating communications with cooperating agencies and other federal agencies.

8. Public Involvement

NEH will make diligent efforts to involve the public in preparing and implementing its NEPA procedures in accordance with 40 CFR 1501.4(b), 1506.6 and part 1503. When developing a plan to include the public and affected parties in the environmental analysis process, NEH will consider the following factors: (a) The magnitude of the environmental considerations associated with the proposal; (b) the extent of expected public interest; and (c) any relevant questions of national concern. NEH will specifically publish EAs and draft FONSIs on its website as provided in Section 11(c) below.

9. Environmental Review Process

The environmental review process is the investigation of potential environmental impacts to determine the environmental process to be followed and to assist in the preparation of the environmental document. NEH shall specifically determine whether any NEH proposal:

(a) Is categorically excluded from preparation of either an EA or an EIS;

(b) Requires preparation of an EA; or

(c) Requires preparation of an EIS.

10. Categorical Exclusions

(a) *General.* A categorical exclusion (CATEX) is defined in 40 CFR 1508.4 as a category of actions which do not individually or cumulatively have a significant effect on the human environment and for which, in the absence of extraordinary circumstances, neither an EA nor an EIS is required. Actions that meet the conditions in paragraph (b) of this section and are listed in section A of appendix A of these procedures can be categorically excluded from further analysis and documentation in an EA or EIS. Actions that meet the screening conditions in paragraph (b) of this section and are listed in section B of appendix A require documentation in a Record of Environmental Consideration (''REC'') in order to be categorically excluded from further analysis and documentation in an EA or EIS. A draft REC is attached as Appendix B to these procedures.

(b) *Conditions.* The following three conditions must be met for an action to be categorically excluded from further analysis in an EA or EIS.

(i) The action has not been segmented (too narrowly defined or broken down into small parts in order minimize its potential effects and avoid a higher level of NEPA review) and its scope includes the consideration of connected actions and, when evaluating extraordinary circumstances, cumulative impacts.

(ii) No extraordinary circumstances described in paragraph (c) of this section exist.

(iii) The proposed action fits within one of the categorical exclusions described in either section of Appendix A of this part.

(c) *Extraordinary Circumstances.* Any action that normally would be classified as a CATEX but could involve extraordinary circumstances will require appropriate environmental review documented in an NEH CATEX checklist to determine if the CATEX classification is proper or if an EA or EIS should be prepared. Extraordinary circumstances to be considered include those reasonably likely to:

(i) Have significant impacts on public health, public safety, or the environment;

(ii) Have effects on the environment that are highly controversial or involve unresolved conflicts concerning alternative uses of available resources;

(iii) Have effects on the human environment that are highly uncertain, involve unique or unknown risks, or are scientifically controversial;

(iv) Establish a precedent for future action or represent a decision in principle about future actions with potentially significant environmental effects;

(v) Relate to other actions with individually insignificant but cumulatively significant environmental effects;

(vi) Have a greater scope or size than is normal for the category of action;

(vii) Degrade already existing poor environmental conditions or initiate a degrading influence, activity, or effect in areas not already significantly modified from their natural condition;

(viii) Have a disproportionately high and adverse effect on low income or minority populations (see Executive Order 12898);

(ix) Limit access to and ceremonial use of Indian sacred sites on federal lands by Indian religious practitioners or adversely affect the physical integrity of such sacred sites (see Executive Order 13007);

(x) Threaten a violation of a federal, tribal, state or local law or requirement imposed for the protection of the environment;

(xi) Significantly affect subsistence activities; or

(xii) Significantly affect environmentally sensitive resources, such as (A) properties listed, or eligible for listing, in the National Register of Historic Places; (B) species listed, or proposed to be listed, on the List of Endangered or Threatened Species, or their habitat; or (C) natural resources and unique geographic characteristics such as historic or cultural resources; park, recreation or refuge lands; wilderness areas; wild or scenic rivers; national natural landmarks; sole or principal drinking water aquifers; prime farmlands; special aquatic sites (defined under Section 404 of the Clean Water Act); floodplains; national monuments; and other ecologically significant or critical areas.

11. Environmental Assessments

An EA is required for all proposals, except those exempt from NEPA or categorically excluded under these procedures, and those requiring an EIS. An EA is not necessary if the NEH has

decided to prepare an EIS. EAs provide sufficient evidence and analysis to determine whether to prepare an EIS or issue a finding of no significant impact (FONSI). In addition, an EA may be prepared on any action at any time in order to assist in planning and decision making, to aid in NEH's compliance with NEPA when no EIS is necessary, or to facilitate EIS preparation. EAs shall be prepared in accordance with these procedures and shall contain analyses to support conclusions regarding environmental impacts. If a FONSI is proposed, it shall be prepared in accordance with Section 11(e) below.

(a) Content

(i) The EA shall include brief discussions of the need for the proposal; of alternatives to the proposal as required by NEPA section 102(2)(E); and of the environmental impacts of the proposal and alternatives. The EA shall also include a listing of agencies and persons consulted in the preparation of the EA.

(ii) The EA may describe a broad range of alternatives and proposed mitigation measures to facilitate planning and decision-making.

(iii) The EA should also document compliance, to the extent possible, with all applicable environmental laws and Executive Orders, or provide reasonable assurance that those requirements can be met.

(iv) The EA should be a concise public document. The level of detail and depth of impact analysis will normally be limited to the minimum needed to determine the significance of potential environmental effects.

(b) General Considerations in Preparing Environmental Assessments

(i) *Adoption of an EA.* NEH may adopt an EA prepared for a proposal before NEH by another agency or an applicant when the EA, or a portion thereof, addresses the proposed NEH action and meets the standards for an adequate analysis under these procedures and relevant provisions of 40 CFR parts 1500 through 1508, provided that NEH makes its own evaluation of the environmental issues and takes responsibility for the scope and content of the EA in accordance with 40 CFR 1506.5(b).

(ii) *Incorporation by reference into the EA.* Any document may be incorporated by reference in accordance with 40 CFR 1502.21 and used in preparing an EA in accordance with 40 CFR 1501.4(b) and 1506.5(a), provided that NEH makes its own evaluation of the environmental issues and takes responsibility for the scope and content of the EA in accordance with 40 CFR 1506.5(b).

(iii) *Applicant responsibility.* The applicant shall assist NEH with preparing the EA. NEH remains responsible for compiling the public hearing summary or minutes, where applicable; and copies of any written comments received and responses thereto.

(c) Public Involvement

(i) In accordance with 40 CFR 1506.6, the Approving Official shall publish EAs and draft FONSIs on the NEH website and make such documents available for public comment for not less than 15 calendar days.

(ii) NEH will only take final action on an EA and draft FONSI after it reviews and considers public comments.

(d) Actions Resulting From Assessment

(i) *Accepted without modification.* NEH may accept a proposal without modifications if the EA indicates that the proposal does not have significant environmental impacts and a FONSI is prepared in accordance with Section 11(e) below.

(ii) *Accepted with modification.* If an EA identifies potentially significant environmental impacts, the proposal may be modified to eliminate such impacts. Proposals so modified may be accepted by NEH if the proposed changes are evaluated in an EA and a FONSI is prepared in accordance with Section 11(e) below.

(iii) *Mitigated FONSI.* If mitigation is required to reduce the impacts below significant the FONSI shall identify the mitigation and adopt applicable monitoring and enforcement measures that are necessary to ensure the implementation of the mitigation measures.

(iv) *Prepare an EIS.* NEH shall require that the proposal be evaluated in an EIS, prepared in accordance with Section 12 below, if the EA indicates significant environmental impacts that are not mitigated below a specified level of significance.

(v) *Rejected.* NEH may always elect to reject a proposal.

(e) Findings of No Significant Impact

(i) *Content.* A FONSI shall include the EA or a summary of it and shall note any other environmental documents related to it (40 CFR 1501.7(a)(5)). If the EA is included, the finding need not repeat any of the discussion in the assessment but may incorporate it by reference.

(ii) *Publication.* NEH shall make the final FONSI available to the public on the NEH website.

(f) Proposals Normally Requiring an EA

Proposals that normally require preparation of an EA include proposed actions that potentially result in significant changes to established land use.

12. Environmental Impact Statements

An EIS is required when the project is determined to have a potentially significant impact on the human environment.

(a) Notice of Intent and Scoping

NEH shall publish an NOI, as described in 40 CFR 1508.22, in the **Federal Register** as soon as practicable after NEH makes a decision to prepare an EIS. If there will be a lengthy period of time between NEH's decision to prepare an EIS and its actual preparation, NEH may defer publication of the NOI until a reasonable time before preparing the EIS, provided that NEH allows a reasonable opportunity for interested parties to participate in the EIS process. NEH and the applicant will coordinate during the time period prior to the publication of the NOI to identify: The scope of the action, potential modifications to the proposal, potential alternatives, environmental constraints, potential timeframes for the environmental review, and federal, state, or tribal entities that could be interested in the project, including those with the potential to become cooperating agencies. Through the NOI, NEH shall invite comments and suggestions on the scope of the EIS.

Publication of the NOI in the **Federal Register** shall begin the public scoping process. The public scoping process for an NEH EIS shall allow a minimum of 15 days for the receipt of public comments.

(b) Preparation and Filing of Draft and Final EISs

(i) *General.* EISs shall be prepared in two stages and may be supplemented.

(ii) *Format.* The EIS format recommended by 40 CFR 1502.10 shall be used unless NEH makes a determination on a particular project that there is a reason to do otherwise. In such a case, the EIS format must meet the minimum requirements prescribed in 40 CFR 1502.10, as further described in 40 CFR 1502.11 through 1502.18.

(iii) *Applicant role.* The draft or final EIS shall be prepared by NEH with assistance from the applicant under appropriate guidance and direction from the Approving Official.

(iv) *Third-party consultants.* A third-party consultant selected by NEH or in cooperation with a cooperating agency may prepare the draft or final EIS.

(v) *NEH responsibility.* NEH shall provide a schedule with time limits, provide guidance, participate in the preparation, independently evaluate, and take responsibility for the content of the draft and final EIS.

(vi) *Filing.* After a draft or final EIS has been prepared, NEH shall file the EIS with the Environmental Protection Agency (''EPA'') for publication of a notice of availability in accordance with 40 CFR 1506.9 and 1506.10.

(vii) *Draft to final EIS.* When a final EIS does not require substantial changes from the draft EIS, NEH may document required changes in errata sheets, insertion pages, and revised sections. NEH will then circulate such changes together with comments on the draft EIS, responses to comments, and other appropriate information as its final EIS. NEH will not circulate the draft EIS again; however, NEH will post the EIS on its website and provide the draft EIS if requested.

(viii) *Record of decision.* A record of decision (ROD) will be prepared in accordance with 40 CFR 1505.2 and 1505.3.

(c) Supplemental EIS

(i) Supplements to either draft or final EISs shall be prepared, as prescribed in 40 CFR 1502.9, when NEH finds that there are substantial changes proposed in a project that are relevant to environmental concerns; or when there are significant new circumstances or information relevant to environmental concerns and bearing on the proposed action or its impacts.

(ii) Where NEH action remains to be taken and the EIS is more than three years old, NEH will review the EIS to determine whether it is adequate or requires supplementation.

(iii) NEH shall prepare, circulate and file a supplement to an EIS in the same fashion (exclusive of scoping) as a draft and final EIS. In addition, the supplement and accompanying administrative record shall be included in the administrative record for the proposal. When an applicant is involved, the applicant shall, under the direction of the Approving Official, provide assistance.

(iv) An NOI to prepare a supplement to a final EIS will be published in those cases where a ROD has already been issued.

(d) Adoption

(i) NEH may adopt a draft or final EIS or portion thereof (see 40 CFR 1506.3), including a programmatic EIS, prepared by another agency.

(ii) If the actions covered by the original EIS and the proposal are substantially the same, NEH shall recirculate it as a final statement. Otherwise, NEH shall treat the statement as a draft and recirculate it except as provided in paragraph (iii) of this section.

(iii) Where NEH is a cooperating agency, it may adopt the EIS of the lead agency without recirculating it when, after an independent review of the EIS, NEH concludes that its comments and suggestions have been satisfied.

(iv) When NEH adopts an EIS which is not final within the agency that prepared it, or when the action it assesses is the subject of a referral under 40 CFR part 1504, or when the EIS's adequacy is the subject of a judicial action which is not final, NEH shall so specify.

(e) Proposals Normally Requiring an EIS

Given the nature of NEH activities, there are no proposals that would normally require use of an EIS. NEH would most likely use an EA in any given case to determine whether a project has a potentially significant impact on the human environment. The conclusion reached by NEH in the EA would dictate whether it would then prepare an EIS.

Appendix A to the National Environmental Policy Act Procedures for NEH

Actions consistent with any of the following categories are, in the absence of extraordinary circumstances, categorically excluded from further analysis in an EA or EIS:

A. General Categorical Exclusions

1. Routine administrative and management activities including, but not limited to, those activities related to budgeting, finance, personnel actions, procurement activities, compliance with applicable executive orders and procedures for sustainable or ''greened'' procurement, retaining legal counsel, public affairs activities (*e.g.,* issuing press releases, newsletters and notices of funding availability), internal and external program evaluation and monitoring (*e.g.,* site visits), database development and maintenance, and computer systems administration.

2. Preparing, revising, or adopting regulations, including those that implement without substantial change the regulations, instructions, directives, or guidance documents from other Federal agencies.

3. Routine activities undertaken by NEH to support its program partners, such as serving on task forces, ad hoc committees or representing NEH interests in other forums.

4. Approving and issuing financial assistance to support research, education, preservation, and public programs in the humanities, except where such assistance supports the construction, restoration, or renovation of facilities, including the purchase or lease of new infrastructure, or otherwise involves ground disturbing activity.

5. Approving and issuing financial assistance to support facility planning and design.

6. Approving and issuing grants to support the purchase or lease of preexisting infrastructure.

7. Nondestructive data collection, inventory, study, research, and monitoring activities.

B. Program Specific Categorical Exclusions

Actions consistent with any of the following categories are, in the absence of extraordinary circumstances, categorically excluded from further analysis and documentation in an EA or EIS upon completion of the NEH CATEX checklist. As contemplated by the checklist, for any proposed action requiring review under Section 106 of the National Historic Preservation Act (''NHPA''), a categorical exclusion may only apply after NEH has determined that such action is not reasonably likely to have a significant effect on historic properties.

1. Upgrade, repair, maintenance, replacement, or minor renovations and additions to facilities, grounds and equipment, including but not limited to, roof replacement, foundation repair, access ramp and door improvements pursuant to the Americans with Disabilities Act (''ADA''), weatherization and energy efficiency related improvements, HVAC renovations, painting, floor system replacement, repaving parking lots and ground maintenance, that do not result in a change in the functional use of the real property.

2. Construction, purchase or lease of new infrastructure, including, but not limited to, museums, libraries and other community buildings, and office space, that is similar to existing land use if the area to be disturbed has no more than two acres of new surface disturbance. The following conditions must be met:

a. The structure and proposed use are compatible with applicable Federal, tribal, state, and local planning and zoning standards.

b. The site and scale of the construction or improvement is consistent with those of existing, adjacent, or nearby buildings.

c. There is no evidence of community controversy.

d. The proposed use will not substantially increase the number of motor vehicles at the facility or in the area.

e. The construction or improvement will not result in uses that exceed existing support infrastructure capacities (road, sewer, water, parking, etc.).

3. Construction, purchase or lease of new infrastructure, including, but not limited to, museums, libraries and other community buildings, and office space, where such construction, purchase or lease is for infrastructure of less than 12,000 square feet of useable space.

4. Demolition, disposal, or improvements involving buildings or structures when done

in accordance with applicable regulations, including those regulations applying to removal of asbestos, polychlorinated biphenyls (PCBs), and other hazardous materials.

BILLING CODE 7356–01–P

Appendix B to the National Environmental Policy Act Procedures for NEH

Draft
National Endowment for the Humanities
Record of Environmental Consideration

INSTRUCTIONS: *Top section to be completed by the applicant project director; continue on separate sheets as necessary.*

Grant Identification Number:

Project Title:

Applicant Name:

Project Description (*provide sufficient information for evaluation of all potential environmental effects, including total acreage, clearing requirements, presence of historic properties, etc.*):

Anticipated Start Date:

Project Duration:

Signature: _____ Date: _____
Project Director

To Be Completed by the NEH Approving Official (*NEH official designated by the Chairman with responsibility for overseeing development and approval of NEPA documentation*)

Environmental Analysis Determination. NEH has determined that the project:

1. ☐ Qualifies for a categorical exclusion – See Attachment 1, NEH Environmental "Screening Checklist"
   Categorical Exclusion #: _____

2. ☐ Does not qualify for a categorical exclusion: NEH requires further environmental analysis.

List Applicable NEPA Documents:

Remarks:

Signature: _____ Date: _____
NEH Approving Official

Attachment 1
NEH NEPA Compliance Checklist

A Categorical Exclusion ("CATEX") excludes a proposed action from further NEPA analysis. Do not use a CATEX if any of the following "extraordinary circumstances" are marked YES or UNKNOWN:

YES	NO	UNKNOWN	Description of the Reasonable Likelihood of the Proposed Action's Effect
☐	☐	☐	1.Significant impact on public health or safety?
☐	☐	☐	2.Imposes uncertain, unique, or unknown environmental risks, or is scientifically controversial?
☐	☐	☐	3.Establishes precedents or makes decisions in principle for future actions that have the potential for significant impacts?
☐	☐	☐	4.Relates directly to other actions with individually insignificant but cumulatively significant environmental effects?
☐	☐	☐	5.Adversely affects properties listed or eligible to be listed on the National Register of Historic Places as determined by either the bureau or office, the State Historic Preservation Officer, the Tribal Historic Preservation Officer, the Advisory Council on Historic Preservation, or a consulting party under 36 CFR 800?
☐	☐	☐	6.Adversely affects species listed, or proposed to be listed, on the List of Endangered or Threatened Species, or adversely affects designated Critical Habitat for these species?
☐	☐	☐	7.Adversely affects coral reefs or Federally-designated wilderness areas, wildlife refuges, marine sanctuaries, or parklands?
☐	☐	☐	8.Threatens a violation of Federal, state, or local environmental laws?
☐	☐	☐	9.Disproportionately affects low income or minority populations?
☐	☐	☐	10.Limits access to and ceremonial use of Indian sacred sites on Federal lands by Indian religious practitioners or significantly adversely affects the physical integrity of such sites?

Applicant Signature:

Project Director: _____ Date: _____

NEH Signature:

Approving Official: _____ Date: _____

[FR Doc. 2018–22439 Filed 10–15–18; 8:45 am]
BILLING CODE 7536–01–C

NATIONAL TRANSPORTATION SAFETY BOARD

Sunshine Act Meetings

TIME AND DATE: 9:30 a.m., Tuesday, October 30, 2018.

PLACE: NTSB Conference Center, 429 L'Enfant Plaza SW, Washington, DC 20594.

STATUS: The one item is open to the public.

MATTERS TO BE CONSIDERED:

58536 Railroad Accident Report: *Derailment and Hazardous Materials Release of Union Pacific Railroad Unit Ethanol Train in Graettinger, Iowa, March 10, 2017*

News Media Contact: Telephone: (202) 314–6100. The press and public may enter the NTSB Conference Center one hour prior to the meeting for set up and seating.

Individuals requesting specific accommodations should contact Rochelle McCallister at (202) 314–6305 or by email at *Rochelle.McCallister@ntsb.gov* by Wednesday, October 24, 2018.

The public may view the meeting via a live or archived webcast by accessing a link under ''News & Events'' on the NTSB home page at *www.ntsb.gov.*

Schedule updates, including weather-related cancellations, are also available at *www.ntsb.gov.*

For More Information Contact: Candi Bing at (202) 314–6403 or by email at *bingc@ntsb.gov.*

FOR MEDIA INFORMATION CONTACT: Peter Knudson at (202) 314–6100 or by email at *peter.knudson@ntsb.gov.*

Dated: October 12, 2018.

LaSean McCray,

Assistant Federal Register Liaison Officer.

[FR Doc. 2018–22572 Filed 10–12–18; 11:15 am]
BILLING CODE 7533–01–P

POSTAL REGULATORY COMMISSION

[Docket No. R2019–1; Order No. 4851]

Market Dominant Price Adjustment

AGENCY: Postal Regulatory Commission.

ACTION: Notice.

SUMMARY: The Commission is noticing a recently filed Postal Service notice of inflation-based rate adjustments affecting market dominant domestic and international products and services, along with temporary mailing promotions and numerous proposed classification changes. The adjustments and other changes are scheduled to take effect January 27, 2019. This notice informs the public of the filing, invites public comment, and takes other administrative steps.

DATES: *Comments are due:* October 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:

Table of Contents

I. Introduction and Overview
II. Initial Administrative Actions
III. Ordering Paragraphs

I. Introduction and Overview

On October 10, 2018, the Postal Service filed a notice of inflation-based price adjustments affecting market dominant domestic and international products and services, along with temporary mailing promotions and numerous proposed classification changes to the Mail Classification Schedule (MCS).[1] The intended effective date is January 27, 2019. Notice at 1. The Notice, which was filed pursuant to 39 U.S.C. 3622 and 39 CFR part 3010, triggers a notice-and-comment proceeding.[2]

Contents of filing. The Postal Service's filing consists of the Notice, which the Postal Service represents addresses the data and information required under 39 CFR 3010.12; four attachments (Attachments A–D) to the Notice; and eight sets of workpapers filed as library references.

Attachment A presents the proposed price and related product description changes to the MCS. Notice, Attachment A. Attachments B and C address workshare discounts and the price cap calculation, respectively. Notice, Attachments B and C. Attachment D presents the promotions schedule. Notice, Attachment D.

Several library references present supporting financial documentation for the five classes of mail. Notice at 4–5 nn. 7–9. The Postal Service filed one library reference pertaining to the two international mail products within First-Class Mail (Outbound Single-Piece First-Class Mail International and Inbound Letter Post) under seal and applied for non-public treatment of those materials.[3]

Planned price adjustments. The Postal Service's planned percentage changes by class are, on average, as follows:

Market dominant class	Planned price adjustment (%)
First-Class Mail	2.486
USPS Marketing Mail	2.479
Periodicals	2.52
Package Services	2.522
Special Services	2.512

Notice at 4.

Price adjustments for products within classes vary from the average. *See, e.g., id.* at 6, 15 (Table 5 showing range for First-Class Mail products and Table 7 showing range for USPS Marketing Mail products). Most of the planned adjustments entail increases to market dominant rates and fees; however, in a few instances, the Postal Service proposes either no adjustment or a decrease. *See id.* at 6.

Proposed classification changes. The Postal Service proposes numerous classification changes in its Notice and identifies the impact on the MCS in Attachment A. *Id.* at 32–34; *id.* Attachment A.

Calendar Year 2019 promotions. The Postal Service seeks approval for the following six promotions for the indicated periods:

- Emerging and Advanced Technology Promotion (Mar. 1–Aug. 31, 2019);
- Mobile Shopping Promotion (Aug. 1–Dec. 31, 2019);
- Tactile, Sensory and Interactive Mailpiece Engagement Promotion (Feb.1–July 31, 2019);
- Personalized Color Transpromo Promotion (July 1–Dec. 31, 2019);
- Informed Delivery Promotion (Sept.1–Nov. 30, 2019); and
- Earned Value Reply Mail Promotion (Apr. 1–June 30, 2019).

Notice, Attachment D.

II. Initial Administrative Actions

Pursuant to 39 CFR 3010.11(a), the Commission establishes Docket No. R2019–1 to consider the planned price adjustments for market dominant postal products and services, as well as the related classification changes, identified in the Notice. The Commission invites

[1] United States Postal Service Notice of Market-Dominant Price Change, October 10, 2018 (Notice).

[2] This is a Type 1–B proceeding. *See* 39 CFR part 3010, subparts A–C for additional information.

[3] *See* USPS Notice of Filing USPS–LR–R2019–1/NP1, October 10, 2018, Attachment 1.

comments from interested persons on whether the Postal Service's filing is consistent with the applicable statutory and regulatory requirements, including 39 U.S.C. 3622 and 39 CFR part 3010. Comments are due no later than October 30, 2018.

The public portions of the Postal Service's filing are available for review on the Commission's website (*http://www.prc.gov*). Comments and other material filed in this proceeding will be available for review on the Commission's website, unless the information contained therein is subject to an application for non-public treatment. The Commission's rules on non-public materials (including access to documents filed under seal) appear in 39 CFR part 3007.

Pursuant to 39 U.S.C. 505, the Commission appoints Kenneth R. Moeller to represent the interests of the general public (Public Representative) in this proceeding.

III. Ordering Paragraphs

It is ordered:

1. The Commission establishes Docket No. R2019–1 to consider the planned price adjustments for market dominant postal products and services, as well as the related classification changes, identified in the Postal Service's October 10, 2018 Notice.

2. Comments on the planned price adjustments and related classification changes are due no later than October 30, 2018.

3. Pursuant to 39 U.S.C. 505, Kenneth R. Moeller is appointed to serve as an officer of the Commission (Public Representative) to represent the interests of the general public in this proceeding.

4. The Commission directs the Secretary of the Commission to arrange for prompt publication of this notice in the **Federal Register**.

Stacy L. Ruble,

Secretary.

[FR Doc. 2018–22492 Filed 10–15–18; 8:45 am]

BILLING CODE 7710–FW–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–84392; File No. 4–566]

Program for Allocation of Regulatory Responsibilities Pursuant to Rule 17d–2; Notice of Filing and Order Approving and Declaring Effective an Amendment to the Plan for the Allocation of Regulatory Responsibilities Among Cboe BZX Exchange, Inc., Cboe BYX Exchange, Inc., Chicago Stock Exchange, Inc., Cboe EDGA Exchange, Inc., Cboe EDGX Exchange, Inc., Financial Industry Regulatory Authority, Inc., Nasdaq BX, Inc., Nasdaq PHLX LLC, The Nasdaq Stock Market LLC, NYSE National, Inc., New York Stock Exchange LLC, NYSE American LLC, NYSE Arca, Inc., and Investors Exchange LLC Relating to the Surveillance, Investigation, and Enforcement of Insider Trading Rules

October 10, 2018.

Notice is hereby given that the Securities and Exchange Commission (''Commission'') has issued an Order, pursuant to Section 17(d) of the Securities Exchange Act of 1934 (''Act''),[1] approving and declaring effective an amendment to the plan for allocating regulatory responsibility (''Plan'') filed on September 21, 2018, pursuant to Rule 17d–2 of the Act,[2] by Cboe BZX Exchange, Inc. (''BZX''), Cboe BYX Exchange, Inc. (''BYX''), Chicago Stock Exchange, Inc. (''CHX''), Cboe EDGA Exchange, Inc. (''EDGA''), Cboe EDGX Exchange, Inc. (''EDGX''), Financial Industry Regulatory Authority, Inc. (''FINRA''), Nasdaq BX, Inc. (''BX''), Nasdaq PHLX LLC (''PHLX''), The Nasdaq Stock Market LLC (''Nasdaq''), NYSE National, Inc. (''National''), New York Stock Exchange LLC (''NYSE''), NYSE American LLC (''American''), NYSE Arca, Inc. (''NYSE Arca''), and Investors Exchange LLC (''IEX'') (collectively, ''Participating Organizations'' or ''Parties'').

I. Introduction

Section 19(g)(1) of the Act,[3] among other things, requires every self-regulatory organization (''SRO'') registered as either a national securities exchange or national securities association to examine for, and enforce compliance by, its members and persons associated with its members with the Act, the rules and regulations thereunder, and the SRO's own rules, unless the SRO is relieved of this responsibility pursuant to Section 17(d)[4] or Section 19(g)(2)[5] of the Act. Without this relief, the statutory obligation of each individual SRO could result in a pattern of multiple examinations of broker-dealers that maintain memberships in more than one SRO (''common members''). Such regulatory duplication would add unnecessary expenses for common members and their SROs.

Section 17(d)(1) of the Act[6] was intended, in part, to eliminate unnecessary multiple examinations and regulatory duplication.[7] With respect to a common member, Section 17(d)(1) authorizes the Commission, by rule or order, to relieve an SRO of the responsibility to receive regulatory reports, to examine for and enforce compliance with applicable statutes, rules, and regulations, or to perform other specified regulatory functions.

To implement Section 17(d)(1), the Commission adopted two rules: Rule 17d–1 and Rule 17d–2 under the Act.[8] Rule 17d–1 authorizes the Commission to name a single SRO as the designated examining authority (''DEA'') to examine common members for compliance with the financial responsibility requirements imposed by the Act, or by Commission or SRO rules.[9] When an SRO has been named as a common member's DEA, all other SROs to which the common member belongs are relieved of the responsibility to examine the firm for compliance with the applicable financial responsibility rules. On its face, Rule 17d–1 deals only with an SRO's obligations to enforce member compliance with financial responsibility requirements. Rule 17d–1 does not relieve an SRO from its obligation to examine a common member for compliance with its own rules and provisions of the federal securities laws governing matters other than financial responsibility, including sales practices and trading activities and practices.

To address regulatory duplication in these and other areas, the Commission adopted Rule 17d–2 under the Act.[10] Rule 17d–2 permits SROs to propose joint plans for the allocation of

[1] 15 U.S.C. 78q(d).

[2] 17 CFR 240.17d–2.

[3] 15 U.S.C. 78s(g)(1).

[4] 15 U.S.C. 78q(d).

[5] 15 U.S.C. 78s(g)(2).

[6] 15 U.S.C. 78q(d)(1).

[7] *See* Securities Act Amendments of 1975, Report of the Senate Committee on Banking, Housing, and Urban Affairs to Accompany S. 249, S. Rep. No. 94–75, 94th Cong., 1st Session 32 (1975).

[8] 17 CFR 240.17d–1 and 17 CFR 240.17d–2, respectively.

[9] *See* Securities Exchange Act Release No. 12352 (April 20, 1976), 41 FR 18808 (May 7, 1976).

[10] *See* Securities Exchange Act Release No. 12935 (October 28, 1976), 41 FR 49091 (November 8, 1976).

regulatory responsibilities with respect to their common members. Under paragraph (c) of Rule 17d–2, the Commission may declare such a plan effective if, after providing for notice and comment, it determines that the plan is necessary or appropriate in the public interest and for the protection of investors, to foster cooperation and coordination among the SROs, to remove impediments to, and foster the development of, a national market system and a national clearance and settlement system, and is in conformity with the factors set forth in Section 17(d) of the Act. Commission approval of a plan filed pursuant to Rule 17d–2 relieves an SRO of those regulatory responsibilities allocated by the plan to another SRO.

II. The Plan

On September 12, 2008, the Commission declared effective the Participating Organizations' Plan for allocating regulatory responsibilities pursuant to Rule 17d–2.[11] The Plan is designed to eliminate regulatory duplication by allocating regulatory responsibility over Common FINRA Members [12] (collectively ''Common Members'') for the surveillance, investigation, and enforcement of common insider trading rules (''Common Rules'').[13] The Plan assigns regulatory responsibility over Common FINRA Members to FINRA for surveillance, investigation, and enforcement of insider trading by broker-dealers, and their associated persons, with respect to Listed Stocks (as defined in the Plan), irrespective of the marketplace(s) maintained by the Participating Organizations on which the relevant trading may occur.

III. Proposed Amendment to the Plan

On September 21, 2018, the Parties submitted a proposed amendment to the Plan. The proposed amendment was submitted to: (i) reflect name changes of certain Participating Organizations; (ii) update the SRO rules that are covered by the Agreement; and (iii) provide that, for purposes of determining a Participant's Percentage of Publicly Reported Trades in the calculation of quarterly fees, total trades will be adjusted to separate out bunched or bundled trades by a Participating Organization.[14] In addition, the Participating Organizations entered into a regulatory services agreement that addresses investigation and enforcement in situations involving Insider Trading by non-Common FINRA Members. The text of the proposed amended 17d–2 plan is as follows (additions are *italicized;* deletions are [bracketed]):

* * * * *

Agreement for the Allocation of Regulatory Responsibility of Surveillance, Investigation and Enforcement for Insider Trading Pursuant to § 17(d) of the Securities Exchange Act of 1934, 15 U.S.C. § 78q (d), and Rule 17d–2 Thereunder

This agreement (the ''Agreement'') by and among [Bats]*Cboe* BZX Exchange, Inc. (''BZX''), [Bats]*Cboe* BYX Exchange, Inc. (''BYX''), Chicago Stock Exchange, Inc. (''CHX''), [Bats]*Cboe* EDGA Exchange, Inc. (''EDGA''), [Bats]*Cboe* EDGX Exchange, Inc. (''EDGX''), Financial Industry Regulatory Authority, Inc. (''FINRA''), [NASDAQ]*Nasdaq* BX, Inc. (''[NASDAQ] BX''), [NASDAQ]*Nasdaq* PHLX LLC (''[NASDAQ]PHLX''), The [NASDAQ]*Nasdaq* Stock Market LLC (''[NASDAQ]*Nasdaq*''), *NYSE* National [Stock Exchange], Inc. (''[NSX]*NYSE National*''), New York Stock Exchange LLC (''NYSE''), NYSE [MKT]*American* LLC (''NYSE [MKT]*American*''), NYSE Arca, Inc. (''NYSE Arca'') and Investors' Exchange LLC (''IEX'') (each a ''Participating Organization'' and together, the ''Participating Organizations''), is made pursuant to § 17(d) of the Securities Exchange Act of 1934 (the ''Act''), 15 U.S.C. 78q(d), and Securities and Exchange Commission (''SEC'') Rule 17d–2, which allow for plans to allocate regulatory responsibility among self-regulatory organizations (''SROs''). Upon approval by the SEC, this Agreement shall amend and restate the agreement among the Participating Organizations approved by the SEC on [December 16, 2011] *August 3, 2016.*

Whereas, the Participating Organizations desire to: (a) foster cooperation and coordination among the SROs; (b) remove impediments to, and foster the development of, a national market system; (c) strive to protect the interest of investors; and (d) eliminate duplication in their regulatory surveillance, investigation and enforcement of insider trading;

Whereas, the Participating Organizations are interested in allocating to FINRA regulatory responsibility for Common FINRA Members (as defined below) for surveillance, investigation and enforcement of Insider Trading (as defined below) in NMS Stocks (as defined below) irrespective of the marketplace(s) maintained by the Participating Organizations on which the relevant trading may occur in violation of Common Insider Trading Rules (as defined below);

Whereas, the Participating Organizations will request regulatory allocation of these regulatory responsibilities by executing and filing with the SEC a plan for the above stated purposes (this Agreement, also known herein as the ''Plan'') pursuant to the provisions of § 17(d) of the Act, and SEC Rule 17d–2 thereunder, as described below; and

Whereas, the Participating Organizations will also enter into a Regulatory Services Agreement (the ''Insider Trading RSA''), of even date herewith, to provide for the investigation and enforcement of suspected Insider Trading against broker-dealers, and their associated persons, that are not Common FINRA Members in the case of Insider Trading in NMS Stocks.

Now, Therefore, in consideration of the mutual covenants contained hereafter, and other valuable consideration to be mutually exchanged, the Participating Organizations hereby agree as follows:

1. *Definitions.* Unless otherwise defined in this Agreement, or the context otherwise requires, the terms used in this Agreement will have the same meaning they have under the Act, and the rules and regulations thereunder. As used in this Agreement, the following terms will have the following meanings:

a. ''Rule'' of an ''exchange'' or an ''association'' shall have the meaning defined in Section 3(a)(27) of the Act.

b. ''Common FINRA Members'' shall mean members of FINRA and at least one of the Participating Organizations.

c. ''Common Insider Trading Rules'' shall mean (i) the federal securities laws and rules thereunder promulgated by the SEC pertaining to insider trading, and (ii) the rules of the Participating Organizations that are related to insider

[11] *See* Securities Exchange Act Release No. 58536 (September 12, 2008), 73 FR 54646 (September 22, 2008). *See also* Securities Exchange Act Release Nos. 58806 (October 17, 2008), 73 FR 63216 (October 23, 2008); 61919 (April 15, 2010), 75 FR 21051 (April 22, 2010); 63103 (October 14, 2010), 75 FR 64755 (October 20, 2010); 63750 (January 21, 2011), 76 FR 4948 (January 27, 2011); 65991 (December 16, 2011), 76 FR 79714 (December 22, 2011); and 78473 (August 3, 2016), 81 FR 52722 (August 9, 2016).

[12] Common FINRA Members include members of FINRA and at least one of the Participating Organizations.

[13] Common rules are defined as: (i) Federal securities laws and rules promulgated by the Commission pertaining to insider trading, and (ii) the rules of the Participating Organizations that are related to insider trading. *See* Exhibit A to the Plan.

[14] The Commission notes that trades during a single-priced opening, reopening or closing auction will not be adjusted. *See* Exhibit B, Section 1(b) of the Plan.

trading, as provided on Exhibit A to this Agreement.

d. ''Effective Date'' shall have the meaning set forth in paragraph 27.

e. ''Insider Trading'' shall mean any conduct or action taken by a natural person or entity related in any way to the trading of securities by an insider or a related party based on or on the basis of material non-public information obtained during the performance of the insider's duties at the corporation, or otherwise misappropriated, that could be deemed a violation of the Common Insider Trading Rules.

f. ''Intellectual Property'' will mean any: (1) processes, methodologies, procedures, or technology, whether or not patentable; (2) trademarks, copyrights, literary works or other works of authorship, service marks and trade secrets; or (3) software, systems, machine-readable texts and files and related documentation.

g. ''Plan'' shall mean this Agreement, which is submitted as a Plan for the allocation of regulatory responsibilities of surveillance for insider trading pursuant to § 17(d) of the Act, 15 U.S.C. 78q(d), and SEC Rule 17d–2.

h. ''NMS Stock(s)'' shall have the meaning set forth in Rule 600(b)(47) of SEC Regulation NMS.

i. ''Listing Market'' shall mean an exchange that lists NMS stocks.

2. *Assumption of Regulatory Responsibilities.* On the Effective Date of the Plan, FINRA will assume regulatory responsibilities for surveillance, investigation and enforcement of Insider Trading by broker-dealers, and their associated persons, for Common FINRA Members with respect to NMS Stocks, irrespective of the marketplace(s) maintained by the Participant Organizations on which the relevant trading may occur in violation of the Common Insider Trading Rules (''Regulatory Responsibilities'').

3. *Certification of Insider Trading Rules.*

a. *Initial Certification.* By signing this Agreement, the Participating Organizations, other than FINRA, hereby certify to FINRA that their respective lists of Common Insider Trading Rules contained in Exhibit A hereto are correct, and FINRA hereby confirms that such rules are Common Insider Trading Rules as defined in this Agreement.

b. *Yearly Certification.* Each year following the commencement of operation of this Agreement, or more frequently if required by changes in the rules of the Participating Organizations, each Participating Organization shall submit a certified and updated list of Common Insider Trading Rules to FINRA for review, which shall (i) add Participating Organization rules not included in the then-current list of Common Insider Trading Rules that qualify as Common Insider Trading Rules as defined in this Agreement; (ii) delete Participating Organization rules included in the current list of Common Insider Trading Rules that no longer qualify as Common Insider Trading Rules as defined in this Agreement; and (iii) confirm that the remaining rules on the current list of Common Insider Trading Rules continue to be Participating Organization rules that qualify as Common Insider Trading Rules as defined in this Agreement. FINRA shall review each Participating Organization's annual certification and confirm whether FINRA agrees with the submitted certified and updated list of Common Insider Trading Rules by each of the Participating Organizations.

4. *No Retention of Regulatory Responsibility.* The Participating Organizations do not contemplate the retention of any responsibilities with respect to the regulatory activities being assumed by FINRA under the terms of this Agreement.

5. *Fees.* FINRA shall charge Participating Organizations for performing the Regulatory Responsibilities, as set forth in the Schedule of Fees, attached as Exhibit B.

6. *Applicability of Certain Laws, Rules, Regulations or Orders.* Notwithstanding any provision hereof, this Agreement shall be subject to any statute, or any rule or order of the SEC. To the extent such statute, rule, or order is inconsistent with one or more provisions of this Agreement, the statute, rule, or order shall supersede the provision(s) hereof to the extent necessary to be properly effectuated and the provision(s) hereof in that respect shall be null and void.

7. *Exchange Committee; Reports.*

a. *Exchange Committee.* The Participating Organizations shall form a committee (the ''Exchange Committee''), which shall act on behalf of all of Participating Organizations in receiving copies of the reports described below and in reviewing issues that arise under this Agreement. Each Participating Organization shall appoint a representative to the Exchange Committee. The Exchange Committee representatives shall report to their respective executive management bodies regarding status or issues under this Agreement. The Participating Organizations agree that the Exchange Committee will meet regularly up to four (4) times a year, with no more than one meeting per calendar quarter. At these meetings, the Exchange Committee will discuss the conduct of the Regulatory Responsibilities and identify issues or concerns with respect to this Agreement, including matters related to the calculation of the cost formula and accuracy of fees charged and provision of information related to the same. The SEC shall be permitted to attend the meetings as an observer.

b. *Reports.* FINRA shall provide the reports set forth in Exhibit C hereto and any additional reports related to this Agreement reasonably requested by a majority vote of all representatives to the Exchange Committee at each Exchange Committee meeting, or more often as the Participating Organizations deem appropriate, but no more often than once every quarterly billing period.

8. *Customer Complaints.* If a Participating Organization receives a copy of a customer complaint relating to Insider Trading or other activity or conduct that is within FINRA's Regulatory Responsibilities as set forth in this Agreement, the Participating Organization shall promptly forward to FINRA, as applicable, a copy of such customer complaint.

9. *Parties to Make Personnel Available as Witnesses.* Each Participating Organization shall make its personnel available to FINRA to serve as testimonial or non-testimonial witnesses as necessary to assist FINRA in fulfilling the Regulatory Responsibilities allocated under this Agreement. FINRA shall provide reasonable advance notice when practicable and shall work with a Participating Organization to accommodate reasonable scheduling conflicts within the context and demands as the entity with ultimate regulatory responsibility. The Participating Organization shall pay all reasonable travel and other expenses incurred by its employees to the extent that FINRA requires such employees to serve as witnesses, and provide information or other assistance pursuant to this Agreement.

10. *Market Data; Sharing of Work-Papers, Data and Related Information.*

a. *Market Data.* FINRA shall obtain raw market data necessary to the performance of regulation under this Agreement from (a) the Consolidated Tape Association (''CTA'') and (b) the NASDAQ Unlisted Trading Privileges Plan.

b. *Sharing.* A Participating Organization shall make available to FINRA information necessary to assist FINRA in fulfilling the Regulatory Responsibilities assumed under the terms of this Agreement. Such information shall include *any* information collected by a Participating Organization in the course of

performing its regulatory obligations under the Act, including information relating to an on-going disciplinary investigation or action against a member, the amount of a fine imposed on a member, financial information, or information regarding proprietary trading systems gained in the course of examining a member (''Regulatory Information''). This Regulatory Information shall be used by FINRA solely for the purposes of fulfilling its Regulatory Responsibilities.

c. *No Waiver of Privilege.* The sharing of documents or information between the parties pursuant to this Agreement shall not be deemed a waiver as against third parties of regulatory or other privileges relating to the discovery of documents or information.

d. *Intellectual Property.*

(i) *Existing Intellectual Property.* FINRA is and will remain the owner of all right, title and interest in and to the proprietary Intellectual Property it employs in the provision of regulation hereunder (including the SONAR system), and any derivative works thereof. To the extent certain elements of FINRA's systems, or portions thereof, may be licensed or leased from third parties, all such third party elements shall remain the property of such third parties, as applicable. Likewise, any other Participating Organization is and will remain the owner of all right, title and interest in and to its own existing proprietary Intellectual Property.

(ii) *Enhancements to Existing Intellectual Property or New Developments.* In the event FINRA (a) makes any changes, modifications or enhancements to its Intellectual Property for any reason, or (b) creates any newly developed Intellectual Property for any reason, including as a result of requested enhancements or new development by the Exchange Committee (collectively, the ''New IP''), the Participating Organizations acknowledge and agree that FINRA shall be deemed the owner of the New IP created by it (and any derivative works thereof), and shall retain all right, title and interest therein and thereto, and each other Participating Organization hereby irrevocably assigns, transfers and conveys to FINRA without further consideration all of its right, title and interest in or to all such New IP (and any derivative works thereof).

(iii) *Fees for New IP.* FINRA will not charge the Participating Organizations any fees for any New IP created and used by FINRA; provided, however, that FINRA will be permitted to charge fees for software maintenance work performed on systems used in the discharge of its duties hereunder.

11. *Special or Cause Examinations.* Nothing in this Agreement shall restrict or in any way encumber the right of a party to conduct special or cause examinations of Common FINRA Members as any party, in its sole discretion, shall deem appropriate or necessary.

12. *Dispute Resolution Under this Agreement.*

a. *Negotiation.* The parties to this Agreement will attempt to resolve any disputes through good faith negotiation and discussion, escalating such discussion up through the appropriate management levels until reaching the executive management level. In the event a dispute cannot be settled through these means, the parties shall refer the dispute to binding arbitration.

b. *Binding Arbitration.* All claims, disputes, controversies, and other matters in question between the parties to this Agreement arising out of or relating to this Agreement or the breach thereof that cannot be resolved by the parties will be resolved through binding arbitration. Unless otherwise agreed by the parties, a dispute submitted to binding arbitration pursuant to this paragraph shall be resolved using the following procedures:

(i) The arbitration shall be conducted in the city of New York in accordance with the Commercial Arbitration Rules of the American Arbitration Association and judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof; and

(ii) There shall be three arbitrators, and the chairperson of the arbitration panel shall be an attorney.

13. *Limitation of Liability.* As between the Participating Organizations, no Participating Organization, including its respective directors, governors, officers, employees and agents, will be liable to any other Participating Organization, or its directors, governors, officers, employees and agents, for any liability, loss or damage resulting from any delays, inaccuracies, errors or omissions with respect to its performing or failing to perform regulatory responsibilities, obligations, or functions, except (a) as otherwise provided for under the Act, (b) in instances of a Participating Organization's gross negligence, willful misconduct or reckless disregard with respect to another Participating Organization, (c) in instances of a breach of confidentiality obligations owed to another Participating Organization, or (d) in the case of any Participating Organization paying fees hereunder, for any payments due. The Participating Organizations understand and agree that the Regulatory Responsibilities are being performed on a good faith and best effort basis and no warranties, express or implied, are made by any Participating Organization to any other Participating Organization with respect to any of the responsibilities to be performed hereunder. This paragraph is not intended to create liability of any Participating Organization to any third party.

14. *SEC Approval.*

a. The parties agree to file promptly this Agreement with the SEC for its review and approval. FINRA shall file this Agreement on behalf, and with the explicit consent, of all Participating Organizations.

b. If approved by the SEC, the Participating Organizations will notify their members of the general terms of this Agreement and of its impact on their members.

15. *Subsequent Parties; Limited Relationship.* This Agreement shall inure to the benefit of and shall be binding upon the Participating Organizations hereto and their respective legal representatives, successors, and assigns. Nothing in this Agreement, expressed or implied, is intended or shall: (a) Confer on any person other than the Participating Organizations hereto, or their respective legal representatives, successors, and assigns, any rights, remedies, obligations or liabilities under or by reason of this Agreement, (b) constitute the Participating Organizations hereto partners or participants in a joint venture, or (c) appoint one Participating Organization the agent of the other.

16. *Assignment.* No Participating Organization may assign this Agreement without the prior written consent of all the other Participating Organizations, which consent shall not be unreasonably withheld, conditioned or delayed; provided, however, that any Participating Organization may assign this Agreement to a corporation controlling, controlled by or under common control with the Participating Organization without the prior written consent of any other party.

17. *Severability.* Any term or provision of this Agreement that is invalid or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms and provisions of this Agreement or affecting the validity or enforceability of any of the terms or provisions of this Agreement in any other jurisdiction.

18. *Termination.*

a. Any Participating Organization may cancel its participation in this Agreement at any time, provided that it

has given 180 days written notice to the other Participating Organizations (or in the case of a change of control in ownership of a Participating Organization, such other notice time period as that Participating Organization may choose), and provided that such termination has been approved by the SEC. The cancellation of its participation in this Agreement by any Participating Organization shall not terminate this Agreement as to the remaining Participating Organizations.

b. The Regulatory Responsibilities assumed under this Agreement by FINRA may be terminated by FINRA against any Participating Organization as follows. The Participating Organization will have thirty (30) days from receipt to satisfy the invoice. If the Participating Organization fails to satisfy the invoice within thirty (30) days of receipt (''Default''), FINRA will notify the Participating Organization of the Default. The Participating Organization will have thirty (30) days from receipt of the Default notice to satisfy the invoice.

c. FINRA will have the right to terminate the Regulatory Responsibilities assumed under this Agreement if a Participating Organization has Defaulted in its obligation to pay the invoice on more than three (3) occasions in any rolling twenty-four (24) month period.

19. *Intermarket Surveillance Group (''ISG'').* In order to participate in this Agreement, all Participating Organizations to this Agreement must be members of the ISG.

20. *General.* The Participating Organizations agree to perform all acts and execute all supplementary instruments or documents that may be reasonably necessary or desirable to carry out the provisions of this Agreement.

21. *Liaison and Notices.* All questions regarding the implementation of this Agreement shall be directed to the persons identified below, as applicable. All notices and other communications required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given upon (i) actual receipt by the notified party or (ii) constructive receipt (as of the date marked on the return receipt) if sent by certified or registered mail, return receipt requested, to the following addresses:

For [Bats]*Cboe* BZX Exchange, Inc.: [Tamara Schademann]*Greg Hoogasian*, Chief Regulatory Officer, [Bats]*Cboe* BZX Exchange, Inc., [8050 Marshall Drive], [Suite 120], [Lenexa, KS 66214], [Telephone: (913) 815–7113], [Facsimile: (913) 815–7119], [Email: *Tami@batstrading.com*], *400 S. LaSalle Street, Chicago, IL 60605, Telephone: (312) 786–7844, Facsimilie: (312) 786–7982, Email: hoogasian@cboe.com.*

For [Bats]*Cboe* BYX Exchange, Inc.: [Tamara Schademann]*Greg Hoogasian*, Chief Regulatory Officer, [Bats]*Cboe* BYX Exchange, Inc., [8050 Marshall Drive], [Suite 120], [Lenexa, KS 66214], [Telephone: (913) 815–7113], [Facsimile: (913) 815–7119], [Email: *Tami@batstrading.com*], *400 S. LaSalle Street, Chicago, IL 60605, Telephone: (312) 786–7844, Facsimilie: (312) 786–7982, Email: hoogasian@cboe.com.*

For Chicago Stock Exchange, Inc.: [Peter D. Santori]*Anthony Albanese*, [Executive Vice President and] Chief Regulatory Officer, [Chicago Stock Exchange, Inc.]*NYSE Group, Inc.*, [440 S. LaSalle Street]*11 Wall Street*, [Chicago, IL 60605]*New York, NY 10005*, Telephone: [(312) 663–2402]*(212) 656–8297*, Facsimile:[(312) 663–2231]*(212) 656–2027*, Email: [*psantori@chx.com*]*Anthony.Albanese@theice.com*.

For [Bats]*Cboe* EDGA Exchange, Inc.: [Tamara Schademann]*Greg Hoogasian*, Chief Regulatory Officer, [Bats]*Cboe* EDGA Exchange, Inc., [8050 Marshall Drive], [Suite 120], [Lenexa, KS 66214], [Telephone: (913) 815–7113], [Facsimile: (913) 815–7119], [Email: *Tami@batstrading.com*], *400 S. LaSalle Street, Chicago, IL 60605, Telephone: (312) 786–7844, Facsimilie: (312) 786–7982, Email: hoogasian@cboe.com.*

For [Bats]*Cboe* EDGX Exchange, Inc.: [Tamara Schademann]*Greg Hoogasian*, Chief Regulatory Officer, [Bats]*Cboe* EDGX Exchange, Inc., [8050 Marshall Drive], [Suite 120], [Lenexa, KS 66214], [Telephone: (913) 815–7113], [Facsimile: (913) 815–7119], [*Email: Tami@batstrading.com*], *400 S. LaSalle Street, Chicago, IL 60605, Telephone: (312) 786–7844, Facsimilie: (312) 786–7982, Email: hoogasian@cboe.com.*

For Financial Industry Regulatory Authority, Inc.: Cameron Funkhouser, Executive Vice President, [Market Regulation]*Office of Fraud Detection and Market Intelligence*, FINRA, 1735 K Street NW, Washington, DC 20006, Telephone: (240) 386–5021, Facsimile: (301) 407–4635, Email:*Cameron.Funkhouser@finra.org.*

For [NASDAQ]*Nasdaq* BX, Inc.: John A. Zecca, Senior Vice President, The [NASDAQ]*Nasdaq* Stock Market LLC, 9600 Blackwell Road, Rockville, MD 20850, Telephone: (301) 978–8498, Facsimile: (301) 978–8472, Email: *John.Zecca@nasdaqomx.com.*

For [NASDAQ]*Nasdaq* PHLX LLC: Joseph Cusick, Chief Regulatory Officer, [NASDAQ]*Nasdaq* PHLX LLC, 1900 Market Street, Philadelphia, PA 19103, Telephone: (215) 496–1576, Facsimile: (215) 496–5104, Email:*joeseph.cusick@nasdaqomx.com.*

For The [NASDAQ]*Nasdaq* Stock Market LLC: John A. Zecca, Senior Vice President, The [NASDAQ]*Nasdaq* Stock Market LLC, 9600 Blackwell Road, Rockville, MD 20850, Telephone: (301) 978–8498, Facsimile: (301) 978–8472, Email: *John.Zecca@nasdaqomx.com.*

For *NYSE* National [Stock Exchange], Inc.: [James G. Buckley] *Anthony Albanese*, Chief Regulatory Officer, *NYSE* National [Stock Exchange], Inc., [101 Hudson Street, Suite 1200], [Jersey City, NJ 07302], [Telephone: (201) 499–3698], [Facsimile: (201) 499–0727], [Email: *james.buckley@nsx.com*], 11 Wall Street, New York, NY 10005, Telephone: (212) 656–8927, Facsimile: (212) 656–2027, Email: *Anthony.albanese@theice.com.*

For New York Stock Exchange LLC: Anthony Albanese, Chief Regulatory Officer, NYSE, 11 Wall Street, New York, NY 10005, Telephone: (212) 656–8927, Facsimile: (212) 656–[2223]*2027*, Email: *Anthony.albanese@theice.com.*

For NYSE [MKT]*American* LLC: Anthony Albanese Chief Regulatory Officer, NYSE [MKT]*American,* 11 Wall Street, New York, NY 10005, Telephone: (212) 656–8927, Facsimile: (212) 656-[2223]*2027*, Email: *Anthony.albanese@theice.com.*

For NYSE Arca, Inc.: Anthony Albanese, Chief Regulatory Officer, NYSE Arca, 11 Wall Street, New York, NY 10005, Telephone: (212) 656–8927, Facsimile: (212) 656–[2223]*2027*, Email: *Anthony.albanese@theice.com.*

For Investors' Exchange LLC.: Claudia Crowley, Chief Regulatory Officer, IEX, 4 World Trade Center, 150 Greenwich Street, 44th Floor, New York, NY 10007, Telephone: (646) 343–2041, Facsimile: (646) 365–6862, Email: *Claudia.crowley@iextrading.com.*

22. *Confidentiality.* The parties agree that documents or information shared shall be held in confidence, and used only for the purposes of carrying out their respective regulatory obligations under this Agreement. No party shall assert regulatory or other privileges as against the other with respect to Regulatory Information that is required to be shared pursuant to this Agreement, as defined by paragraph 10, above.

23. *Regulatory Responsibility.* Pursuant to Section 17(d)(1)(A) of the Act, and Rule 17d–2 thereunder, the Participating Organizations jointly and severally request the SEC, upon its approval of this Agreement, to relieve the Participating Organizations, jointly and severally, of any and all responsibilities with respect to the matters allocated to FINRA pursuant to

this Agreement for purposes of §§ 17(d) and 19(g) of the Act.

24. *Governing Law.* This Agreement shall be deemed to have been made in the State of New York, and shall be construed and enforced in accordance with the law of the State of New York, without reference to principles of conflicts of laws thereof. Each of the parties hereby consents to submit to the jurisdiction of the courts of the State of New York in connection with any action or proceeding relating to this Agreement.

25. *Survival of Provisions.* Provisions intended by their terms or context to survive and continue notwithstanding delivery of the regulatory services by FINRA, the payment of the Fees by the Participating Organizations, and any expiration of this Agreement shall survive and continue.

26. *Amendment.*

a. This Agreement may be amended to add a new Participating Organization, provided that such Participating Organization does not assume regulatory responsibility, solely by an amendment executed by FINRA and such new Participating Organization. All other Participating Organizations expressly consent to allow FINRA to add new Participating Organizations to this Agreement as provided above. FINRA will promptly notify all Participating Organizations of any such amendments to add a new Participating Organization.

b. All other amendments must be approved by each Participating Organization. All amendments, including adding a new Participating Organization, must be filed with and approved by the SEC before they become effective.

27. *Effective Date.* The Effective Date of this Agreement will be the date the SEC declares this Agreement to be effective pursuant to authority conferred by § 17(d) of the Act, and SEC Rule 17d–2 thereunder.

28. *Counterparts.* This Agreement may be executed in any number of counterparts, including facsimile, each of which will be deemed an original, but all of which taken together shall constitute one single agreement between the parties.

In Witness Whereof, the parties hereto have each caused this Agreement for the Allocation of Regulatory Responsibility of Surveillance, Investigation and Enforcement for Insider Trading to be signed and delivered by its duly authorized representative.

* * * * *

Exhibit A: Common Insider Trading Rules

1. Securities Exchange Act of 1934 Section 10(b), and rules and regulations promulgated there under in connection with insider trading, including SEC Rule 10b–5 (as it pertains to insider trading), which states that:

Rule 10b–5—Employment of Manipulative and Deceptive Devices It shall be unlawful for any person, directly or indirectly, by the use of any means or instrumentality of interstate commerce, or of the mails or of any facility of any national securities exchange,

a. To employ any device, scheme, or artifice to defraud,

b. To make any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading, or

c. To engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person, in connection with the purchase or sale of any security.

2. Securities Exchange Act of 1934 Section 17(a), and rules and regulations promulgated there under in connection with insider trading, including SEC Rule 17a–3 (as it pertains to insider trading).

3. The following SRO Rules as they pertain to violations of insider trading:

FINRA Rule 2010 (Standards of Commercial Honor and Principles of Trade)
FINRA Rule 2020 (Use of Manipulative, Deceptive or Other Fraudulent Devices)
FINRA Rule 3110 (Supervision)
FINRA Rule 4511 (General Requirements)
FINRA Rule 4512 (Customer Account Information)
NYSE Rule 440 (Books and Records)
NYSE Rule 476(a) (Disciplinary Proceedings Involving Charges Against Members, Member Organizations, Principal Executives, Approved Persons, Employees, or Others)
NYSE Rule 2010 (Standards of Commercial Honor and Principles of Trade)
NYSE Rule 2020 (Use of Manipulative, Deceptive or Other Fraudulent Devices)
NYSE Rule 3110 (Supervision)
NYSE [MKT]*American* General and Floor Rule 3(j) (General Prohibitions and Duty to Report)
NYSE [MKT]*American* [Equities] Rule [440]*2.24–E* (*ETP* Books and Records)
NYSE [MKT]*American* [Equities] Rule 476(a) (Disciplinary Proceedings Involving Charges Against Members, Member Organizations, Principal Executives, Approved Persons, Employees, or Others)
NYSE [MKT]*American* [Equities] Rule 2010 (*Equities.* Standards of Commercial Honor and Principles of Trade)
NYSE [MKT]*American* [Equities] Rule 2020 (*Equities.* Use of Manipulative, Deceptive or Other Fraudulent Devices)
NYSE [MKT]*American* [Equities] Rule 3110 (*Equities.* Supervision)
[NASDAQ]*Nasdaq* Rule [2110]*2010*A (Standards of Commercial Honor and Principles of Trade)
[NASDAQ]*Nasdaq* Rule 2120 (Use of Manipulative, Deceptive or Other Fraudulent Devices)
[NASDAQ]*Nasdaq* Rule 3010 (Supervision)
[NASDAQ]*Nasdaq* Rule 4511A (General Requirements
[NASDAQ]*Nasdaq* Rule 4512A (Customer Account Information)
CHX Article 8, Rule 3 (Fraudulent Acts)
CHX Article 9, Rule 2 (Just & Equitable Trade Principles)
CHX Article 11, Rule 2 (Maintenance of Books and Records)
CHX Article 6, Rule 5 (Supervision of Registered Persons and Branch and Resident Offices)
[NASDAQ] PHLX Rule 707 (Conduct Inconsistent with Just and Equitable Principles of Trade)
[NASDAQ] PHLX Rule 748 (Supervision)
[NASDAQ] PHLX Rule 760 (Maintenance, Retention and Furnishing of Books, Records and Other Information)
[NASDAQ] PHLX Rule 761 (Supervisory Procedures Relating to ITSFEA and to Prevention of Misuse or Material Nonpublic Information)
[NASDAQ] PHLX Rule 782 (Manipulative Operations)
NYSE Arca [Equities] Rule [2.24]*2.28* ([ETP] Books and Records)
NYSE Arca [Equities] Rule 5.1–*E*(a)(2)(v)(D) (General Provisions and Unlisted Trading Privileges)
NYSE Arca Rule 11.1 (Adherence to Law
NYSE Arca Rule 11.2(b) (Prohibited Acts (J&E))
NYSE Arca [Equities] Rule [6.3]*11.3* (Prevention of the Misuse of Material, Nonpublic Information)
[NYSE Arca Equities Rule 6.2(b) (Prohibited Acts (J&E))]
[NYSE Arca Equities Rule 6.1 (Adherence to Law)]
NYSE Arca [Equities] Rule [6.18]*11.18* (Supervision)
NYSE Arca [Equities] Rule 9.1–*E*(c) (Office Supervision)

NYSE Arca [Equities] Rule 9.2–*E*(b) (Account Supervision)
NYSE Arca [Equities] Rule 9.2–*E*(c) (Customer Records)
NYSE Arca [Equities] Rule *9.*2010–*E* (Standards of Commercial Honor and Principles of Trade)
NYSE Arca [Equities] Rule *9.*2020–*E* (Use of Manipulative, Deceptive or Other Fraudulent Devices)
NYSE National Rule 5.1(a)(2)(D)(iv) (Unlisted Trading Privileges)
[NSX]*NYSE National* Rule *11.*3.1 (Business Conduct of ETP Holders)
[NSX]*NYSE National* Rule *11.*3.2 (Violations Prohibited)
[NSX]*NYSE National* Rule *11.*3.3 (Use of Fraudulent Devices)
[NSX]*NYSE National* Rule *11.*4.1 (Requirements)
[NSX]*NYSE National* Rule *11.*5.1 (Written Procedures)
[NSX]*NYSE National* Rule *11.*5.3 (Records)
[NSX]*NYSE National* Rule 11.5.5 ([Chinese Wall Procedures]Prevention of the Misuse of Material, Nonpublic Information)
[NSX]*NYSE National* Rule *11.*12.4 (Manipulative Transactions)
[NASDAQ] BX Rule 2110 (Standards of Commercial Honor and Principles of Trade)
[NASDAQ] BX Rule 2120 (Use of Manipulative, Deceptive or Other Fraudulent Devices)
[NASDAQ] BX Rule 3010 (Supervision)
[NASDAQ] BX Rule 3110 (a) and (c) (Books and Records; Financial Condition)
BZX Rule 3.1 (Business Conduct of Members)
BZX Rule 3.2 (Violations Prohibited)
BZX Rule 3.3 (Use of Fraudulent Devices)
BZX Rule 4.1 (Requirements)
BZX Rule 5.1 (Written Procedures)
BZX Rule 5.3 (Records)
BZX Rule 5.5 (Prevention of the Misuse of Material, Non-Public Information)
BZX Rule 12.4 (Manipulative Transactions)
BYX Rule 3.1 (Business Conduct of ETP Holders)
BYX Rule 3.2 (Violations Prohibited)
BYX Rule 3.3 (Use of Fraudulent Devices)
BYX Rule 4.1 (Requirements)
BYX Rule 5.1 (Written Procedures)
BYX Rule 5.3 (Records)
BYX Rule 5.5 (Prevention of the Misuse of Material, Non-Public Information)
BYX Rule 12.4 (Manipulative Transactions)
EDGA Rule 3.1 (Business Conduct of Members)
EDGA Rule 3.2 (Violations Prohibited)
EDGA Rule 3.3 (Use of Fraudulent Devices)
EDGA Rule 4.1 (Requirements)
EDGA Rule 5.1 (Written Procedures)
EDGA Rule 5.3 (Records)
EDGA Rule 5.5 (Prevention of Misuse of Material, Nonpublic Information)
EDGA Rule 12.4 (Manipulative Transactions)
EDGX Rule 3.1 (Business Conduct of Members)
EDGX Rule 3.2 (Violations Prohibited)
EDGX Rule 3.3 (Use of Fraudulent Devices)
EDGX Rule 4.1 (Requirements)
EDGX Rule 5.1 (Written Procedures)
EDGX Rule 5.3 (Records)
EDGX Rule 5.5 (Prevention of Misuse of Material, Nonpublic Information)
EDGX Rule 12.4 (Manipulative Transactions)
IEX Rule 3.110 (Business Conduct of Members)
IEX Rule 3.120 (Violations Prohibited)
IEX Rule 3.130 (Use of Fraudulent Devices)
IEX Rule 4.511 (General Requirements)
IEX Rule 4.512 (Customer Account Information)
IEX Rule 5.110 (Supervision)
IEX Rule 5.150 (Prevention of Misuse of Material, Non-Public Information)
IEX Rule 10.140 (Manipulative Transactions)

Exhibit B: Fee Schedule

1. *Fees.* FINRA shall charge each Participating Organization a Quarterly Fee in arrears for the performance of FINRA's Regulatory Responsibilities under the Plan (each, a ''Quarterly Fee,'' and together, the ''Fees'').

a. *Quarterly Fees.*

(1) Quarterly Fees for each Participating Organization will be charged by FINRA according to the Participating Organization's ''Percentage of Publicly Reported Trades'' occurring over three-month billing periods. The ''Percentage of Publicly Reported Trades'' shall equal a Participating Organization's *total* number of reported NMS Stock trades during the relevant period *as specified in paragraph 1b.* (the ''Numerator''), divided by the total number of all NMS Stock trades for the same period *as specified in paragraph 1b.*(the ''Denominator''). For purposes of clarification, ADF and Trade Reporting Facility (''TRF'') activity will be included in the Denominator. Additionally, with regard to TRFs, TRF trade volume will be charged to FINRA. Consequently, for purposes of calculating the Quarterly Fees, the volume for each Participant Organization's TRF will be calculated separately (that is, TRF volume will be broken out from the Participating Organization's overall Percentage of Publicly Reported Trades) and the fees for such will be billed to FINRA in accordance with paragraph 1a.(2), rather than to the applicable Participating Organization.

(2) The Quarterly Fees shall be determined by FINRA in the following manner for each Participating Organization:

(a) Less than 1.0%: If the Participating Organization's Percentage of Publicly Reported Trades for the relevant three-month billing period is less than 1.0%, the Quarterly Fee shall be $6,250, per quarter (''Static Fee'');

(b) Less than 2.0% but No Less than 1.0%: If the Participating Organization's Percentage of Publicly Reported Trades for the relevant three-month billing period is less than 2.0% but no less than 1.0%, the Quarterly Fee shall be $18,750, per quarter (''Static Fee'');

(c) 2.0% or Greater: If the Participating Organization's Percentage of Publicly Reported Trades for the relevant three-month billing period is 2.0% or greater, the Quarterly Fee shall be the amount equal to the Participating Organization's Percentage of Publicly Reported Trades multiplied by FINRA's total charge (''Total Charge'') for its performance of Regulatory Responsibilities for the relevant three-month billing period.

(3) Increases in Static Fees. FINRA will re-evaluate the Quarterly Fees on an annual basis during the annual budget process outlined in paragraph 1.c. below. During each annual re-evaluation, FINRA will have the discretion to increase the Static Fees by a percentage no greater than the percentage increase in the Final Budget over the preceding year's Final Budget. Any changes to the Static Fees shall not require an amendment to this Agreement, but rather shall be memorialized through the budget process.

(4) Increases in Total Charges. Any change in the Total Charges (whether a Final Budget increase or any mid year change) shall not require an amendment to this Agreement, but rather shall be memorialized through the budget process.

b. *Source of Data.* For purposes of calculation of the Percentage of Publicly Reported Trades for each Participating Organization, FINRA [shall]*will* use *trades reported to the two SIPs* (a) the Consolidated Tape Association (''CTA''), and (b) the Unlisted Trading Privileges Plan. *In each case, FINRA will use the total trades as may be adjusted by the Participating Organization. Adjustments will include any separation or breakup of the number of trades as a result of reporting of bunched or bundled trades by a*

Participating Organization but will not include any adjustments resulting from single-priced opening, reopening or closing auction trades. Each Participating Organization that reports bunched or bundled trades will report to FINRA any adjustments to its total number of NMS Stock trades on the 15th of the month following the end of the quarter.

c. *Annual Budget Forecast.* FINRA will notify the Participating Organizations of the forecasted costs of its insider trading program for the following calendar year by close of business on October 15 of the then-current year (the ''Forecasted Budget''). FINRA shall use best efforts to provide as accurate a forecast as possible. FINRA shall then provide a final submission of the costs following approval of such costs by its Board of Governors (the ''Final Budget''). Subject to paragraph 1d. below, in the event of a difference between the Forecasted Budget and the Final Budget, the Final Budget will govern.

d. *Increases in Fees over Five Percent.*

(1) In the event that any proposed increase to Fees by FINRA for a given calendar year (which increase may arise either during the annual budgetary forecasting process or through any mid-year increase) will result in a cumulative increase in such calendar year's Fees of more than five percent (5%) above the preceding calendar year's Final Budget (a ''Major Increase''), then senior management of any Participating Organization (a) that is a Listing Market or (b) for which the Percentage of Publicly Reported Trades is then currently twenty percent (20%) or greater, shall have the right to call a meeting with the senior management of FINRA in order to discuss any disagreement over such proposed Major Increase. By way of example, if FINRA provides a Final Budget for 2011 that represents an 4% increase above the Final Budget for 2010, the terms of this paragraph 1.d.(1) shall not apply; if, however, in April of 2011, FINRA notifies the Exchange Committee of an increase in Fees that represents an additional 3% increase above the Final Budget for 2010, then the increase shall be deemed a Major Increase, and the terms of this paragraph 1.d.(1) shall become applicable (*i.e.,* 4% and 3% represents a cumulative increase of 7% above the 2010 Final Budget).

(2) In the event that senior management members of the involved parties are unable to reach an agreement regarding the proposed Major Increase, then the matter shall be referred back to the Exchange Committee for final resolution. Prior to the matter being referred back to the Exchange Committee, nothing shall prohibit the parties from conferring with the SEC. Resolution shall be reached through a vote of no fewer than all Participating Organizations seated on the Exchange Committee, and a simple majority shall be required in order to reject the proposed Major Increase.

e. *Time Tracking.* FINRA shall track the time spent by staff on insider trading responsibilities under this Agreement; however, time tracking will not be used to allocate costs.

2. *Invoicing and Payment.* FINRA shall invoice each Participating Organization for the Quarterly Fee associated with the regulatory activities performed pursuant to this Agreement during the previous three-month billing period within forty five (45) days of the end of such previous 3-month billing period. A Participating Organization shall have thirty (30) days from date of invoice to make payment to FINRA on such invoice. The invoice will reflect the Participating Organization's Percentage of Publicly Reported Trades for that billing period.

3. *Disputed Invoices; Interest.* In the event that a Participating Organization disputes an invoice or a portion of an invoice, the Participating Organization shall notify FINRA in writing of the disputed item(s) within fifteen (15) days of receipt of the invoice. In its notification to FINRA of the disputed invoice, the Participating Organization shall identify the disputed item(s) and provide a brief explanation of why the Participating Organization disputes the charges. FINRA may charge a Participating Organization interest on any undisputed invoice or the undisputed portions of a disputed invoice that a Participating Organization fails to pay within thirty (30) days of its receipt of such invoice. Such interest shall be assessed monthly. Interest will mean one and one half percent per month, or the maximum allowable under applicable law, whichever is less.

4. *Taxes.* In the event any governmental authority deems the regulatory activities allocated to FINRA to be taxable activities similar to the provision of services in a commercial context, the other Participating Organizations agree that they shall bear full responsibility, on a joint and several basis, for the payment of any such taxes levied on FINRA, or, if such taxes are paid by FINRA directly to the governmental authority, the other Participating Organizations agree that they shall reimburse FINRA for the amount of any such taxes paid.

5. *Audit Right; Record Keeping.*

a. *Audit Right.*

(i) Once every rolling twelve (12) month period, FINRA shall permit no more than one audit (to be performed by one or more Participating Organizations) of the Fees charged by FINRA to the Participating Organizations hereunder and a detailed cost analysis supporting such Fees (the ''Audit''). The Participating Organization or Organizations that conduct this Audit will select a nationally-recognized independent auditing firm (or may use its regular independent auditor, providing it is a nationally-recognized auditing firm) (''Auditing Firm'') to act on its, or their behalf, and will provide reasonable notice to other Participating Organizations of the Audit. FINRA will permit the Auditing Firm reasonable access during FINRA's normal business hours, with reasonable advance notice, to such financial records and supporting documentation as are necessary to permit review of the accuracy of the calculation of the Fees charged to the Participating Organizations. The Participating Organization, or Organizations, as applicable, other than FINRA, shall be responsible for the costs of performing any such audit.

(ii) If, through an Audit, the Exchange Committee determines that FINRA has inaccurately calculated the Fees for any Participating Organization, the Exchange Committee will promptly notify FINRA in writing of the amount of such difference in the Fees, and, if applicable, FINRA shall issue a reimbursement of the overage amount to the relevant Participating Organization(s), less any amount owed by the Participating Organization under any outstanding, undisputed invoice(s). If such an Audit reveals that any Participating Organization paid less than what was required pursuant to the Agreement, then that Participating Organization shall promptly pay FINRA the difference between what the Participating Organization owed pursuant to the Agreement and what that Participating Organization originally paid FINRA. If FINRA disputes the results of an Audit regarding the accuracy of the Fees, it will submit the dispute for resolution pursuant to the dispute resolution procedures in paragraph 12 of the Agreement.

(iii) In the event that through the review of any supporting documentation provided during the Audit, any one or more Participating Organizations desire to discuss with FINRA the supporting documentation and any questions arising therefrom with regard to the manner in which regulation was conducted, the Participating Organization(s) shall call a

meeting with FINRA. FINRA shall in turn notify the Exchange Committee of this meeting in advance, and all Participating Organizations shall be welcome to attend (the ''Fee Analysis Meeting''). The parties to this Agreement acknowledge and agree that while FINRA commits to discuss the supporting documentation at the Fee Analysis Meeting, FINRA shall not be subject, by virtue of the above Audit rights or any discussions during the Fee Analysis Meeting or otherwise, to any limitation whatsoever, other than the Increase in Fee provisions set forth in paragraph 1.d. of this Exhibit, on its discretion as to the manner and means by which it conducts its regulatory efforts in its role as the SRO primarily liable for regulatory decisions under this Agreement. To that end, no disagreement among the Participating Organizations as to the manner or means by which FINRA conducts its regulatory efforts hereunder shall be subject to the dispute resolution procedures hereunder, and no Participating Organization shall have the right to compel FINRA to alter the manner or means by which it conducts its regulatory efforts. Further, a Participating Organization shall not have the right to compel a rebate or reassessment of fees for services rendered, on the basis that the Participating Organization would have conducted regulatory efforts in a different manner than FINRA in its professional judgment chose to conduct its regulatory efforts.

b. *Record Keeping.* In anticipation of any audit that may be performed by the Exchange Committee under paragraph 5.a. above, FINRA shall keep accurate financial records and documentation relating to the Fees charged by it under this Agreement.

Exhibit C: Reports

FINRA shall provide the following information in reports to the Exchange Committee, which information covers activity occurring under this Agreement:

1. *Alert Summary Statistics:* Total number of surveillance system alerts generated by quarter along with associated number of reviews and investigations. In addition, this paragraph shall also reflect the number of reviews and investigations originated from a source other than an alert. A separate table would be presented for the trading activity of the NMS Stocks listed on each Participating Organization's exchange.

2008	Surveillance alerts	Investigations
1st Quarter		
2nd Quarter		
3rd Quarter		
4th Quarter		
2008 Total		

2. *Aging of Open Matters:* Would reflect the aging for all currently open matters for the quarterly period being reported. A separate table would be presented for the trading activity of the NMS Stocks listed on each Participating Organization's exchange.

Example:

	Surveillance alerts	Investigations
0–6 months		
6–9 months		
9–12 months		
12+ months		
Total		

3. *Timeliness of Completed Matters:* Would reflect the total age of those matters that were completed or closed during the quarterly period being reported. FINRA will provide total referrals to the SEC.

Example:

	Surveillance alerts	Investigations
0–6 months		
6–9 months		
9–12 months		
12+ months		
Total		

4. *Disposition of Closed Matters:* Would reflect the disposition of those matters that were completed or closed during the quarterly period being reported. A separate table would be presented for the trading activity of the NMS Stocks listed on each Participating Organization's exchange.

Example:

	Surveillance YTD	Investigations YTD
No Further Review Letter of Caution/Admonition Fine Referred to Legal/Enforcement Referred to SEC/SRO Merged		
Other Total		

5. *Pending Reviews.* In addition to the above reports, the Chief Regulatory Officer (CRO) (or his or her designee) of any Participating Organization that is also a Listing Market may inquire about pending reviews involving stocks listed on that Participating Organization's market. FINRA will respond to such inquiries from a CRO; provided, however, that (a) the CRO must hold any information provided by FINRA in confidence and (b) FINRA will not be compelled to provide information in contradiction of any mandate, directive or order from the SEC, US Attorney's Office, the Office of any State Attorney General or court of competent jurisdiction.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's internet comment form (*http://www.sec.gov/rules/sro.shtml*); or
- Send an email to *rule-comments@sec.gov.* Please include File Number 4–566 on the subject line.

Paper Comments

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549–1090.

All submissions should refer to File Number *4–566.* 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 plan that are filed with the Commission, and all written communications relating to the proposed plan 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 plan also will be available for inspection and copying at the principal offices of the Participating Organizations. 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 4–566 and should be submitted on or before November 6, 2018.

V. Discussion

The Commission finds that the Plan, as proposed to be amended, is consistent with the factors set forth in Section 17(d) of the Act [15] and Rule 17d–2 thereunder [16] in that it is necessary or appropriate in the public interest and for the protection of investors, fosters cooperation and coordination among SROs, and removes impediments to and fosters the development of the national market system. The Commission continues to believe that the Plan, as amended, should reduce unnecessary regulatory duplication by allocating regulatory responsibility for the surveillance, investigation, and enforcement of Common Rules to FINRA. Accordingly, the proposed amendment to the Plan promotes efficiency by consolidating these regulatory functions in a single SRO.

Under paragraph (c) of Rule 17d–2, the Commission may, after appropriate notice and comment, declare a plan, or any part of a plan, effective. In this instance, the Commission believes that appropriate notice and comment can take place after the proposed amendment is effective. The amendment provides for the adjustment of total trades by separating out bunched or bundled trades by a Participating Organization when determining a Participant's Percentage of Publicly Reported Trades in the calculation of quarterly fees.[17] According to the Participants, the adjustment is designed to allocate among the Parties expenses reasonably incurred by the SRO having regulatory responsibilities under the Plan. The amendment also updates the information about certain Participating Organizations.[18] Therefore, the Commission believes that the amended Plan should become effective without any undue delay.

VI. Conclusion

This order gives effect to the amended Plan submitted to the Commission that is contained in File No. 4–566.

It is therefore ordered, pursuant to Section 17(d) of the Act,[19] that the Plan, as amended, filed with the Commission pursuant to Rule 17d–2 on September 21, 2018, is hereby approved and declared effective.

It is further ordered that the Participating Organizations are relieved of those regulatory responsibilities allocated to FINRA under the amended Plan to the extent of such allocation.

[15] 15 U.S.C. 78q(d).

[16] 17 CFR 240.17d–2.

[17] According to the Participant Organizations, trades during a single-priced opening, reopening or closing auction will not be adjusted because a majority of the Participant Organizations use bunched or bundled trades during these periods and, therefore, adjustment would have only a minimal impact on each Participant Organization's fee under the Plan. *See* Exhibit B, Section 1(b) of the Plan.

[18] The Commission notes that the most recent prior amendment to the Plan, which, among other things, reflected the addition of IEX as a Listing Market, was published for comment and the Commission did not receive any comments thereon. *See supra* note 11.

[19] 15 U.S.C. 78q(d).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[20]

Eduardo A. Aleman,

Assistant Secretary.

[FR Doc. 2018–22412 Filed 10–15–18; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–84399; File No. SR–C2–2018–021]

Self-Regulatory Organizations; Cboe C2 Exchange, Inc.; Notice of Filing of a Proposed Rule Change To Amend C2's Rulebook To Allow the Post Only Order Instruction on Complex Orders That Route to Its Electronic Book

October 10, 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 October 1, 2018, Cboe C2 Exchange, Inc. (the ''Exchange'' or ''C2'') filed with the Securities and Exchange Commission (the ''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

Cboe C2 Exchange, Inc. (the ''Exchange'' or ''C2'') proposes to amend C2's rulebook to allow the Post Only order instruction on complex orders that route to its electronic book.

The text of the proposed rule change is available on the Exchange's website (*http://www.c2exchange.com/Legal/*), at the Exchange's Office of the Secretary, and at the Commission's Public Reference Room.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item 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

C2 recently adopted the Post Only order instruction on simple orders that route to its electronic book (''Simple Book''),[3] and C2 now proposes to adopt the Post Only order instruction on complex orders that route to its electronic book (''COB'').

Background

Pursuant to C2 Rule 1.1, ''[a] ''Post Only'' order is an order the System ranks and executes pursuant to Rule 6.12, subjects to the Price Adjust process pursuant to Rule 6.12, or cancels or rejects (including if it is not subject to the Price Adjust process and locks or crosses a Protected Quotation of another exchange), as applicable (in accordance with User instructions), except the order may not remove liquidity from the [Simple] Book or route away to another Exchange.'' In other words, if a Post Only order is entered into C2's automated trading system (''System''), it will not execute against an order resting in the Simple Book or route to another exchange. The purpose of the Post Only order is to add liquidity to the Simple Book.

Because C2 has a maker-taker fee structure, pursuant to which an execution taking liquidity from the Simple Book is subject to a taker fee, the Post Only order instruction provides Trading Permit Holders (''TPHs'' or ''Users'') with the flexibility to avoid incurring a taker fee if the TPH's intent is to submit an order to add liquidity to the Simple Book. Additionally, under C2's maker-taker fee structure, if a TPH submits an order that adds liquidity to the Simple Book (for both penny and non-penny classes of options), it receives a rebate in connection with the execution of that order. For example, a Public Customer order that adds liquidity to the Simple Book in a non-penny class receives a rebate of $0.80, whereas a Public Customer order that removes liquidity from the Simple Book in a non-penny class incurs a fee of $0.85. Similar rebates and fees are also applied to Professional Customers, Firms, and Broker/Dealers orders, among others.

Complex Orders

C2 does not currently offer Post Only complex orders. Like in the Simple Book, execution of a complex order taking liquidity from the COB is subject to a taker fee and execution of an order adding liquidity is subject to a maker rebate. For example, a Public Customer order that adds liquidity to the COB in a non-penny class receives a rebate of $0.75, whereas a Public Customer order that removes liquidity from the COB in a non-penny class incurs a fee of $0.83. Unlike in the Simple Book, however, a TPH that intends to submit a complex order to add liquidity to the COB is not given the same flexibility to avoid incurring a taker fee. Accordingly, C2 is proposing to add Post Only to the permissible types of complex orders submitted to the Exchange in C2 Rule 6.13(b).

Proposed C2 Rule 6.13(b)(2) states that upon receipt of a Post Only complex order with any Time-in-Force, the System does not initiate a complex order auction (''COA''), and if a User marks the Post Only complex order to initiate a COA, the System cancels the order. Not permitting a Post Only complex order to COA is consistent with the purposes of a Post Only order, which as discussed above is to add liquidity to the COB. Proposed C2 Rule 6.13(g)(4) states that Post Only complex orders may not Leg into the Simple Book and proposed C2 Rule 6.13(h)(3) states that the System cancels or rejects a Post Only complex order if it locks or crosses a resting complex order in the COB or the then-current opposite side synthetic best bid or offer (''SBBO''). For example, assume there are no orders for a specific strategy resting on the COB, the synthetic national best bid or offer (''SNBBO'') is $3.00 by $3.15, and the SBBO is $2.95 by $3.15. Assume next that Complex Order 1 enters the COB to sell 10 contracts of that strategy at $3.14 and such order is posted to the COB. If Complex Order 2 then enters the COB to buy 10 contracts of that strategy at $3.14, but Complex Order 2 also contains the Post Only instruction, Complex Order 2 is rejected since it locks the resting contra order. Similarly, assume there are no orders for a specific strategy resting on the COB, the SNBBO is $3.00 by $3.15, and the SBBO is $2.95 by $3.20. If a two-leg Complex Order with the Post Only instruction enters the COB to buy 10 contracts of that strategy at $3.20, that Complex Order is rejected since it cannot leg in to the Simple Book and it locks the contra side SBBO. This proposed functionality is consistent with the purpose of the Post Only instruction and ensures a Post

[20] 17 CFR 200.30–3(a)(34).

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] *See* Securities Exchange Act Release No. 83214 (May 11, 2018), 83 FR 22796 (May 16, 2018) (SR–C2–2018–005).

Only complex order will not remove liquidity from the Book. This is also consistent with the functionality and purpose of the Post Only order instruction on simple orders.

By adding the Post Only order instruction for complex orders, TPHs will be given the ability to exercise more control over the circumstances in which their complex orders are executed and be encouraged to add liquidity in the complex order market. Any additional liquidity will subsequently benefit all participants who trade complex orders on the Exchange.

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Securities Exchange Act of 1934 (the ''Act'') and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.[4] Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)[5] requirements that the rules of an exchange be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest. Additionally, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)[6] requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

Specifically, the Post Only order instruction on complex orders is designed to encourage market participants to add liquidity in the complex order market, which will benefit investors. By giving market participants the flexibility to manage their execution costs and the circumstances in which their complex orders are executed, the Exchange believes the proposed rule change would remove impediments to perfect the mechanism of a free and open market and a national market system and protect investors. The Exchange also believes that the proposed rule change will contribute to the protection of investors and the public interest by assuring compliance with rules related to locked and crossed markets.

Additionally, the Exchange notes that Post Only functionality is not new or unique functionality and is already available in a similar capacity. While the Post Only complex order type is not currently available in the market, C2 and other exchanges have implemented the Post Only simple order type, which functions in the same manner as the proposed Post Only complex order type. The purpose of a Post Only complex order is the same as the purpose of a Post Only simple order, given C2's maker-taker fee structure with respect to executions of complex orders.

B. Self-Regulatory Organization's Statement on Burden on Competition

C2 does not believe that the proposed rule change will impose any burden on intramarket or intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. In particular, the Exchange believes the proposed rule change will not burden intramarket competition because the Post Only order instruction on complex orders will be available to all market participants. Additionally, use of the Post Only order instruction on complex orders is voluntary. The Exchange also believes the proposed rule change will not impose any burden on intermarket competition because this relates to an instruction on orders that are submitted to the Exchange and may only execute on the Exchange. Additionally, nothing prevents other options exchanges that offer complex orders from adopting a Post Only complex order type. The Exchange also believes the proposed rule change will promote competition, as the Exchange believes it will encourage the provision of additional liquidity in the complex order market, which benefits all market participants.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

The Exchange neither solicited nor received comments on the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Within 45 days of the date of publication of this notice in the **Federal Register** or within such longer period up to 90 days (i) as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the Exchange consents, the Commission will:

A. By order approve or disapprove such proposed rule change, or

B. institute proceedings to determine whether the proposed rule change should be 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–C2–2018–021 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–C2–2018–021. 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–C2–2018–021, and should be submitted on or before November 6, 2018.

[4] 15 U.S.C. 78f(b).

[5] 15 U.S.C. 78f(b)(5).

[6] *Id.*

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[7]

Eduardo A. Aleman,

Assistant Secretary.

[FR Doc. 2018–22429 Filed 10–15–18; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–84394; File No. SR–CboeBZX–2018–072]

Self-Regulatory Organizations; Cboe BZX Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To List and Trade Shares of the JPMorgan Municipal ETF and JPMorgan Ultra-Short Municipal ETF of the J.P. Morgan Exchange-Traded Fund Trust Under Rule 14.11(i), Managed Fund Shares

October 10, 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 September 26, 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 and II 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 list and trade shares of the JPMorgan Municipal ETF and JPMorgan Ultra-Short Municipal ETF (each a ''Fund'' or, collectively, the ''Funds'') of the J.P. Morgan Exchange-Traded Fund Trust (the ''Trust'' or the ''Issuer'') under Rule 14.11(i) (''Managed Fund Shares''). The shares of the Funds are referred to herein as the ''Shares.''

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 the Statutory Basis for, the Proposed Rule Change

1. Purpose

The Exchange proposes to list and trade the Shares under Rule 14.11(i), which governs the listing and trading of Managed Fund Shares on the Exchange.[5] The Funds will be actively managed funds. The Shares will be offered by the Trust, which was established as a Delaware statutory trust. The Trust is registered with the Commission as an open-end investment company and has filed a registration statement on behalf of the Fund on Form N–1A (''Registration Statement'') with the Commission.[6]

Rule 14.11(i)(4)(C)(ii)(a) requires that component fixed income securities that, in the aggregate, account for at least 75% of the weight of the portfolio shall have a minimum principal amount outstanding of $100 million or more. The Exchange submits this proposal because the portfolios of the Funds will not meet this requirement. The Fund will, however, meet all of the other requirements of Rule 14.11(i)(4)(C)(ii), (iii), (iv) and (v), specifically including Rule 14.11(i)(4)(C)(iv), which provides that non-agency, non-GSE, and privately-issued mortgage-related and other asset-backed securities components of a portfolio shall not account, in the aggregate, for more than 20% of the weight of the fixed income portion of the portfolio, and 14.11(i)(4)(C)(iv)(a), which provides that in the aggregate, at least 90% of the weight of listed derivatives holdings shall consist of futures, options, and swaps for which the Exchange may obtain information via the Intermarket Surveillance Group (''ISG'') from other members or affiliates of the ISG or for which the principal market is a market with which the Exchange has a comprehensive surveillance sharing agreement, calculated using the aggregate gross notional value of such holdings.

Description of the Shares and the Funds

J.P. Morgan Investment Management, Inc. is the investment adviser (the ''Adviser'') to the Fund. JPMorgan Chase Bank, N.A. is the administrator, custodian, and transfer agent (''Administrator,'' ''Custodian,'' and ''Transfer Agent,'' respectively) for the Trust. JPMorgan Distribution Services, Inc. serves as the distributor (''Distributor'') for the Trust.

Rule 14.11(i)(7) provides that, if the investment adviser to the investment company issuing Managed Fund Shares is affiliated with a broker-dealer, such investment adviser shall erect a ''fire wall'' between the investment adviser and the broker-dealer with respect to access to information concerning the composition and/or changes to such investment company portfolio.[7] In addition, Rule 14.11(i)(7) further requires that personnel who make decisions on the investment company's portfolio composition must be subject to

[7] 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] The Commission approved Rule 14.11(i) in Securities Exchange Act Release No. 65225 (August 30, 2011), 76 FR 55148 (September 6, 2011) (SR–BATS–2011–018).

[6] *See* Registration Statement on Form N–1A for the Trust, dated July 31, 2018 (File Nos. 333–191837 and 811–22903). The descriptions of the Fund and the Shares contained herein are based, in part, on information in the Registration Statement. The Commission has issued an order granting certain exemptive relief to the Trust under the Investment Company Act of 1940 (15 U.S.C. 80a–1) (''1940 Act'') (the ''Exemptive Order''). *See* Investment Company Act Release No. 31990 (February 9, 2016) (File No. 811–22903).

[7] An investment adviser to an open-end fund is required to be registered under the Investment Advisers Act of 1940 (the ''Advisers Act''). As a result, the Adviser and its related personnel are subject to the provisions of Rule 204A–1 under the Advisers Act relating to codes of ethics. This Rule requires investment advisers to adopt a code of ethics that reflects the fiduciary nature of the relationship to clients as well as compliance with other applicable securities laws. Accordingly, procedures designed to prevent the communication and misuse of non-public information by an investment adviser must be consistent with Rule 204A–1 under the Advisers Act. In addition, Rule 206(4)–7 under the Advisers Act makes it unlawful for an investment adviser to provide investment advice to clients unless such investment adviser has (i) adopted and implemented written policies and procedures reasonably designed to prevent violation, by the investment adviser and its supervised persons, of the Advisers Act and the Commission rules adopted thereunder; (ii) implemented, at a minimum, an annual review regarding the adequacy of the policies and procedures established pursuant to subparagraph (i) above and the effectiveness of their implementation; and (iii) designated an individual (who is a supervised person) responsible for administering the policies and procedures adopted under subparagraph (i) above.

procedures designed to prevent the use and dissemination of material nonpublic information regarding the applicable investment company portfolio. Rule 14.11(i)(7) is similar to Rule 14.11(b)(5)(A)(i), however, Rule 14.11(i)(7) in connection with the establishment of a ''fire wall'' between the investment adviser and the broker-dealer reflects the applicable open-end fund's portfolio, not an underlying benchmark index, as is the case with index-based funds. The Adviser is not a registered broker-dealer, but is affiliated with multiple broker-dealers and has implemented ''fire walls'' with respect to such broker-dealers regarding access to information concerning the composition and/or changes to a Fund's portfolio. In addition, Adviser personnel who make decisions regarding a Fund's portfolio are subject to procedures designed to prevent the use and dissemination of material nonpublic information regarding the Fund's portfolio. In the event that (a) the Adviser becomes registered as a broker-dealer or newly affiliated with another broker-dealer, or (b) any new adviser or sub-adviser is a registered broker-dealer or becomes affiliated with a broker-dealer, it will implement a fire wall with respect to its relevant personnel or such broker-dealer affiliate, as applicable, regarding access to information concerning the composition and/or changes to the portfolio, and will be subject to procedures designed to prevent the use and dissemination of material non-public information regarding such portfolio.

JPMorgan Municipal ETF

According to the Registration Statement, the Fund will seek to provide monthly dividends, which are excluded from gross income, and to protect the value of a shareholder's investment by investing primarily in municipal obligations. For purposes of the Fund's investment objective, ''gross income'' means gross income for federal income tax purposes. To achieve its objective, the Fund will invest, under normal circumstances,[8] at least 80% of its net assets in Municipal Securities, as defined below, the interest from which is exempt from federal income tax. The Fund is not a money market fund and does not seek to maintain a stable net asset value of $1.00 per share. The Fund will be classified as a ''diversified'' investment company under the 1940 Act.[9]

The Fund intends to qualify each year as a regulated investment company (a ''RIC'') under Subchapter M of the Internal Revenue Code of 1986, as amended. The Fund will invest its assets, and otherwise conduct its operations, in a manner that is intended to satisfy the qualifying income, diversification and distribution requirements necessary to establish and maintain RIC qualification under Subchapter M.

Principal Holdings—Municipal Securities

To achieve its objective, the Fund will invest, under normal circumstances, in fixed and variable rate Municipal Securities, as defined below. As part of its investments in Municipal Securities, the Fund invests primarily in investment grade securities or the unrated equivalent. Investment-grade securities are rated a minimum of BBB- or higher by Standard & Poor's Ratings Services and/or Fitch, or Baa3 or higher by Moody's, or if unrated, determined by the Adviser to be of equivalent quality.[10] Up to 10% of the Fund's total assets may be invested in securities rated below investment grade (junk bonds). Junk bonds are rated in the fifth or lower rated categories (for example, BB+ or lower by Standard & Poor's Ratings Services and Ba1 or lower by Moody's). Under normal circumstances, the Fund invests in a portfolio of Municipal Securities with an average weighted maturity of three to ten years. Average weighted maturity is the average of all the current maturities (that is, the term of the securities) of the individual bonds in a Fund calculated so as to count most heavily those securities with the highest dollar value.

Municipal securities (''Municipal Securities'') are debt securities issued by or on behalf of states, territories and possessions of the United States, including the District of Columbia, and their respective authorities, political subdivisions, agencies and instrumentalities and other groups with the authority to act for the municipalities, the interest on which is exempt from federal income tax and will include only the following instruments: General obligation bonds,[11] revenue bonds,[12] municipal notes,[13] municipal tax exempt commercial paper,[14] tender option bonds,[15] private activity and industrial development bonds, variable rate demand obligations (''VRDOs''),[16] variable rate demand preferred securities, municipal mortgage-backed securities and other asset-backed securities, municipal lease obligations,[17] stripped securities,[18] structured securities,[19] deferred payment securities, when issued

[8] The term ''under normal circumstances'' includes, but is not limited to, the absence of adverse market, economic, political, or other conditions, including extreme volatility or trading halts in the financial markets; operational issues causing dissemination of inaccurate market information; or force majeure type events such as systems failure, natural or man-made disaster, act of God, armed conflict, act of terrorism, riot, or labor disruption, or any similar intervening circumstance.

[9] The diversification standard is set forth in Section 5(b)(1) of the 1940 Act.

[10] According to the Adviser, the Adviser may determine that unrated securities are of ''equivalent quality'' based on such credit quality factors that it deems appropriate, which may include among other things, performing an analysis similar, to the extent possible, to that performed by a nationally recognized statistical ratings organization when rating similar securities and issuers. In making such a determination, the Adviser may consider internal analyses and risk ratings, third party research and analysis, and other sources of information, as deemed appropriate by the Adviser. The Adviser notes that the Fund may hold up to 10% of its net assets in fixed-rate Municipal Securities that are not investment-grade.

[11] General obligation bonds are obligations involving the credit of an issuer possessing taxing power and are payable from such issuer's general revenues and not from any particular source.

[12] Revenue bonds are bonds that are secured by a pledge of revenues derived from the operations of a revenue producing institution (*i.e.,* a hospital or a university), a system (*i.e.,* a water system or an airport), a project, or from a special tax levy. Industrial development bonds are generally considered revenue bonds, and they are typically payable from the revenues of a corporation.

[13] Municipal notes are shorter-term municipal debt obligations that may provide interim financing in anticipation of tax collection, receipt of grants, bond sales, or revenue receipts. These include tax anticipation notes, bond anticipation notes and revenue anticipation notes.

[14] Municipal tax exempt commercial paper is generally unsecured debt that is issued to meet short-term financing needs.

[15] Tender option bonds are synthetic floating-rate or variable-rate securities issued when long-term bonds are purchased in the primary or secondary market and then deposited into a trust. Custodial receipts are then issued to investors, such as the Fund, evidencing ownership interests in the trust.

[16] VRDOs are tax-exempt obligations that contain a floating or variable interest rate adjustment formula and a right of demand on the part of the holder thereof to receive payment of the unpaid principal balance plus accrued interest upon a short notice period not to exceed seven days.

[17] Municipal lease obligations include certificates of participation issued by government authorities or entities to finance the acquisition or construction of equipment, land, and/or facilities.

[18] Stripped securities are created when an issuer separates the interest and principal components of an instrument and sells them as separate securities. In general, one security is entitled to receive the interest payments on the underlying assets and the other to receive the principal payments.

[19] Structured securities are privately negotiated debt obligations where the principal and/or interest is determined by reference to the performance of an underlying investment, index, or reference obligation, and may be issued by governmental agencies. While structured securities are part of the principal holdings of the Fund, the Issuer represents that such securities, when combined with those instruments held as part of the other portfolio holdings described below, will not exceed 20% of the Fund's net assets.

securities,[20] and zero coupon securities.[21] The Fund may invest more than 25% of its total assets in municipal obligations, the interest upon which is paid from revenues of projects within a single sector, such as housing or healthcare.

Requirements for Fund Holdings

The Fund will hold a minimum of 40 different Municipal Securities diversified among issuers in at least 8 different states with no more than 30% of the Fund's assets comprised of Municipal Securities that provide exposure to any single state (collectively, ''Minimum Requirement 1''). The Fund will hold a minimum of 75 different Municipal Securities when at least four creation units are outstanding (''Trigger Number 1A''). The Fund will hold a minimum of 100 different Municipal Securities diversified among issuers in at least 20 different states when at least eight creation units are outstanding (''Trigger Number 1B''). No single Municipal Security held by the Fund will exceed 4% of the weight of the Fund's portfolio and no single issuer of Municipal Securities will account for more than 10% of the weight of the Fund's portfolio (collectively, ''Minimum Requirement 2''). The Fund will hold Municipal Securities of at least 20 non-affiliated issuers (''Minimum Requirement 3''). The Fund will hold Municipal Securities of at least 30 non-affiliated issuers when at least four creation units are outstanding (''Trigger Number 2'').[22] To the extent that the Fund at one point has sufficient creation units outstanding necessary to trigger a diversity requirement laid out above (each of Trigger Numbers 1A, 1B and 2, a ''Trigger Number''), but subsequently has fewer creation units outstanding than the applicable Trigger Number, the Fund may no longer comply with the applicable diversity requirement.[23]

In the absence of normal circumstances, the Fund may temporarily depart from its normal investment process, provided that such departure is, in the opinion of the Adviser, consistent with the Fund's investment objective and in the best interest of the Fund. For example, the Fund may hold a higher than normal proportion of its assets in cash in response to adverse market, economic or political conditions.

Other Portfolio Holdings

The Fund may also, to a limited extent (under normal circumstances, less than 20% of the Fund's net assets), engage in transactions in United States bond futures contracts, exchange traded treasury and debt futures options, interest rate swaps and zero coupon swaps, interest rate futures, interest rate options, and swaps on Municipal Securities indexes.[24] The Fund may also invest to a limited extent (under normal circumstances, less than 20% of the Fund's net assets) in auction rate securities, commercial paper (other than the municipal tax exempt commercial paper described above), corporate debt securities (bonds and other debt securities of domestic and foreign issuers), exchange traded and non-exchange traded investment companies (including investment companies advised by the Adviser or its affiliates),[25] inflation linked debt securities, inverse floating rate instruments, loan assignments and participations, short term funding agreements, Treasury receipts, United States government obligations, when-issued securities, delayed delivery securities, forward commitments, and deferred payment securities. The Fund's investments will be consistent with its investment objective and will not be used to achieve leveraged returns (*i.e.* two times or three times the Fund's benchmark, as described in the Registration Statement).

The Fund may also enter into repurchase and reverse repurchase agreements (collectively, ''Repurchase Agreements''). Repurchase Agreements involve the sale of securities with an agreement to repurchase the securities at an agreed-upon price, date and interest payment and have the characteristics of borrowing as part of the Fund's principal holdings.[26]

The Fund may also invest in cash and Cash Equivalents,[27] which includes shares of exchange traded and non-exchange traded investment companies (including investment companies advised by the Adviser or its affiliates) that invest principally in money market instruments.

Investment Restrictions

The Fund may hold up to an aggregate amount of 15% of its net assets in illiquid assets (calculated at the time of investment), as deemed illiquid by the Adviser[28] under the 1940 Act.[29] The

[20] The Fund may purchase or sell securities that it is entitled to receive on a when issued or delayed delivery basis as well as through a forward commitment.

[21] Zero coupon securities are securities that are sold at a discount to par value and do not pay interest during the life of the security. The discount approximates the total amount of interest the security will accrue and compound over the period until maturity at a rate of interest reflecting the market rate of the security at the time of issuance. Upon maturity, the holder of a zero coupon security is entitled to receive the par value of the security.

[22] For purposes of this filing, each state and each separate political subdivision, agency, authority, or instrumentality of such state, each multi-state agency or authority, and each guarantor, if any, will be treated as separate issuers of Municipal Securities.

[23] While the Fund may no longer comply with the diversity requirements applicable to the previously applicable Trigger Number, the Fund will continue to comply with any diversity requirement for which the number of creation units outstanding continues to exceed the Trigger Number (*i.e.,* Trigger Number 1A), as well as each of Minimum Requirements 1, 2 and 3.

[24] The derivatives will be centrally cleared and they will be collateralized. Derivatives are not a principal investment strategy of the Fund.

[25] The Fund currently anticipates investing in only registered open-end investment companies, including mutual funds and the open-end investment company funds described in Rule 14.11. The Fund may invest in the securities of other investment companies to the extent permitted by law.

[26] The Fund's exposure to reverse repurchase agreements will be covered by liquid assets having a value equal to or greater than such commitments. The use of reverse repurchase agreements is a form of leverage because the proceeds derived from reverse repurchase agreements may be invested in additional securities. As further stated below, the Fund's investments will be consistent with its investment objective and will not be used to achieve leveraged returns.

[27] As defined in Exchange Rule 14.11(i)(4)(C)(iii)(b), Cash Equivalents are short-term instruments with maturities of less than three months, which includes only the following: (i) U.S. Government securities, including bills, notes, and bonds differing as to maturity and rates of interest, which are either issued or guaranteed by the U.S. Treasury or by U.S. Government agencies or instrumentalities; (ii) certificates of deposit issued against funds deposited in a bank or savings and loan association; (iii) bankers acceptances, which are short-term credit instruments used to finance commercial transactions; (iv) repurchase agreements and reverse repurchase agreements; (v) bank time deposits, which are monies kept on deposit with banks or savings and loan associations for a stated period of time at a fixed rate of interest; (vi) commercial paper, which are short-term unsecured promissory notes; and (vii) money market funds.

[28] In reaching liquidity decisions, the Adviser may consider factors including: The frequency of trades and quotes for the security; The number of dealers wishing to purchase or sell the security and the number of other potential purchasers; dealer undertakings to make a market in the security; the nature of the security and the nature of the marketplace trades (*e.g.,* the time needed to dispose of the security, the method of soliciting offers, and the mechanics of transfer); any legal or contractual restrictions on the ability to transfer the security or asset; significant developments involving the issuer or counterparty specifically (*e.g.,* default, bankruptcy, etc.) or the securities markets generally; and settlement practices, registration procedures, limitations on currency conversion or repatriation, and transfer limitations (for foreign securities or other assets).

[29] The Commission has stated that long-standing Commission guidelines have required open-end funds to hold no more than 15% of their net assets in illiquid securities and other illiquid assets. *See* Investment Company Act Release No. 28193 (March 11, 2008), 73 FR 14618 (March 18, 2008), footnote 34. *See also,* Investment Company Act Release No. 5847 (October 21, 1969), 35 FR 19989 (December 31, 1970) (Statement Regarding ''Restricted

Continued

Fund will monitor its portfolio liquidity on an ongoing basis to determine whether, in light of current circumstances, an adequate level of liquidity is being maintained, and will consider taking appropriate steps in order to maintain adequate liquidity if, through a change in values, net assets, or other circumstances, more than 15% of the Fund's net assets are held in illiquid assets. Illiquid assets include securities subject to contractual or other restrictions on resale and other instruments that lack readily available markets as determined in accordance with Commission staff guidance.

JPMorgan Ultra-Short Municipal ETF

According to the Registration Statement, the Fund will seek as high a level of current income exempt from federal income tax as is consistent with relative stability of principal. To achieve its objective, the Fund will invest, under normal circumstances,[30] at least 80% of its net assets in Municipal Securities, as defined below, the interest from which is exempt from federal income tax. The Fund is not a money market fund and does not seek to maintain a stable net asset value of $1.00 per share. The Fund will be classified as a ''diversified'' investment company under the 1940 Act.[31]

The Fund intends to qualify each year as a regulated investment company (a ''RIC'') under Subchapter M of the Internal Revenue Code of 1986, as amended. The Fund will invest its assets, and otherwise conduct its operations, in a manner that is intended to satisfy the qualifying income, diversification and distribution requirements necessary to establish and maintain RIC qualification under Subchapter M.

Principal Holdings—Municipal Securities

To achieve its objective, the Fund will invest, under normal circumstances, in fixed and variable rate Municipal Securities, as defined below. As part of its investments in Municipal Securities, the Fund invests primarily in investment grade securities or the unrated equivalent. Investment-grade securities are rated a minimum of BBB- or higher by Standard & Poor's Ratings Services and/or Fitch, or Baa3 or higher by Moody's, or if unrated, determined by the Adviser to be of equivalent quality.[32] Up to 10% of the Fund's total assets may be invested in securities rated below investment grade (junk bonds). Junk bonds are rated in the fifth or lower rated categories (for example, BB+ or lower by Standard & Poor's Ratings Services and Ba1 or lower by Moody's). Under normal circumstances, the Fund invests in a portfolio of municipal bonds with an average weighted maturity of two years or less. Average weighted maturity is the average of all the current maturities (that is, the term of the securities) of the individual bonds in a Fund calculated so as to count most heavily those securities with the highest dollar value.

Municipal securities (''Municipal Securities'') are debt securities issued by or on behalf of states, territories and possessions of the United States, including the District of Columbia, and their respective authorities, political subdivisions, agencies and instrumentalities and other groups with the authority to act for the municipalities, the interest on which is exempt from federal income tax and will include only the following instruments: General obligation bonds,[33] revenue bonds,[34] municipal notes,[35] municipal tax exempt commercial paper,[36] tender option bonds,[37] private activity and industrial development bonds, variable rate demand obligations (''VRDOs''),[38] variable rate demand preferred securities, municipal mortgage-backed securities and other asset-backed securities, municipal lease obligations,[39] stripped securities,[40] structured securities,[41] deferred payment securities, when issued securities,[42] and zero coupon securities.[43] The Fund may invest more than 25% of its total assets in municipal obligations, the interest upon which is paid from revenues of projects within a single sector, such as housing or healthcare.

Requirements for Fund Holdings

The Fund will hold a minimum of 40 different Municipal Securities

Securities''); Investment Company Act Release No. 18612 (March 12, 1992), 57 FR 9828 (March 20, 1992) (Revisions of Guidelines to Form N–1A). A fund's portfolio security is illiquid if it cannot be disposed of in the ordinary course of business within seven days at approximately the value ascribed to it by the fund. *See* Investment Company Act Release No. 14983 (March 12, 1986), 51 FR 9773 (March 21, 1986) (adopting amendments to Rule 2a–7 under the 1940 Act); Investment Company Act Release No. 17452 (April 23, 1990), 55 FR 17933 (April 30, 1990) (adopting Rule 144A under the Securities Act of 1933).

[30] The term ''under normal circumstances'' includes, but is not limited to, the absence of adverse market, economic, political, or other conditions, including extreme volatility or trading halts in the financial markets; operational issues causing dissemination of inaccurate market information; or force majeure type events such as systems failure, natural or man-made disaster, act of God, armed conflict, act of terrorism, riot, or labor disruption, or any similar intervening circumstance.

[31] The diversification standard is set forth in Section 5(b)(1) of the 1940 Act.

[32] According to the Adviser, the Adviser may determine that unrated securities are of ''equivalent quality'' based on such credit quality factors that it deems appropriate, which may include among other things, performing an analysis similar, to the extent possible, to that performed by a nationally recognized statistical ratings organization when rating similar securities and issuers. In making such a determination, the Adviser may consider internal analyses and risk ratings, third party research and analysis, and other sources of information, as deemed appropriate by the Adviser. The Adviser notes that the Fund may hold up to 10% of its net assets in fixed-rate Municipal Securities that are not investment-grade.

[33] General obligation bonds are obligations involving the credit of an issuer possessing taxing power and are payable from such issuer's general revenues and not from any particular source.

[34] Revenue bonds are bonds that are secured by a pledge of revenues derived from the operations of a revenue producing institution (*i.e.,* a hospital or a university), a system (*i.e.,* a water system or an airport), a project, or from a special tax levy. Industrial development bonds are generally considered revenue bonds, and they are typically payable from the revenues of a corporation.

[35] Municipal notes are shorter-term municipal debt obligations that may provide interim financing in anticipation of tax collection, receipt of grants, bond sales, or revenue receipts. These include tax anticipation notes, bond anticipation notes and revenue anticipation notes.

[36] Municipal tax exempt commercial paper is generally unsecured debt that is issued to meet short-term financing needs.

[37] Tender option bonds are synthetic floating-rate or variable-rate securities issued when long-term bonds are purchased in the primary or secondary market and then deposited into a trust. Custodial receipts are then issued to investors, such as the Fund, evidencing ownership interests in the trust.

[38] VRDOs are tax-exempt obligations that contain a floating or variable interest rate adjustment formula and a right of demand on the part of the holder thereof to receive payment of the unpaid principal balance plus accrued interest upon a short notice period not to exceed seven days.

[39] Municipal lease obligations include certificates of participation issued by government authorities or entities to finance the acquisition or construction of equipment, land, and/or facilities.

[40] Stripped securities are created when an issuer separates the interest and principal components of an instrument and sells them as separate securities. In general, one security is entitled to receive the interest payments on the underlying assets and the other to receive the principal payments.

[41] Structured securities are privately negotiated debt obligations where the principal and/or interest is determined by reference to the performance of an underlying investment, index, or reference obligation, and may be issued by governmental agencies. While structured securities are part of the principal holdings of the Fund, the Issuer represents that such securities, when combined with those instruments held as part of the other portfolio holdings described below, will not exceed 20% of the Fund's net assets.

[42] The Fund may purchase or sell securities that it is entitled to receive on a when issued or delayed delivery basis as well as through a forward commitment.

[43] Zero coupon securities are securities that are sold at a discount to par value and do not pay interest during the life of the security. The discount approximates the total amount of interest the security will accrue and compound over the period until maturity at a rate of interest reflecting the market rate of the security at the time of issuance. Upon maturity, the holder of a zero coupon security is entitled to receive the par value of the security.

diversified among issuers in at least 8 different states with no more than 30% of the Fund's assets comprised of Municipal Securities that provide exposure to any single state (collectively, ''Minimum Requirement 1''). The Fund will hold a minimum of 75 different Municipal Securities when at least four creation units are outstanding (''Trigger Number 1A''). The Fund will hold a minimum of 100 different Municipal Securities diversified among issuers in at least 20 different states when at least eight creation units are outstanding (''Trigger Number 1B''). No single Municipal Security held by the Fund will exceed 4% of the weight of the Fund's portfolio and no single issuer of Municipal Securities will account for more than 10% of the weight of the Fund's portfolio (collectively, ''Minimum Requirement 2''). The Fund will hold Municipal Securities of at least 20 non-affiliated issuers (''Minimum Requirement 3''). The Fund will hold Municipal Securities of at least 30 non-affiliated issuers when at least four creation units are outstanding (''Trigger Number 2'').[44] To the extent that the Fund at one point has sufficient creation units outstanding necessary to trigger a diversity requirement laid out above (each of Trigger Numbers 1A, 1B and 2, a ''Trigger Number''), but subsequently has fewer creation units outstanding than the applicable Trigger Number, the Fund may no longer comply with the applicable diversity requirement.[45]

In the absence of normal circumstances, the Fund may temporarily depart from its normal investment process, provided that such departure is, in the opinion of the Adviser, consistent with the Fund's investment objective and in the best interest of the Fund. For example, the Fund may hold a higher than normal proportion of its assets in cash in response to adverse market, economic or political conditions.

Other Portfolio Holdings

The Fund may also, to a limited extent (under normal circumstances, less than 20% of the Fund's net assets), engage in transactions in United States bond futures contracts, exchange traded treasury and debt futures options, interest rate swaps and zero coupon swaps, interest rate futures, interest rate options, and swaps on Municipal Securities indexes.[46] The Fund may also invest to a limited extent (under normal circumstances, less than 20% of the Fund's net assets) in auction rate securities, commercial paper (other than the municipal tax exempt commercial paper described above), corporate debt securities (bonds and other debt securities of domestic and foreign issuers), exchange traded and non-exchange traded investment companies (including investment companies advised by the Adviser or its affiliates),[47] inflation linked debt securities, inverse floating rate instruments, loan assignments and participations, short term funding agreements, Treasury receipts, United States Government Obligations, when-issued securities, delayed delivery securities, forward commitments, and deferred payment securities. The Fund's investments will be consistent with its investment objective and will not be used to achieve leveraged returns (*i.e.,* two times or three times the Fund's benchmark, as described in the Registration Statement).

The Fund may also enter into repurchase and reverse repurchase agreements (collectively, ''Repurchase Agreements''). Repurchase Agreements involve the sale of securities with an agreement to repurchase the securities at an agreed-upon price, date and interest payment and have the characteristics of borrowing as part of the Fund's principal holdings.[48]

The Fund may also invest in cash and Cash Equivalents,[49] which includes shares of exchange traded and non-exchange traded investment companies (including investment companies advised by the Adviser or its affiliates) that invest principally in money market instruments.

Investment Restrictions

The Fund may hold up to an aggregate amount of 15% of its net assets in illiquid assets (calculated at the time of investment), as deemed illiquid by the Adviser[50] under the 1940 Act.[51] The Fund will monitor its portfolio liquidity on an ongoing basis to determine whether, in light of current circumstances, an adequate level of liquidity is being maintained, and will consider taking appropriate steps in order to maintain adequate liquidity if, through a change in values, net assets,

[44] For purposes of this filing, each state and each separate political subdivision, agency, authority, or instrumentality of such state, each multi-state agency or authority, and each guarantor, if any, will be treated as separate issuers of Municipal Securities.

[45] While the Fund may no longer comply with the diversity requirements applicable to the previously applicable Trigger Number, the Fund will continue to comply with any diversity requirement for which the number of creation units outstanding continues to exceed the Trigger Number (*i.e.,* Trigger Number 1A), as well as each of Minimum Requirements 1, 2 and 3.

[46] Derivatives might be included in the Fund's investments to serve the investment objectives of the Fund. Such derivatives include only the following: Interest rate futures, interest rate options, interest rate swaps, and swaps on Municipal Securities indexes. The derivatives will be centrally cleared and they will be collateralized. Derivatives are not a principal investment strategy of the Fund.

[47] The Fund currently anticipates investing in only registered open-end investment companies, including mutual funds and the open-end investment company funds described in Rule 14.11. The Fund may invest in the securities of other investment companies to the extent permitted by law.

[48] The Fund's exposure to reverse repurchase agreements will be covered by liquid assets having a value equal to or greater than such commitments. The use of reverse repurchase agreements is a form of leverage because the proceeds derived from reverse repurchase agreements may be invested in additional securities. As further stated below, the Fund's investments will be consistent with its investment objective and will not be used to achieve leveraged returns.

[49] As defined in Exchange Rule 14.11(i)(4)(C)(iii)(b), Cash Equivalents are short-term instruments with maturities of less than three months, which includes only the following: (i) U.S. Government securities, including bills, notes, and bonds differing as to maturity and rates of interest, which are either issued or guaranteed by the U.S. Treasury or by U.S. Government agencies or instrumentalities; (ii) certificates of deposit issued against funds deposited in a bank or savings and loan association; (iii) bankers acceptances, which are short-term credit instruments used to finance commercial transactions; (iv) repurchase agreements and reverse repurchase agreements; (v) bank time deposits, which are monies kept on deposit with banks or savings and loan associations for a stated period of time at a fixed rate of interest; (vi) commercial paper, which are short-term unsecured promissory notes; and (vii) money market funds.

[50] In reaching liquidity decisions, the Adviser may consider factors including: The frequency of trades and quotes for the security; the number of dealers wishing to purchase or sell the security and the number of other potential purchasers; dealer undertakings to make a market in the security; the nature of the security and the nature of the marketplace trades (*e.g.,* the time needed to dispose of the security, the method of soliciting offers, and the mechanics of transfer); any legal or contractual restrictions on the ability to transfer the security or asset; significant developments involving the issuer or counterparty specifically (*e.g.,* default, bankruptcy, etc.) or the securities markets generally; and settlement practices, registration procedures, limitations on currency conversion or repatriation, and transfer limitations (for foreign securities or other assets).

[51] The Commission has stated that long-standing Commission guidelines have required open-end funds to hold no more than 15% of their net assets in illiquid securities and other illiquid assets. *See* Investment Company Act Release No. 28193 (March 11, 2008), 73 FR 14618 (March 18, 2008), footnote 34. *See also,* Investment Company Act Release No. 5847 (October 21, 1969), 35 FR 19989 (December 31, 1970) (Statement Regarding ''Restricted Securities''); Investment Company Act Release No. 18612 (March 12, 1992), 57 FR 9828 (March 20, 1992) (Revisions of Guidelines to Form N–1A). A fund's portfolio security is illiquid if it cannot be disposed of in the ordinary course of business within seven days at approximately the value ascribed to it by the fund. *See* Investment Company Act Release No. 14983 (March 12, 1986), 51 FR 9773 (March 21, 1986) (adopting amendments to Rule 2a–7 under the 1940 Act); Investment Company Act Release No. 17452 (April 23, 1990), 55 FR 17933 (April 30, 1990) (adopting Rule 144A under the Securities Act of 1933).

or other circumstances, more than 15% of the Fund's net assets are held in illiquid assets. Illiquid assets include securities subject to contractual or other restrictions on resale and other instruments that lack readily available markets as determined in accordance with Commission staff guidance.

The Fund may also invest up to 100% of its net assets in Municipal Securities that pay interest which may be subject to the Alternative Minimum Tax for individuals.

Discussion

Based on the characteristics of the Funds and the representations made in each of the Requirements for Fund Holdings sections above, the Exchange believes it is appropriate to allow the listing and trading of the Shares. The Funds satisfy all of the generic listing requirements for Managed Fund Shares that hold fixed income securities, except for the minimum principal amount outstanding requirement in 14.11(i)(4)(C)(ii)(a). The Exchange notes that the representations in the Requirements for Fund Holdings for the Funds are identical to the representations made regarding the iShares iBonds Dec 2024 AMT Free Muni Bond ETF, iShares iBonds Dec 2025 AMT Free Muni Bond ETF, and iShares iBonds Dec 2026 AMT Free Muni Bond ETF (collectively, the ''Comparable Funds''), which were previously approved for listing and trading by the Commission.[52] In the Approval Order, the Commission highlighted the representations that holdings of the Comparable Funds would meet Minimum Requirement 1 at all times and, as the applicable trigger numbers were hit, Minimum Requirement 2 and Minimum Requirement 3. The Exchange believes that because these representations regarding diversification and the lack of concentration among constituent securities provides a strong degree of protection against manipulation that is consistent with other proposals that have been approved for listing and trading by the Commission.

In addition, the Exchange represents that: (1) Except for Rule 14.11(i)(4)(C)(ii)(a), the Funds will satisfy all of the generic listing standards under Rule 14.11(i)(4); (2) the continued listing standards under Rule 14.11(i), as applicable to Managed Fund Shares that hold fixed income securities, will apply to the shares of the Funds; and (3) the issuer of the Funds is required to comply with Rule 10A–3[53] under the Act for the initial and continued listing of the Shares. In addition, the Exchange represents that the Funds will meet and be subject to all other requirements of the Generic Listing Rules and other applicable continued listing requirements for Managed Fund Shares under Exchange Rule 14.11(i), including those requirements regarding the Disclosed Portfolio (as defined in the Exchange rules) and the requirement that the Disclosed Portfolio and the net asset value (''NAV'') will be made available to all market participants at the same time,[54] intraday indicative value,[55] suspension of trading or removal,[56] trading halts,[57] disclosure,[58] and firewalls.[59] Further, at least 100,000 Shares will be outstanding upon the commencement of trading of each Fund.[60]

The Shares

Each Fund will issue and redeem Shares on a continuous basis at the NAV per Share only in large blocks of a specified number of Shares or multiples thereof (''Creation Units'') in transactions with authorized participants who have entered into agreements with the Distributor. Each Fund currently anticipates that a Creation Unit will consist of 50,000 Shares, though this number may change from time to time, including prior to listing of the Funds. The exact number of Shares that will constitute a Creation Unit will be disclosed in the respective Registration Statement of each Fund. Once created, Shares of each Fund trade on the secondary market in amounts less than a Creation Unit.

Additional information regarding the Shares and each Fund, including investment strategies, risks, creation and redemption procedures, fees and expenses, portfolio holdings disclosure policies, distributions, taxes and reports to be distributed to beneficial owners of the Shares can be found in the Registration Statement or on the website for the Funds (*www.JPMorgan.com*), as applicable.

Availability of Information

The Funds' website, which will be publicly available prior to the public offering of Shares, will include a form of the prospectus for each Fund that may be downloaded. The website will include additional quantitative information updated on a daily basis, including, for each Fund: (1) Daily trading volume, the prior business day's reported closing price, NAV and mid-point of the bid/ask spread at the time of calculation of such NAV (the ''Bid/Ask Price''),[61] and a calculation of the premium and discount of the Bid/Ask Price against the NAV, and (2) data in chart format displaying the frequency distribution of discounts and premiums of the daily Bid/Ask Price against the NAV, within appropriate ranges, for each of the four previous calendar quarters. On each business day, before commencement of trading in Shares during Regular Trading Hours[62] on the Exchange, each Fund will disclose on its website the identities and quantities of the portfolio of securities and other assets (the ''Disclosed Portfolio'') held by the Fund that will form the basis for the Fund's calculation of NAV at the end of the business day.[63] The Disclosed Portfolio will include, as applicable, the names, quantity, percentage weighting and market value of securities and other assets held by the Fund and the characteristics of such assets. The website and information will be publicly available at no charge.

In addition, for each Fund, an estimated value, defined in Rule 14.11(i)(3)(C) as the ''Intraday Indicative Value,'' that reflects an estimated intraday value of the Fund's portfolio, will be disseminated. Moreover, the Intraday Indicative Value will be based upon the current value for the components of the Disclosed Portfolio and will be updated and widely disseminated by one or more major market data vendors at least every 15 seconds during the Exchange's Regular Trading Hours.[64]

The dissemination of the Intraday Indicative Value, together with the

[52] *See* Securities Exchange Act Release No. 80399 (April 7, 2017), 82 FR 17913 (April 13, 2017) (SR–BatsBZX–2017–10) (the ''Approval Order'').

[53] 17 CFR 240.10A–3.

[54] *See* Exchange Rules 14.11(i)(4)(A)(ii) and 14.11(i)(4)(B)(ii).

[55] *See* Exchange Rule 14.11(i)(4)(B)(i).

[56] *See* Exchange Rule 14.11(i)(4)(B)(iii).

[57] *See* Exchange Rule 14.11(i)(4)(B)(iv).

[58] *See* Exchange Rule 14.11(i)(6).

[59] *See* Exchange Rule 14.11(i)(7).

[60] *See* Exchange Rule 14.11(i)(4)(A)(i).

[61] The Bid/Ask Price of the Fund will be determined using the highest bid and the lowest offer on the Exchange as of the time of calculation of the Fund's NAV. The records relating to Bid/Ask Prices will be retained by the Fund or its service providers.

[62] As defined in Rule 1.5(w), the term ''Regular Trading Hours'' means the time between 9:30 a.m. and 4:00 p.m. Eastern Time.

[63] Under accounting procedures to be followed by each Fund, trades made on the prior business day (''T'') will be booked and reflected in NAV on the current business day (''T+1''). Accordingly, each Fund will be able to disclose at the beginning of the business day the portfolio that will form the basis for the NAV calculation at the end of the business day.

[64] Currently, it is the Exchange's understanding that several major market data vendors display and/or make widely available Intraday Indicative Values published via the Consolidated Tape Association (''CTA'') or other data feeds.

Disclosed Portfolio, will allow investors to determine the value of the underlying portfolio of each Fund on a daily basis and provide a close estimate of that value throughout the trading day.

Intraday, executable price quotations on assets held by each Fund are available from major broker-dealer firms and for exchange-traded assets, including shares of exchange traded investment companies, such intraday information is available directly from the applicable listing exchange. All such intraday price information is available through subscription services, such as Bloomberg, Thomson Reuters and International Data Corporation, which can be accessed by authorized participants and other investors. Pricing information for Repurchase Agreements and securities not listed on an exchange or national securities market will be available from major broker-dealer firms and/or subscription services, such as Bloomberg, Thomson Reuters and International Data Corporation. Trade price and other information relating to Municipal Securities is available through the Municipal Securities Rulemaking Board's (the ''MSRB'') Electronic Municipal Market Access (''EMMA'') system. Quotation and last sale information for U.S. exchange-listed options contracts cleared by The Options Clearing Corporation will be available via the Options Price Reporting Authority.

Information regarding market price and volume of the Shares will be continually available on a real-time basis throughout the day on brokers' computer screens and other electronic services. The previous day's closing price and trading volume information for the Shares will be published daily in the financial section of newspapers and publicly available sources. Quotation and last sale information for the Shares will be available on the facilities of the CTA. Price information relating to all other securities held by the Funds will be available from major market data vendors. Quotations and last sale information for the underlying exchange traded investment companies will be available through CTA.

Investors can also obtain the Trust's Statement of Additional Information (''SAI''), the Fund's Shareholder Reports, and its Form N–CSR and Form N–SAR, filed twice a year. The Trust's SAI and Shareholder Reports are available free upon request from the Trust, and those documents and the Form N–CSR and Form N–SAR may be viewed on-screen or downloaded from the Commission's website at *www.sec.gov.*

Initial and Continued Listing

The Shares will be subject to Rule 14.11(i), which sets forth the initial and continued listing criteria applicable to Managed Fund Shares. The Exchange represents that, for initial and/or continued listing, each Fund must be in compliance with Rule 10A–3 under the Act.[65] A minimum of 100,000 Shares of each Fund will be outstanding at the commencement of trading on the Exchange. The Exchange will obtain a representation from the issuer of the Shares that the NAV per Share will be calculated daily and that the NAV and the Disclosed Portfolio will be made available to all market participants at the same time.

Trading Halts

With respect to trading halts, the Exchange may consider all relevant factors in exercising its discretion to halt or suspend trading in the Shares of each Fund. The Exchange will halt trading in the Shares under the conditions specified in Rule 11.18. Trading may be halted because of market conditions or for reasons that, in the view of the Exchange, make trading in the Shares inadvisable. These may include: (1) The extent to which trading is not occurring in the securities and/or the financial instruments composing the Disclosed Portfolio of the Fund; or (2) whether other unusual conditions or circumstances detrimental to the maintenance of a fair and orderly market are present. Trading in the Shares also will be subject to Rule 14.11(i)(4)(B)(iv), which sets forth circumstances under which trading in the Shares of a Fund may be halted.

Trading Rules

The Exchange deems the Shares to be equity securities, thus rendering trading in the Shares subject to the Exchange's existing rules governing the trading of equity securities. The Exchange will allow trading in the Shares from 8:00 a.m. until 5:00 p.m. Eastern Time. The Exchange has appropriate rules to facilitate transactions in the Shares during all trading sessions. As provided in Rule 11.11(a), the minimum price variation for quoting and entry of orders in Managed Fund Shares traded on the Exchange is $0.01, with the exception of securities that are priced less than $1.00, for which the minimum price variation for order entry is $0.0001.

Surveillance

The Exchange believes that its surveillance procedures are adequate to properly monitor the trading of the Shares on the Exchange during all trading sessions and to deter and detect violations of Exchange rules and the applicable federal securities laws. Trading of the Shares through the Exchange will be subject to the Exchange's surveillance procedures for derivative products, including Managed Fund Shares. The Exchange may obtain information regarding trading in the Shares and the underlying shares in exchange traded equity securities via the Intermarket Surveillance Group (''ISG''), from other exchanges that are members or affiliates of the ISG, or with which the Exchange has entered into a comprehensive surveillance sharing agreement.[66] In addition, the Exchange, or FINRA, on behalf of the Exchange is able to access, as needed, trade information for certain fixed income instruments reported to FINRA's Trade Reporting and Compliance Engine (''TRACE'') and Municipal Securities reported to MSRB. FINRA also can access data obtained from the MSRB relating to municipal bond trading activity for surveillance purposes in connection with trading in the Shares.

As it relates to exchange traded investment companies, the Funds will only invest in investment companies that trade on markets that are a member of the ISG or with which the Exchange has in place a comprehensive surveillance sharing agreement.

The Exchange prohibits the distribution of material non-public information by its employees.

Information Circular

Prior to the commencement of trading, the Exchange will inform its members in an Information Circular of the special characteristics and risks associated with trading the Shares. Specifically, the Information Circular will discuss the following: (1) The procedures for purchases and redemptions of Shares in Creation Units (and that Shares are not individually redeemable); (2) Rule 3.7, which imposes suitability obligations on Exchange members with respect to recommending transactions in the Shares to customers; (3) how information regarding the Intraday Indicative Value is disseminated; (4) the risks involved in trading the Shares during the Pre-Opening[67] and After

[65] *See* 17 CFR 240.10A–3.

[66] For a list of the current members of ISG, *see www.isgportal.org.* The Exchange notes that not all components of the Disclosed Portfolio for the Fund may trade on markets that are members of ISG or with which the Exchange has in place a comprehensive surveillance sharing agreement.

[67] The Pre-Opening Session is from 8:00 a.m. to 9:30 a.m. Eastern Time.

Hours Trading Sessions [68] when an updated Intraday Indicative Value will not be calculated or publicly disseminated; (5) the requirement that members deliver a prospectus to investors purchasing newly issued Shares prior to or concurrently with the confirmation of a transaction; and (6) trading information.

In addition, the Information Circular will advise members, prior to the commencement of trading, of the prospectus delivery requirements applicable to the Funds. Members purchasing Shares from the Funds for resale to investors will deliver a prospectus to such investors. The Information Circular will also discuss any exemptive, no-action, and interpretive relief granted by the Commission from any rules under the Act.

In addition, the Information Circular will reference that each Fund is subject to various fees and expenses described in the Registration Statement. The Information Circular will also disclose the trading hours of the Shares of the Funds and the applicable NAV Calculation Time for the Shares. The Information Circular will disclose that information about the Shares of the Funds will be publicly available on the Funds' website. In addition, the Information Circular will reference that the Trust is subject to various fees and expenses described in each Fund's Registration Statement.

2. Statutory Basis

The Exchange believes that the proposal is consistent with Section 6(b) of the Act [69] in general and Section 6(b)(5) of the Act [70] in particular in that 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 rule change is designed to prevent fraudulent and manipulative acts and practices in that the Shares will be listed and traded on the Exchange pursuant to the initial and continued listing criteria in Rule 14.11(i). The Exchange believes that its surveillance procedures are adequate to properly monitor the trading of the Shares on the Exchange during all trading sessions and to deter and detect violations of Exchange rules and the applicable federal securities laws. Rule 14.11(i)(7) provides that, if the investment adviser to the investment company issuing Managed Fund Shares is affiliated with a broker-dealer, such investment adviser shall erect a ''fire wall'' between the investment adviser and the broker-dealer with respect to access to information concerning the composition and/or changes to such investment company portfolio. The Adviser is not a registered broker-dealer, but is affiliated with multiple broker-dealers and has implemented ''fire walls'' with respect to such broker-dealers regarding access to information concerning the composition and/or changes to a Fund's portfolio. In addition, Adviser personnel who make decisions regarding a Fund's portfolio are subject to procedures designed to prevent the use and dissemination of material nonpublic information regarding the Fund's portfolio. The Exchange may obtain information regarding trading in the Shares and the underlying shares in exchange traded equity securities via the ISG, from other exchanges that are members or affiliates of the ISG, or with which the Exchange has entered into a comprehensive surveillance sharing agreement. In addition, the Exchange, or FINRA, on behalf of the Exchange, is able to access, as needed, trade information for certain fixed income instruments reported to TRACE and Municipal Securities reported to MSRB. FINRA also can access data obtained from the MSRB relating to municipal bond trading activity for surveillance purposes in connection with trading in the Shares. Each Fund's investments will be well-diversified in that each Fund will hold a minimum of 40 different Municipal Securities diversified among issuers in at least 8 different states with no more than 30% of the Fund's assets comprised of Municipal Securities that provide exposure to any single state; each Fund will hold a minimum of 75 different Municipal Securities when at least four creation units are outstanding for that Fund; each Fund will hold a minimum of 100 different Municipal Securities diversified among issuers in at least 20 different states when at least eight creation units are outstanding for that Fund; no single Municipal Security held by a Fund will exceed 4% of the weight of that Fund's portfolio and no single issuer of Municipal Securities will account for more than 10% of the weight of a Fund's portfolio; each Fund will hold Municipal Securities of at least 20 non-affiliated issuers; and each Fund will hold Municipal Securities of at least 30 non-affiliated issuers when at least four creation units are outstanding.

According to the Registration Statement, each Fund will invest, under normal circumstances,[71] at least 80% of its net assets in Municipal Securities such that the interest on each security is exempt from U.S. federal income taxes. Additionally, each Fund may hold up to an aggregate amount of 15% of its net assets in illiquid assets (calculated at the time of investment), as deemed illiquid by the Adviser [72] under the 1940 Act.[73] Each Fund will monitor its portfolio liquidity on an ongoing basis to determine whether, in light of current circumstances, an adequate level of liquidity is being maintained, and will consider taking appropriate steps in order to maintain adequate liquidity if, through a change in values, net assets, or other circumstances, more than 15% of the Fund's net assets are held in illiquid assets. Illiquid assets include securities subject to contractual or other restrictions on resale and other instruments that lack readily available markets as determined in accordance with Commission staff guidance.

[68] The After Hours Trading Session is from 4:00 p.m. to 5:00 p.m. Eastern Time.

[69] 15 U.S.C. 78f.

[70] 15 U.S.C. 78f(b)(5).

[71] *See* supra note 9.

[72] *See* supra note 29.

[73] The Commission has stated that long-standing Commission guidelines have required open-end funds to hold no more than 15% of their net assets in illiquid securities and other illiquid assets. *See* Investment Company Act Release No. 28193 (March 11, 2008), 73 FR 14618 (March 18, 2008), footnote 34. *See also,* Investment Company Act Release No. 5847 (October 21, 1969), 35 FR 19989 (December 31, 1970) (Statement Regarding ''Restricted Securities''); Investment Company Act Release No. 18612 (March 12, 1992), 57 FR 9828 (March 20, 1992) (Revisions of Guidelines to Form N–1A). A fund's portfolio security is illiquid if it cannot be disposed of in the ordinary course of business within seven days at approximately the value ascribed to it by the fund. *See* Investment Company Act Release No. 14983 (March 12, 1986), 51 FR 9773 (March 21, 1986) (adopting amendments to Rule 2a–7 under the 1940 Act); Investment Company Act Release No. 17452 (April 23, 1990), 55 FR 17933 (April 30, 1990) (adopting Rule 144A under the Securities Act of 1933).

The proposed rule change is designed to promote just and equitable principles of trade and to protect investors and the public interest in that the Exchange will obtain a representation from the issuer of the Shares that the NAV per Share will be calculated daily and that the NAV and the Disclosed Portfolio will be made available to all market participants at the same time. In addition, a large amount of information is publicly available regarding the Funds and the Shares, thereby promoting market transparency. Moreover, the Intraday Indicative Value will be disseminated by one or more major market data vendors at least every 15 seconds during Regular Trading Hours. On each business day, before commencement of trading in Shares during Regular Trading Hours, each Fund will disclose on its website the Disclosed Portfolio that will form the basis for the Fund's calculation of NAV at the end of the business day. Pricing information will include additional quantitative information updated on a daily basis, including, for the Fund: (1) The prior business day's NAV and the market closing price or mid-point of the Bid/Ask Price,[74] and a calculation of the premium or discount of the market closing price or Bid/Ask Price against the NAV; and (2) data in chart format displaying the frequency distribution of discounts and premiums of the daily market closing price or Bid/Ask Price against the NAV, within appropriate ranges, for each of the four previous calendar quarters. Additionally, information regarding market price and trading of the Shares will be continually available on a real-time basis throughout the day on brokers' computer screens and other electronic services, and quotation and last sale information for the Shares will be available on the facilities of the CTA. The website for each Fund will include a form of the prospectus for the Fund and additional data relating to NAV and other applicable quantitative information. Trading in Shares of a Fund will be halted under the conditions specified in Rule 11.18. Trading may also be halted because of market conditions or for reasons that, in the view of the Exchange, make trading in the Shares inadvisable. Finally, trading in the Shares will be subject to Rule 14.11(i)(4)(B)(iv), which sets forth circumstances under which Shares may be halted. In addition, as noted above, investors will have ready access to information regarding the Fund's holdings, the Intraday Indicative Value, the Disclosed Portfolio, and quotation and last sale information for the Shares.

Intraday, executable price quotations on assets held by the Funds are available from major broker-dealer firms and for exchange-traded assets, including investment companies, such intraday information is available directly from the applicable listing exchange. All such intraday price information is available through subscription services, such as Bloomberg, Thomson Reuters and International Data Corporation, which can be accessed by authorized participants and other investors.

The proposed rule change is designed to perfect the mechanism of a free and open market and, in general, to protect investors and the public interest in that it will facilitate the listing and trading of an additional type of actively-managed exchange traded product that will enhance competition among market participants, to the benefit of investors and the marketplace. As noted above, the Exchange has in place surveillance procedures relating to trading in the Shares and may obtain information via ISG, from other exchanges that are members of ISG, or with which the Exchange has entered into a comprehensive surveillance sharing agreement. In addition, the Exchange, or FINRA, on behalf of the Exchange, is able to access, as needed, trade information for certain fixed income instruments reported to TRACE and Municipal Securities reported to MSRB. FINRA also can access data obtained from the MSRB relating to municipal bond trading activity for surveillance purposes in connection with trading in the Shares. As noted above, investors will also have ready access to information regarding each Fund's holdings, the Intraday Indicative Value, the Disclosed Portfolio, and quotation and last sale information for the Shares.

For the above reasons, the Exchange believes that the proposed rule change is consistent with the requirements of Section 6(b)(5) of the Act.

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 purpose of the Act. The Exchange notes that the proposed rule change will facilitate the listing and trading of additional actively-managed exchange-traded products that will enhance competition among market participants, to the benefit of investors and the marketplace.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

The Exchange has neither solicited nor received written comments on the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The Exchange has filed the proposed rule change pursuant to Section 19(b)(3)(A)(iii) of the Act[75] and Rule 19b–4(f)(6) thereunder.[76] Because the proposed rule change does not: (i) Significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative prior to 30 days from the date on which it was filed, or such shorter time as the Commission may designate, if consistent with the protection of investors and the public interest, the proposed rule change has become effective pursuant to Section 19(b)(3)(A) of the Act and Rule 19b–4(f)(6)(iii) thereunder.[77]

A proposed rule change filed under Rule 19b–4(f)(6)[78] normally does not become operative prior to 30 days after the date of the filing. However, pursuant to Rule 19b–4(f)(6)(iii),[79] the Commission may designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange has asked the Commission to waive the 30-day operative delay so that the proposal may become operative immediately upon filing. The Commission believes that waiver of the 30-day operative delay is consistent with the protection of investors and the public interest. As the Exchange states, the Funds raise no new or novel issues and are consistent with funds whose shares the Commission has previously approved for listing and trading. Accordingly, the Commission hereby waives the 30-day operative

[74] The Bid/Ask Price of a Fund will be determined using the highest bid and the lowest offer on the Exchange as of the time of calculation of the Fund's NAV. The records relating to Bid/Ask Prices will be retained by the Fund or its service providers.

[75] 15 U.S.C. 78s(b)(3)(A)(iii).

[76] 17 CFR 240.19b–4(f)(6).

[77] 17 CFR 240.19b–4(f)(6)(iii). As required under Rule 19b–4(f)(6)(iii), the Exchange provided the Commission with 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.

[78] 17 CFR 240.19b–4(f)(6).

[79] 17 CFR 240.19b–4(f)(6)(iii).

delay and designates the proposed rule change operative upon filing.[80]

At any time within 60 days of the filing of such proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings under Section 19(b)(2)(B)[81] of the Act to determine whether the proposed rule change 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–2018–072 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–CboeBZX–2018–072. 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 this filing will also 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–2018–072 and should be submitted on or before November 6, 2018.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[82]

Eduardo A. Aleman,

Assistant Secretary.

[FR Doc. 2018–22427 Filed 10–15–18; 8:45 am]

BILLING CODE 8011–01–P

[80] For purposes only of waiving the 30-day operative delay, the Commission has also considered the proposed rule's impact on efficiency, competition, and capital formation. *See* 15 U.S.C. 78c(f).

[81] 15 U.S.C. 78s(b)(2)(B).

[82] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–84398; File No. SR–MIAX–2018–19]

Self-Regulatory Organizations; Miami International Securities Exchange LLC; Notice of Withdrawal of a Proposed Rule Change To Amend the Fee Schedule Regarding Connectivity Fees for Members and Non-Members

October 10, 2018.

On July 31, 2018, Miami International Securities Exchange LLC (''MIAX'' or the ''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 MIAX Fee Schedule to increase certain connectivity fees. The proposed rule change was immediately effective upon filing with the Commission pursuant to Section 19(b)(3)(A) of the Act.[3] The proposed rule change was published for comment in the **Federal Register** on August 13, 2018.[4] The Commission received one comment letter on the proposal.[5] On September 17, 2018, pursuant to Section 19(b)(3)(C) of the Act, the Commission: (1) Temporarily suspended the proposed rule change; and (2) instituted proceedings to determine whether to approve or disapprove the proposal.[6] On October 5, 2018, the Exchange withdrew the proposed rule change (SR–MIAX–2018–19).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[7]

Eduardo A. Aleman,

Assistant Secretary.

[FR Doc. 2018–22431 Filed 10–15–18; 8:45 am]

BILLING CODE 8011–01–P

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] 15 U.S.C. 78s(b)(3)(A).

[4] *See* Securities Exchange Act Release No. 83786 (August 7, 2018), 83 FR 40106.

[5] *See* Letter from Tyler Gellasch, Executive Director, The Healthy Markets Association, to Brent J. Fields, Secretary, Commission, dated September 4, 2018.

[6] *See* Securities Exchange Act Release No. 84175, 83 FR 47955 (September 21, 2018).

[7] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–84393; File No. SR–CboeEDGX–2018–043]

Self-Regulatory Organizations; Cboe EDGX Exchange, Inc.; Notice of Filing of a Proposed Rule Change To Amend the Exchange's Rulebook To Allow the Post Only Order Instruction on Complex Orders That Route to Its Electronic Book for Trading Options

October 10, 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 October 1, 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 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 is proposing to amend the Exchange's rulebook to allow the Post Only Order instruction on complex orders that route to its electronic book for trading options (''EDGX Options'').

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.

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

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

EDGX Options currently offers the Post Only Order instruction on simple orders that route to its electronic book (''Simple Book'') and now proposes to adopt the Post Only Order instruction on complex orders that route to its electronic book (''COB'').

Background

Pursuant to Exchange Rule 21.1(d)(8), Post Only Orders are ''orders that are to be ranked and executed on the Exchange pursuant to Rule 21.8 (Order Display and Book Processing) or cancelled, as appropriate, without routing away to another options exchange except that the order will not remove liquidity from the EDGX Options Book.'' In other words, if a Post Only Order is entered into the EDGX Options electronic trading facility (''System''), it will not execute against an order resting in the Simple Book or route to another exchange. The purpose of the Post Only Order is to add liquidity to the Simple Book.

Complex Orders

EDGX Options does not currently offer Post Only complex orders. Based on the EDGX Options fee structure, the execution of a complex order taking liquidity from the COB is subject to a higher fee than the execution of a complex order adding liquidity to the COB. For example, a Non-Customer complex order that adds liquidity to the COB in a non-penny class incurs a fee of $0.10, whereas a Non-Customer complex order that removes liquidity from the COB in a non-penny class incurs a fee of $0.75. Without the ability to mark a complex order as Post Only, a Member that intends to submit a complex order to add liquidity to the COB may not receive the benefit of the reduced fee. Accordingly, EDGX Options is proposing to add Post Only to the available types of complex orders submitted to the Exchange in Exchange Rule 21.20(b).

Proposed Exchange Rule 21.20(b)(2) states that complex Orders that are marked Post Only with any Time in Force will, by default, not initiate a complex order auction (''COA''), and if a Member marks a Post Only complex order to initiate a COA, that order will be cancelled.. [sic] This is consistent with the purposes of a Post Only Order, which as discussed above is to add liquidity to the COB. Proposed Exchange Rule 21.20(c)(2)(F) states that complex orders marked Post Only may not Leg into the Simple Book, and proposed Exchange Rule 21.20(c)(4)(C) states that the System will cancel or reject a Post Only complex order if it locks or crosses a resting complex order in the COB or the then-current opposite side synthetic best bid or offer (''SBBO''). For example, assume there are no orders for a specific strategy resting on the COB, the synthetic national best bid or offer (''SNBBO'') is $3.00 by $3.15, and the SBBO is $2.95 by $3.15. Assume next that Complex Order 1 enters the COB to sell 10 of that strategy at $3.14 and such order is posted to the COB. If Complex Order 2 then enters the COB to buy 10 contracts of that strategy at $3.14, but Complex Order 2 also contains the Post Only instruction, Complex Order 2 is rejected since it locks the resting contra order. Similarly, assume there are no orders for a specific strategy resting on the COB, the SNBBO is $3.00 by $3.15, and the SBBO is $2.95 by $3.20. If a two-leg Complex Order with the Post Only instruction enters the COB to buy 10 contracts of that strategy at $3.20, that Complex Order is rejected since it cannot leg in to the Simple Book and it locks the contra side SBBO. This proposed functionality is consistent with the purpose of the Post Only instruction and ensures a Post Only complex order will not remove liquidity from the COB. This is also consistent with the functionality and purpose of the Post Only Order instruction on simple orders.

By adding the Post Only Order instruction for complex orders, Members will be given the ability to exercise more control over the circumstances in which their complex orders are executed and be encouraged to add liquidity in the complex order market. Any additional liquidity will subsequently benefit all participants who trade complex orders on the Exchange.

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Securities Exchange Act of 1934 (the ''Act'') and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.[3] Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)[4] requirements that the rules of an exchange be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest. Additionally, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)[5] requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

Specifically, the Post Only Order instruction on complex orders is designed to encourage market participants to add liquidity in the complex order market, which will benefit investors. By giving market participants the flexibility to manage their execution costs and the circumstances in which their complex orders are executed, the Exchange believes the proposed rule change would remove impediments to perfect the mechanism of a free and open market and a national market system and protect investors. The Exchange also believes that the proposed rule change will contribute to the protection of investors and the public interest by assuring compliance with rules related to locked and crossed markets.

Additionally, the Exchange notes that Post Only functionality is not new or unique functionality and is already available in a similar capacity. While the Post Only complex order type is not currently available in the market, the Exchange and other exchanges have implemented the Post Only simple order type, which functions in the same manner as the proposed Post Only complex order type. The purpose of a Post Only complex order is the same as the purpose of a Post Only simple order, and the Post Only Order instruction on complex orders ensures the submitter

[3] 15 U.S.C. 78f(b).

[4] 15 U.S.C. 78f(b)(5).

[5] *Id.*

receives the benefit of a reduced fee when intending to add liquidity.

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 intramarket or intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. In particular, the Exchange believes the proposed rule change will not burden intramarket competition because the Post Only Order instruction on complex orders will be available to all market participants. Additionally, use of the Post Only Order instruction on complex orders is voluntary. The Exchange also believes the proposed rule change will not impose any burden on intermarket competition because this relates to an instruction on orders that are submitted to the Exchange and may only execute on the Exchange. Additionally, nothing prevents other options exchanges that offer complex orders from adopting a Post Only complex order type. The Exchange also believes the proposed rule change will promote competition, as the Exchange believes it will encourage the provision of additional liquidity in the complex order market, which benefits all market participants.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

The Exchange neither solicited nor received comments on the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Within 45 days of the date of publication of this notice in the **Federal Register** or within such longer period (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the Exchange consents, the Commission will: (a) By order approve or disapprove such proposed rule change, or (b) institute proceedings to determine whether the proposed rule change should be 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–CboeEDGX–2018–043 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–2018–043. 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–2018–043, and should be submitted on or before November 6, 2018.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[6]

Eduardo A. Aleman,

Assistant Secretary.

[FR Doc. 2018–22426 Filed 10–15–18; 8:45 am]

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[6] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–84396; File No. SR–NYSEARCA–2018–70]

Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating To Listing and Trading of Shares of the iShares iBond Dec 2026 Term Muni Bond ETF Under Commentary .02 to NYSE Arca Rule 5.2–E(j)(3)

October 10, 2018.

Pursuant to Section 19(b)(1)[1] of the Securities Exchange Act of 1934 (the ''Act'')[2] and Rule 19b–4 thereunder,[3] notice is hereby given that, on September 26, 2018, NYSE Arca, Inc. (the ''Exchange'' or ''NYSE Arca'') filed with the Securities and Exchange Commission (the ''Commission'') the proposed rule change as described in Items I and II below, which Items have been prepared by the self-regulatory organization. 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 list and trade shares of the iShares iBond Dec 2026 Term Muni Bond ETF (the ''Fund'') pursuant to NYSE Arca Rule 5.2–E(j)(3), Commentary .02. The proposed rule change is available on the Exchange's website at *www.nyse.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 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 IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant parts of such statements.

[1] 15 U.S.C. 78s(b)(1).

[2] 15 U.S.C. 78a.

[3] 17 CFR 240.19b–4.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

The Exchange proposes to list and trade shares (''Shares'') of the Fund under Commentary .02 to NYSE Arca Rule 5.2–E(j)(3), which governs the listing and trading of Investment Company Units (''Units'') [4] based on fixed income securities indexes.[5] As discussed below, the Exchange is submitting this proposed rule change because the ''Index'' (as defined below) does not meet all of the ''generic'' listing requirements of Commentary .02 to NYSE Arca Rule 5.2–E(j)(3) applicable to the listing of Units based on fixed income securities indexes. The Index meets all such requirements except for those set forth in Commentary .02(a)(2).[6]

Description of the Shares and the Fund

The Fund is a series of the iShares Trust (the ''Trust'').[7] Blackrock Fund Advisors (''BFA'') will be the investment advisor for the Fund.[8] State Street Bank and Trust Company will serve as the custodian, administrator, and transfer agent for the Fund. Blackrock Investments, LLC will act as the distributor for the Fund's Shares.

S&P AMT-Free Municipal Series Dec 2026 Index™

According to the Registration Statement, the investment objective of the Fund is to track the investment results of an index composed of investment-grade U.S. municipal bonds maturing after December 31, 2025 and before December 2, 2026. Specifically, the Fund will seek to track the investment results (before fees and expenses) of the S&P AMT-Free Municipal Series December 2026 Index™ (the ''2026 Index''), which measures the performance of investment-grade, non-callable U.S. municipal bonds maturing in 2026.[9] As of July 13, 2018, there were 3,331 issues in the 2026 Index.

The 2026 Index includes municipal bonds primarily from issuers that are state or local governments or agencies such that the interest on the bonds is exempt from U.S. federal income taxes. Each bond must have, inter alia, a minimum maturity par amount of $2 million to be eligible for inclusion in the 2026 Index. To remain in the 2026 Index, bonds must maintain a minimum par amount greater than or equal to $2 million, and must not be subject to the federal alternative minimum tax (''AMT'') as of each rebalancing date. All bonds in the 2026 Index will mature after December 31, 2025 and before December 2, 2026. Bonds in the 2026 Index that mature or are pre-refunded in their respective year of maturity do not accrue interest past the maturity or pre-refund date. All payments related to the maturity or pre-refunding of a bond are reinvested in tax-exempt cash or cash equivalents for the duration of each month.

The Fund will generally invest, under normal market conditions,[10] at least 90% of its assets in component securities of the 2026 Index, except during the last months of the Fund's operations, as described below. From time to time when conditions warrant, however, the Fund may invest, under normal market conditions, at least 80% of its assets in the component securities of the 2026 Index.

The Fund may invest the remainder of its assets in interest rate futures, interest rate options, interest rate swaps,[11] cash and cash equivalents (including shares of money market funds affiliated with BFA), as well as in municipal securities not included in the 2026 Index, but which BFA believes will help the Fund track the 2026 Index. The Fund will generally hold municipal securities issued by state and local municipalities whose interest payments are exempt from U.S. federal income tax, the federal AMT and the federal Medicare contribution tax. In the last months of operation, as the bonds held by the Fund mature, the proceeds will not be reinvested in bonds but instead will be held in cash and cash equivalents, including, without limitation, shares of

[4] An open-end investment company that issues Units, listed and traded on the Exchange under NYSE Arca Rule 5.2–E(j)(3), seeks to provide investment results that correspond generally to the price and yield performance of a specific foreign or domestic stock index, fixed income securities index or combination thereof.

[5] The Commission previously has approved proposed rule changes relating to listing and trading of funds based on municipal bond indexes. *See, e.g.,* Securities Exchange Act Release Nos. 67985 (October 4, 2012), 77 FR 61804 (October 11, 2012) (SR–NYSEArca–2012–92) (order approving proposed rule change to list and trade the iShares 2018 S&P AMT-Free Municipal Series and iShares 2019 S&P AMT-Free Municipal Series under NYSE Arca Rule 5.2(j)(3), Commentary .02) (''iShares 2018/2019 Order''); 72523 (July 2, 2014), 79 FR 39016 (July 9, 2014) (SR–NYSEArca–2014–37) (order approving proposed rule change to list and trade iShares 2020 S&P AMT-Free Municipal Series under NYSE Arca Rule 5.2(j)(3), Commentary .02) (''iShares 2020 Order''); and 75468 (July 16, 2015), 80 FR 43500 (July 22, 2015) (SR–NYSEArca–2015–25) (order approving proposed rule change to list and trade the iShares iBonds Dec 2021 AMT-Free Muni Bond ETF and iShares iBonds Dec 2022 AMT-Free Muni Bond ETF under NYSE Arca Rule 5.2(j)(3), Commentary .02) (''iShares 2021/2022 Order'' and, together with the iShares 2018/2019 Order and the iShares 2020 Order, the ''iShares Orders''); 82295 (December 12, 2017), 82 FR 60056 (December 18, 2017) (SR–NYSEArca–2017–56) (Notice of Filing of Amendment No. 3 and Order Granting Accelerated Approval of a Proposed Rule Change, as Modified by Amendment No. 3, to List and Trade Shares of Twelve Series of Investment Company Units Pursuant to NYSE Arca Rule 5.2–E(j)(3)).

[6] Commentary .02(a)(2) provides that Fixed Income Security components that in aggregate account for at least 75% of the Fixed Income Securities portion of the weight of the index or portfolio each shall have a minimum original principal amount outstanding of $100 million or more.

[7] The Trust is registered under the Investment Company Act of 1940 (15 U.S.C. 80a) (''1940 Act''). On June 29, 2018, the Trust filed with the Commission its registration statement on Form N–1A under the Securities Act of 1933 (15 U.S.C. 77a), and under the 1940 Act relating to the Fund (File Nos. 333–92935 and 811–09729) (''Registration Statement''). The description of the operation of the Trust and the Fund herein is based, in part, on the Registration Statement. In addition, the Commission has issued an order granting certain exemptive relief to the Trust under the 1940 Act. *See* Investment Company Act Release No. 27661, (January 17, 2007) (File No. 812–13208).

[8] An investment adviser to an open-end fund is required to be registered under the Investment Advisers Act of 1940 (the ''Advisers Act''). As a result, BFA and its related personnel are subject to the provisions of Rule 204A–1 under the Advisers Act relating to codes of ethics. This Rule requires investment advisers to adopt a code of ethics that reflects the fiduciary nature of the relationship to clients as well as compliance with other applicable securities laws. Accordingly, procedures designed to prevent the communication and misuse of non-public information by an investment adviser must be consistent with Rule 204A–1 under the Advisers Act. In addition, Rule 206(4)–7 under the Advisers Act makes it unlawful for an investment adviser to provide investment advice to clients unless such investment adviser has (i) adopted and implemented written policies and procedures reasonably designed to prevent violation, by the investment adviser and its supervised persons, of the Advisers Act and the Commission rules adopted thereunder; (ii) implemented, at a minimum, an annual review regarding the adequacy of the policies and procedures established pursuant to subparagraph (i) above and the effectiveness of their implementation; and (iii) designated an individual (who is a supervised person) responsible for administering the policies and procedures adopted under subparagraph (i) above.

[9] The 2026 Index is a product of S&P Dow Jones Indices LLC (the ''Index Provider''), which is independent of the Fund and BFA. The Index Provider determines the composition and relative weightings of the securities in the 2026 Index and publishes information regarding the market value of the 2026 Index. The Index Provider is not a broker-dealer or affiliated with a broker-dealer and has implemented procedures designed to prevent the use and dissemination of material, non-public information regarding the 2026 Index.

[10] The term ''under normal market conditions'' as used herein includes, but is not limited to, the absence of adverse market, economic, political or other conditions, including extreme volatility or trading halts in the fixed income markets or the financial markets generally; operational issues (such as systems failure) causing dissemination of inaccurate market information; or force majeure type events, natural or man-made disaster, act of God, armed conflict, act of terrorism, riot or labor disruption or any similar intervening circumstance.

[11] The interest rate futures, interest rate options, and interest rate swaps will be centrally cleared and they will be collateralized.

money market funds affiliated with BFA, AMT-free tax-exempt municipal notes, variable rate demand notes and obligations, tender option bonds and municipal commercial paper. These cash equivalents may not be included in the 2026 Index. Around December 2, 2026, the Fund will wind up and terminate, and its net assets will be distributed to then current shareholders.

For informational purposes, as of April 30, 2018, 76.30% of the weight of the 2026 Index components was comprised of individual maturities that were part of an entire municipal bond offering with a minimum original principal amount outstanding of $100 million or more for all maturities of the offering. In addition, the total dollar amount outstanding of issues in the 2026 Index was approximately $30.8 billion, the total market value of issues in the 2026 Index was $35.2 billion, and the average dollar amount outstanding of issues in the 2026 Index was approximately $10,579,000. Further, the most heavily weighted component represented 1.36% of the weight of the 2026 Index and the five most heavily weighted components represented 4.24% of the weight of the 2026 Index.[12] Therefore, the Exchange believes that, notwithstanding that the 2026 Index does not satisfy the criterion in NYSE Arca Rule 5.2–E(j)(3), Commentary .02(a)(2), the 2026 Index is sufficiently broad-based to deter potential manipulation, given that it is comprised of approximately 3,331 issues.

The Exchange is submitting this proposed rule change because the 2026 Index for the Fund does not meet all of the ''generic'' listing requirements of Commentary .02(a) to NYSE Arca Rule 5.2–E(j)(3) applicable to the listing of Units based on fixed income securities indexes. The 2026 Index meets all such requirements except for those set forth in Commentary .02(a)(2).[13] Specifically, as of April 30, 2018, 9.43% of the weight of the 2026 Index components have a minimum original principal amount outstanding of $100 million or more.

[12] Commentary .02(a)(4) to NYSE Arca Rule 5.2–E(j)(3) provides that no component fixed-income security (excluding Treasury Securities and GSE Securities, as defined therein) shall represent more than 30% of the weight of the index or portfolio, and the five most heavily weighted component fixed-income securities in the index or portfolio shall not in the aggregate account for more than 65% of the weight of the index or portfolio.

[13] Commentary .02(a)(2) to NYSE Arca Rule 5.2–E(j)(3) provides that components that in the aggregate account for at least 75% of the weight of the index or portfolio each shall have a minimum original principal amount outstanding of $100 million or more.

Requirement for Index Constituents

On a continuous basis, (1) the Index will contain at least 500 components; and (2) each of the components of the Index will have an outstanding par value of at least $2 million.

The Exchange notes that, in the iShares Orders, the Commission approved Exchange listing and trading of Units for which each bond in the applicable underlying index must have a minimum maturity par amount of $2 million to be eligible for inclusion in such index, and each such index included at least 500 components.[14]

In addition, the Exchange represents that: (1) Except for Commentary .02(a)(2) to Rule 5.2–E(j)(3), the 2026 Index currently satisfies all of the generic listing standards under NYSE Arca Rule 5.2–E(j)(3); (2) the continued listing standards under Commentary .02 to NYSE Arca Rule 5.2–E(j)(3), as applicable to Units based on fixed income securities, will apply to the Shares of the Fund; and (3) the issuer of the Fund is required to comply with Rule 10A–3 [15] under the Act for the initial and continued listing of the Shares. The Exchange represents that the Fund will comply with all other requirements applicable to Units, including, but not limited to, requirements relating to the dissemination of key information such as the value of the Index and the Intraday Indicative Value (''IIV''),[16] rules governing the trading of equity securities, trading hours, trading halts, surveillance, information barriers and the Information Bulletin, as set forth in the Exchange rules applicable to Units and prior Commission orders approving the generic listing rules applicable to the listing and trading of Units.[17]

Additional Information

The current value of the Index will be widely disseminated by one or more major market data vendors at least once per day, as required by Commentary .02(b)(ii) to NYSE Arca Rule 5.2–E(j)(3). The portfolio of securities held by the Fund will be disclosed daily on the Fund's website *www.iShares.com.*

Creation and Redemption of Shares

According to the Registration Statement, the Fund will issue and redeem Shares on a continuous basis at the net asset value per Share (''NAV'') only in a large specified number of Shares called a ''Creation Unit'', or multiples thereof, with each Creation Unit consisting of 50,000 Shares, provided, however, that from time to time the Fund may change the number of Shares (or multiples thereof) required for each Creation Unit if the Fund determines such a change would be in the best interests of the Fund.

The consideration for purchase of Creation Units of the Fund generally will consist of the in-kind deposit of a designated portfolio of securities (including any portion of such securities for which cash may be substituted), which constitutes a representative sample of the securities of the 2026 Index [18] (the ''Deposit Securities'') and a cash component (the ''Cash Component'') computed as described below. Together, the Deposit Securities and the Cash Component constitute the ''Fund Deposit,'' which represents the minimum initial and subsequent investment amount for a Creation Unit of the Fund.

The portfolio of securities required for purchase of a Creation Unit may not be identical to the portfolio of securities the Fund will deliver upon redemption of the Fund's Shares. The Deposit Securities and Fund Securities (as defined below), as the case may be, in connection with a purchase or redemption of a Creation Unit, generally will correspond pro rata, to the extent practicable, to the securities held by the Fund. As the planned termination date of the Fund approaches, and particularly as the bonds held by the Fund begin to mature, the Fund would expect to effect both creations and redemptions increasingly for cash.

The Cash Component will be an amount equal to the difference between

[14] *See* note 5, *supra.*

[15] 17 CFR 240.10A–3.

[16] The IIV will be widely disseminated by one or more major market data vendors at least every 15 seconds during the Exchange's Core Trading Session (normally, 9:30 a.m. to 4:00 p.m., E.T.). Currently, it is the Exchange's understanding that several major market data vendors display and/or make widely available IIV taken from CTA or other data feeds.

[17] *See, e.g.,* Securities Exchange Act Release Nos. 55783 (May 17, 2007), 72 FR 29194 (May 24, 2007) (SR–NYSEArca–2007–36) (order approving NYSE Arca generic listing standards for Units based on a fixed income index); 44551 (July 12, 2001), 66 FR 37716 (July 19, 2001) (SR–PCX–2001–14) (order approving generic listing standards for Units and Portfolio Depositary Receipts); 41983 (October 6, 1999), 64 FR 56008 (October 15, 1999) (SR–PCX–98–29) (order approving rules for listing and trading of Units).

[18] According to the Registration Statement, ''representative sampling'' is an indexing strategy that involves investing in a representative sample of securities that collectively has an investment profile similar to the 2026 Index. The securities selected are expected to have, in the aggregate, investment characteristics (based on factors such as market capitalization and industry weightings), fundamental characteristics (such as return variability, duration, maturity or credit ratings and yield) and liquidity measures similar to those of the Index. The Fund may or may not hold all of the securities in the 2026 Index.

the NAV of the Shares (per Creation Unit) and the ''Deposit Amount,'' which will be an amount equal to the market value of the Deposit Securities, and serve to compensate for any differences between the NAV per Creation Unit and the Deposit Amount. The Fund currently will offer Creation Units for in-kind deposits but reserves the right to utilize a ''cash'' option in lieu of some or all of the applicable Deposit Securities for creation of Shares.

BFA will make available through the National Securities Clearing Corporation (''NSCC'') on each business day, prior to the opening of business on the Exchange, the list of names and the required number or par value of each Deposit Security and the amount of the Cash Component to be included in the current Fund Deposit (based on information as of the end of the previous business day) for the Fund.

The identity and number or par value of the Deposit Securities change pursuant to changes in the composition of the Fund's portfolio and as rebalancing adjustments and corporate action events are reflected from time to time by BFA with a view to the investment objective of the Fund. The composition of the Deposit Securities may also change in response to adjustments to the weighting or composition of the component securities constituting the 2026 Index.

The Fund reserves the right to permit or require the substitution of a ''cash in lieu'' amount to be added to the Cash Component to replace any Deposit Security that may not be available in sufficient quantity for delivery or that may not be eligible for transfer through the Depository Trust Company (''DTC'') or the clearing process through the Continuous Net Settlement System of the NSCC or that the Authorized Participant is not able to trade due to a trading restriction.

Creation Units may be purchased only by or through a DTC participant that has entered into an ''Authorized Participant Agreement'' (as described in the Registration Statement) with the Distributor (an ''Authorized Participant''). All creation orders must be placed for one or more Creation Units and must be received by the Distributor in proper form no later than the closing time of the regular trading session of the Exchange (normally 4:00 p.m., Eastern time (''E.T.'')) in each case on the date such order is placed in order for creation of Creation Units to be effected based on the NAV of Shares of the Fund as next determined on such date after receipt of the order in proper form.

Shares of the Fund may be redeemed only in Creation Units at the NAV next determined after receipt of a redemption request in proper form by the Distributor and only on a business day. BFA will make available through the NSCC, prior to the opening of business on the Exchange on each business day, the designated portfolio of securities (including any portion of such securities for which cash may be substituted) that will be applicable (subject to possible amendment or correction) to redemption requests received in proper form on that day (the ''Fund Securities''). Fund Securities received on redemption may not be identical to Deposit Securities that are applicable to creations of Creation Units.

Unless cash redemptions are available or specified for the Fund, the redemption proceeds for a Creation Unit generally will consist of a specified amount of cash, Fund Securities, plus additional cash in an amount equal to the difference between the NAV of the Shares being redeemed, as next determined after the receipt of a request in proper form, and the value of the specified amount of cash and Fund Securities, less a redemption transaction fee. The Fund currently will redeem Shares for Fund Securities, but reserves the right to utilize a ''cash'' option for redemption of Shares.

Redemption requests for Creation Units of the Fund must be submitted to the Distributor by or through an Authorized Participant no later than 4:00 p.m. E.T. on any business day, in order to receive that day's NAV. The Authorized Participant must transmit the request for redemption in the form required by the Fund to the Distributor in accordance with procedures set forth in the Authorized Participant Agreement.

Availability of Information

On each business day, the Fund will disclose on its website (*www.iShares.com*) the portfolio that will form the basis for the Fund's calculation of NAV at the end of the business day.

On a daily basis, the Fund will disclose for each portfolio security or other financial instrument of the Fund the following information on the Fund's website: Ticker symbol (if applicable), name of security and financial instrument, a common identifier such as CUSIP or ISIN (if applicable), number of shares (if applicable), and dollar value of securities and financial instruments held in the portfolio, and percentage weighting of the security and financial instrument in the portfolio. The website information will be publicly available at no charge. The current value of the Index will be widely disseminated by one or more major market data vendors at least once per day, as required by NYSE Arca Rule 5.2–E(j)(3), Commentary .02(b)(ii).

The IIV for Shares of the Fund will be disseminated by one or more major market data vendors, updated at least every 15 seconds during the Exchange's Core Trading Session, as required by NYSE Arca Rule 5.2–E(j)(3), Commentary .02(c). The current value of the Index would be widely disseminated by one or more major market data vendors at least once per day, as required by NYSE Arca Rule 5.2–(j)(3), Commentary .02 (b)(ii). In addition, the portfolio of securities held by the Fund will be disclosed daily on the Fund's website.

Investors can also obtain the Trust's Statement of Additional Information (''SAI''), the Fund's Shareholder Reports, and its Form N–CSR and Form N–SAR, filed twice a year. The Trust's SAI and Shareholder Reports are available free upon request from the Trust, and those documents and the Form N–CSR and Form N–SAR may be viewed on-screen or downloaded from the Commission's website at *www.sec.gov.* Information regarding market price and trading volume of the Shares will be continually available on a real-time basis throughout the day on brokers' computer screens and other electronic services. Information regarding the previous day's closing price and trading volume information for the Shares will be published daily in the financial section of newspapers.

Quotation and last sale information for the Shares of the Fund will be available via the Consolidated Tape Association (''CTA'') high speed line. Quotation information for investment company securities may be obtained through nationally recognized pricing services through subscription agreements or from brokers and dealers who make markets in such securities. Price information regarding municipal bonds is available from third party pricing services and major market data vendors. Trade price and other information relating to municipal bonds is available through the Municipal Securities Rulemaking Board's Electronic Municipal Market Access (''EMMA'') system.

Quotation information for OTC swaps agreements may be obtained from brokers and dealers who make markets in such instruments. Quotation information for exchange-traded swaps, futures and options will be available from the applicable exchange and/or major market vendors.

Surveillance

The Exchange represents that trading in the Shares of the Fund will be subject to the existing trading surveillances, administered by the Financial Industry Regulatory Authority (''FINRA'') on behalf of the Exchange, or by regulatory staff of the Exchange, which are designed to detect violations of Exchange rules and applicable federal securities laws. The Exchange represents that these procedures are adequate to properly monitor Exchange trading of the Shares of the Fund in all trading sessions and to deter and detect violations of Exchange rules and federal securities laws applicable to trading on the Exchange.[19]

The surveillances referred to above generally focus on detecting securities trading outside their normal patterns, which could be indicative of manipulative or other violative activity. When such situations are detected, surveillance analysis follows and investigations are opened, where appropriate, to review the behavior of all relevant parties for all relevant trading violations.

The Exchange or FINRA, on behalf of the Exchange, or both, will communicate as needed regarding trading in the Shares, certain futures and certain options with other markets and other entities that are members of the Intermarket Surveillance Group (''ISG''), and the Exchange or FINRA, on behalf of the Exchange, or both, may obtain trading information regarding trading in the Shares, certain futures and certain options from such markets and other entities. In addition, the Exchange may obtain information regarding trading in the Shares, certain futures and certain options from markets and other entities that are members of ISG or with which the Exchange has in place a comprehensive surveillance sharing agreement. FINRA also can access data obtained from the Municipal Securities Rulemaking Board relating to municipal bond trading activity for surveillance purposes in connection with trading in the Shares.

The Exchange represents that at least 90% of the weight of Fund holdings invested in exchange-traded futures contracts and exchange-traded options will be traded on an exchange that is a member of the ISG or with which the Exchange has in place a comprehensive surveillance sharing agreement.

[19] FINRA conducts cross-market surveillances on behalf of the Exchange pursuant to a regulatory services agreement. The Exchange is responsible for FINRA's performance under this regulatory services agreement.

2. Statutory Basis

The Exchange believes that the proposal is consistent with Section 6(b) of the Act [20] in general and Section 6(b)(5) of the Act [21] in particular in that 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 rule change is designed to prevent fraudulent and manipulative acts and practices in that the Shares of the Fund will be listed and traded on the Exchange pursuant to the initial and continued listing criteria in NYSE Arca Rule 5.2–E(j)(3), except for the requirement in Commentary .02(a)(2) that the component fixed income securities, in the aggregate, account for at least 75% of the weight of the index each shall have a minimum principal amount outstanding of $100 million or more. The Exchange represents that trading in the Shares will be subject to the existing trading surveillances administered by the Exchange as well as cross-market surveillances administered by FINRA on behalf of the Exchange, which are designed to detect violations of Exchange rules and federal securities laws applicable to trading on the Exchange.[22] The Exchange represents that these procedures are adequate to properly monitor Exchange trading of the Shares in all trading sessions and to deter and detect violations of Exchange rules and federal securities laws applicable to trading on the Exchange. The Exchange or FINRA, on behalf of the Exchange, or both, will communicate as needed regarding trading in the Shares, certain futures and certain options with other markets that are members of the ISG. In addition, the Exchange will communicate as needed regarding trading in the Shares, certain futures and certain options with other markets that are members of the ISG or with which the Exchange has in place a comprehensive surveillance sharing agreement. FINRA also can access data obtained from the Municipal Securities Rulemaking Board relating to municipal bond trading activity for surveillance purposes in connection with trading in the Shares of the Fund. At least 90% of the weight of Fund holdings invested in exchange-traded futures contracts and exchange-traded options will be traded on an exchange that is a member of the ISG or with which the Exchange has in place a comprehensive surveillance sharing agreement.

As discussed above, the Exchange believes that the Index is sufficiently broad-based to deter potential manipulation. For informational purposes, as of April 30, 2018, 76.30% of the weight of the 2026 Index components was comprised of individual maturities that were part of an entire municipal bond offering with a minimum original principal amount outstanding of $100 million or more for all maturities of the offering. In addition, the total dollar amount outstanding of issues in the 2026 Index was approximately $30.8 billion, the total market value of issues in the 2026 Index was $35.2 billion, and the average dollar amount outstanding of issues in the 2026 Index was approximately $10,579,000. Further, the most heavily weighted component represented 1.36% of the weight of the 2026 Index and the five most heavily weighted components represented 4.24% of the weight of the 2026 Index.[23] Therefore, the Exchange believes that, notwithstanding that the 2026 Index does not satisfy the criterion in NYSE Arca Rule 5.2–E(j)(3), Commentary .02(a)(2), the 2026 Index is sufficiently broad-based to deter potential manipulation, given that it is comprised of approximately 3,331 issues.

On a continuous basis, (1) the Index will contain at least 500 components; and (2) each of the components of the Index will have an outstanding par value of at least $2 million. As noted above, in the iShares Orders, the Commission approved Exchange listing and trading of Units for which each bond in the applicable underlying index must have a minimum maturity par amount of $2 million to be eligible for inclusion in such index, and each such index included at least 500 components.[24] In each of the iShares Orders, the Commission stated that the

[20] 15 U.S.C. 78f.

[21] 15 U.S.C. 78f(b)(5).

[22] FINRA conducts cross-market surveillances on behalf of the Exchange pursuant to a regulatory services agreement. The Exchange is responsible for FINRA's performance under this regulatory services agreement.

[23] Commentary .02(a)(4) to NYSE Arca Rule 5.2–E(j)(3) provides that no component fixed-income security (excluding Treasury Securities and GSE Securities, as defined therein) shall represent more than 30% of the weight of the index or portfolio, and the five most heavily weighted component fixed-income securities in the index or portfolio shall not in the aggregate account for more than 65% of the weight of the index or portfolio.

[24] *See* note 5, *supra.*

applicable index was sufficiently broad-based and liquid to deter potential manipulation.[25]

The proposed rule change is designed to promote just and equitable principles of trade and to protect investors and the public interest in that a large amount of information will be publicly available regarding the Fund and the Shares, thereby promoting market transparency. The Fund's portfolio holdings will be disclosed on the Fund's website daily after the close of trading on the Exchange. Moreover, the IIV will be widely disseminated by one or more major market data vendors at least every 15 seconds during the Exchange's Core Trading Session. The current value of the Index will be disseminated by one or more major market data vendors at least once per day. Information regarding market price and trading volume of the Shares will be continually available on a real-time basis throughout the day on brokers' computer screens and other electronic services, and quotation and last sale information will be available via the CTA high-speed line. The website for the Fund will include the prospectus for the Fund and additional data relating to NAV and other applicable quantitative information. Moreover, prior to the commencement of trading, the Exchange will inform its ETP Holders in an Information Bulletin of the special characteristics and risks associated with trading the Shares.

If the Exchange becomes aware that the NAV is not being disseminated to all market participants at the same time, it will halt trading in the Shares until such time as the NAV is available to all market participants. With respect to trading halts, the Exchange may consider all relevant factors in exercising its discretion to halt or suspend trading in the Shares of the Fund. Trading also may be halted because of market conditions or for reasons that, in the view of the Exchange, make trading in the Shares inadvisable. If the IIV or the Index value is not being disseminated as required, the Exchange may halt trading during the day in which the interruption to the dissemination of the IIV or Index value occurs. If the interruption to the dissemination of the IIV or Index value persists past the trading day in which it occurred, the Exchange will halt trading. Trading in Shares of the Fund will be halted if the circuit breaker parameters in NYSE Arca Rule 7.12–E have been reached or because of market conditions or for reasons that, in the view of the Exchange, make trading in the Shares inadvisable, and trading in the Shares will be subject to NYSE Arca Rule 7.34–E, which sets forth circumstances under which Shares of the Fund may be halted. In addition, investors will have ready access to information regarding the IIV, and quotation and last sale information for the Shares.

The proposed rule change is designed to perfect the mechanism of a free and open market and, in general, to protect investors and the public interest in that it will facilitate the listing and trading of an additional type of exchange-traded fund that holds municipal bonds and that will enhance competition among market participants, to the benefit of investors and the marketplace. As noted above, the Exchange has in place surveillance procedures relating to trading in the Shares and may obtain information via ISG from other exchanges that are members of ISG or with which the Exchange has entered into a comprehensive surveillance sharing agreement. In addition, investors will have ready access to information regarding the IIV and quotation and last sale information for the Shares.

For the above reasons, the Exchange believes that the proposed rule change is consistent with the requirements of Section 6(b)(5) of the Act.[26]

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 purpose of the Act. The Exchange notes that the proposed rule change will facilitate the listing and trading of an additional type of Units based on a municipal bond index that will enhance competition among market participants, to the benefit of investors and the marketplace.

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. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Because the foregoing proposed rule change does not: (i) Significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A) of the Act[27] and Rule 19b–4(f)(6) thereunder.[28]

A proposed rule change filed pursuant to Rule 19b–4(f)(6) under the Act[29] normally does not become operative for 30 days after the date of its filing. However, Rule 19b–4(f)(6)(iii)[30] permits the Commission to designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange has requested that the Commission waive the 30-day operative delay so that the proposed rule change may become operative upon filing. The Exchange states that waiver of the 30-day delayed operative date is consistent with the protection of investors and the public interest because the Commission has previously approved listing and trading of Units based on indexes with similar characteristics as those of the Index.[31] Additionally, the Exchange asserts that waiver will permit the prompt listing and trading of an additional issue of Units that principally holds municipal securities, which will enhance competition among issuers, investment advisers and other market participants with respect to listing and trading of issues of Units that hold municipal securities. The Commission believes that the proposal raises no new or novel regulatory issues and waiver of the 30-day operative delay is consistent with the protection of investors and the public interest. The Commission therefore waives the 30-day operative delay and designates the proposed rule change to be operative upon filing.[32]

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the

[25] *See* the iShares Orders, note 5, *supra.*

[26] 15 U.S.C. 78f(b)(5).

[27] 15 U.S.C. 78s(b)(3)(A).

[28] 17 CFR 240.19b–4(f)(6). As required under Rule 19b–4(f)(6)(iii), the Exchange provided the Commission with written notice of its intent to file the proposed rule change, along with a brief description and the 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.

[29] 17 CFR 240.19b–4(f)(6).

[30] 17 CFR 240.19b–4(f)(6)(iii).

[31] *See supra* note 5.

[32] For purposes only of waiving the 30-day operative delay, the Commission also has considered the proposed rule's impact on efficiency, competition, and capital formation. *See* 15 U.S.C. 78c(f).

Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule change 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–NYSEARCA–2018–70 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–2018–70. 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–2018–70, and should be submitted on or before November 6, 2018.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[33]

Eduardo A. Aleman,

Assistant Secretary.

[FR Doc. 2018–22428 Filed 10–15–18; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–84397; File No. SR–PEARL–2018–16]

Self-Regulatory Organizations; MIAX PEARL, LLC; Notice of Withdrawal of a Proposed Rule Change To Amend the Fee Schedule Regarding Connectivity Fees for Members and Non-Members

October 10, 2018.

On July 31, 2018, MIAX PEARL, LLC (''MIAX PEARL'' or the ''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 MIAX PEARL Fee Schedule to increase certain connectivity fees. The proposed rule change was immediately effective upon filing with the Commission pursuant to Section 19(b)(3)(A) of the Act.[3] The proposed rule change was published for comment in the **Federal Register** on August 13, 2018.[4] The Commission received one comment letter on the proposal.[5] On September 17, 2018, pursuant to Section 19(b)(3)(C) of the Act, the Commission: (1) Temporarily suspended the proposed rule change; and (2) instituted proceedings to determine whether to approve or disapprove the proposal.[6] On October 5, 2018, the Exchange withdrew the proposed rule change (SR–PEARL–2018–16).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[7]

Eduardo A. Aleman,

Assistant Secretary.

[FR Doc. 2018–22433 Filed 10–15–18; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–84389; File No. SR–NYSEARCA–2018–71]

Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Filing and Immediate Effectiveness of Amendments to Rules Regarding Qualification, Registration and Continuing Education Applicable to Equity Trading Permit Holders, Options Trading Permit Holders or OTP Firms

October 10, 2018.

Pursuant to Section 19(b)(1)[1] of the Securities Exchange Act of 1934 (the ''Act'')[2] and Rule 19b–4 thereunder,[3] notice is hereby given that, on September 27, 2018, NYSE Arca, Inc. (the ''Exchange'' or ''NYSE Arca'') filed with the Securities and Exchange Commission (the ''Commission'') the proposed rule change as described in Items I and II below, which Items have been prepared by the self-regulatory organization. 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 amendments to the Exchange's rules regarding qualification, registration and continuing education requirements applicable to Equity Trading Permit (''ETP'') Holders, Options Trading Permit (''OTP'') Holders or OTP Firms. The Exchange's rule proposal is intended to harmonize its rules with Financial Regulatory Authority, Inc. (''FINRA'') rules and thus promote consistency within the securities industry, and therefore the Exchange is only adopting rules that are relevant to the Exchange's ETP Holders, OTP Holders or OTP Firms. The Exchange is not adopting registration categories that are not applicable to ETP Holders, OTP Holders or OTP Firms because they do not engage in the type of business that

[33] 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] *See* Securities Exchange Act Release No. 83785 (August 7, 2018), 83 FR 40101.

[5] *See* Letter from Tyler Gellasch, Executive Director, The Healthy Markets Association, to Brent J. Fields, Secretary, Commission, dated September 4, 2018.

[6] *See* Securities Exchange Act Release No. 84177, 83 FR 47953 (September 21, 2018).

[7] 17 CFR 200.30–3(a)(12).

[1] 15 U.S.C. 78s(b)(1).

[2] 15 U.S.C. 78a.

[3] 17 CFR 240.19b–4.

would require such registration. As such, the Exchange is amending current Rules 2.23 and 2.24 regarding continuing education requirements to reflect the FINRA rule; adopting Commentary .06 to current Rule 2.23 and 2.24 regarding fingerprint information; adopting new Rule 2.1210 regarding registration requirements and related Commentary to new Rule 2.1210; adopting new Rule 2.1220 regarding registration categories [4] and related Commentary to new Rule 2.1220; and adopting new Rule 2.1230 regarding associated persons exempt from registration and related Commentary to new Rule 2.1230. Each of these rule changes, which are [sic] described in more detail below, would become operative on October 1, 2018. The proposed rule change is available on the Exchange's website at *www.nyse.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 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 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 the Statutory Basis for, the Proposed Rule Change

1. Purpose

The Exchange proposes to amend its qualification, registration, and continuing education requirements applicable to ETP Holders, OTP Holders or OTP Firms. The proposed amendments are intended to: (i) Provide transparency and clarity with respect to the Exchange's registration, qualification and examination requirements; (ii) amend its rules relating to categories of registration and respective qualification examinations required for ETP Holders that engage in trading activities on the Exchange; (iii) harmonize the Exchange's qualification, registration and examination rules with those of FINRA [5] so as to promote uniform standards across the securities industry; and (iv) add new definitions of terms and make other conforming changes to enhance the comprehensiveness and clarity of the Exchange's rules.[6] The proposed changes are discussed below.

A. Amendments to Current Rules 2.5, 2.23, 2.24, 6.43–O, 9.27–O and 9.27–E

Current Rules 2.5(A) and (B) currently require traders of ETP Holders to successfully complete the Series 7 Examination. The Exchange proposes to amend current Rules 2.5(A) and (B) by requiring traders of ETP Holders to successfully complete the Securities Industry Essentials (''SIE'') examination in addition to the Series 7 Examination in order to satisfy the Exchange's registration requirement, consistent with the proposed restructuring of the representative-level examinations proposed in the FINRA Filing.

Current Rule 2.23(b)(1) similarly requires traders of OTP Holders and OTP Firms to successfully complete the Series 7 Examination. Consistent with the proposed restructuring of the representative-level examination proposed in the FINRA Filing, the Exchange proposes to amend current Rule 2.23(b)(1) to require traders of OTP Holders and OTP Firms to successfully complete the SIE examination and the Series 7 Examination in order to satisfy the Exchange's registration requirement. Rule 2.23(b)(2) currently provides that the examination requirement in Rule 2.23(b)(1) does not apply to an individual who does not conduct business with the public and who is registered as a Market Maker or Market Maker Authorized Traders, pursuant to Rule 2.23(b)(2)(A), or as a Securities Trader, pursuant to Rule 2.23(b)(2)(C), in which case such individuals are required to successfully complete the Series 57 examination.

Consistent with the proposed restructuring of the representative-level examination proposed in the FINRA Filing, the Exchange proposes to amend current Rule 2.23(b)(2)(A) and (C) by requiring traders of OTP Holders and OTP Firms to successfully complete the SIE examination and the Series 57 Examination in order to satisfy the Exchange's registration requirement. Further, current Rule 2.23(b)(2)(C) provides the definition of a Securities Trader. The Exchange proposes to adopt FINRA's definition of Securities Trader (as described below) and, therefore, proposes to add a reference to Rule 2.1220(b)(3) as the appropriate rule in the Exchange's Rulebook where the definition of Securities Trader can be found. The Exchange also proposes to adopt rule text within the current rule that provides that a person registered as a Securities Trader would not be qualified to function in any other registration category unless he or she is also qualified and registered in such other registration category. Current Rule 2.23(b)(3)(A) provides that a General Securities Principal engaged in supervisory activities must complete the Series 7 examination and the Series 24 examination. Consistent with the proposed restructuring of the representative-level examination proposed in the FINRA Filing, the Exchange proposes to amend current Rule 2.23(b)(3)(A) to require such persons to also complete the SIE examination.

Current Rule 2.24(b)(iii) provides that employees of ETP Holders seeking limited registration as Securities Traders are required to complete the Series 57 examination. Consistent with the proposed restructuring of the representative-level examination proposed in the FINRA Filing, the Exchange proposes to amend current Rule 2.24(b)(iii) to require such persons to also complete the SIE examination in addition to the Series 57 examination. Further, current Rule 2.24, Commentary .03, provides the definition of a Securities Trader. With this proposed rule change, the Exchange proposes to adopt FINRA's definition of Securities Trader (as described below) and therefore, proposes to add a reference to Rule 2.1220(b)(3) as the appropriate rule in the Exchange's Rulebook where the definition of Securities Trader can be found. The Exchange also proposes to adopt rule text within the current rule that provides that a person registered as a Securities Trader would not be qualified to function in any other

[4] The relevant principal registration categories the Exchange proposes to adopt are (1) Principal; (2) General Securities Principal; (3) Compliance Officer; (4) Financial and Operations Principal and Introducing Broker-Dealer Financial and Operations Principal; (5) Securities Trader Principal; (6) General Securities Sales Supervisor; and (7) Registered Options Principal. The relevant representative registration categories the Exchange proposes to adopt are (1) Representative; (2) General Securities Representative; and (3) Securities Trader.

[5] *See* Securities Exchange Act Release No. 81098 (July 7, 2017), 82 FR 32419 (July 13, 2017) (SR–FINRA–2017–007) (Approval Order) (the ''FINRA Filing''). The Exchange notes that in order to maintain consistency with the FINRA Filing, the Exchange proposes to incorporate certain terms from the relevant FINRA rule into the Exchange's rule that may not be applicable to ETP Holders, OTP Holders or OTP Firms. For example, while ETP Holders, OTP Holders or OTP Firms may not be engaged in ''investment banking'' activity, the Exchange proposes to adopt that term within these registration rules to conform them to the FINRA rules.

[6] The conforming changes the Exchange proposes would substitute the term ''ETP Holder,'' ''OTP Holder'' or ''OTP Firm'' as applicable for ''member'' and the term ''Exchange'' for ''FINRA.''

registration category unless he or she is also qualified and registered in such other registration category.

Current Rule 6.43–O(b)(1)(A) currently requires qualified Floor Brokers and Floor Clerks of qualified Floor Brokers that conduct a public business limited to accepting orders directly from Professional Customers for execution on the Floor of the Exchange must successfully complete the Series 7 examination or the Series 7A examination. Consistent with the proposed restructuring of the representative-level examination proposed in the FINRA Filing, the Exchange proposes to amend current Rule 6.43–O(b)(1)(A) by requiring qualified Floor Brokers and Floor Clerks of qualified Floor Brokers to successfully complete the SIE examination and the Series 7 Examination or the Series 7A examination in order to satisfy the Exchange's registration requirement.

Current Rule 9.27–O, Commentary .01, and Rule 9.27–E, Commentary .01, each states that the Exchange considers the Uniform Registered Representative Examination [7] (''Series 7'') as adequate in measuring an applicant's knowledge of the securities industry and satisfies the examination requirements prescribed in the rule. As noted below, given the adoption of the Securities Industry Essential (''SIE'') examination in the FINRA Filing, the Exchange proposes to amend the current rules to adopt the SIE exam as an additional requirement. As amended, Rule 9.27–O, Commentary .01, and Rule 9.27–E, Commentary .01, would each provide that in addition to the Series 7 examination, the Exchange would also require an applicant to pass the SIE examination to register as a general securities representative.

B. Amendments to Rules 2.23 and Rule 2.24—Continuing Education Requirements

Rules 2.23 and 2.24 provide the continuing education requirements of registered persons [8] of an OTP Holder or OTP Firm, and ETP Holders, respectively, subsequent to their initial qualification and registration with the Exchange, and includes a Regulatory Element and a Firm Element. The Regulatory Element applies to registered persons and consists of periodic computer-based training on regulatory, compliance, ethical, supervisory subjects and sales practice standards. The Firm Element consists of at least an annual, member-developed and administered training programs designed to keep registered persons current regarding securities products, services and strategies offered by the member.

1. Regulatory Element

The Exchange proposes to amend Rules 2.23(d)(1) and 2.24(d)(1) to provide, consistent with proposed Rule 2.1210, Commentary .08, that a waiver-eligible person would be subject to a Regulatory Element program that correlates to his or her most recent registration category, and that the content of the Regulatory Element would be based on the same cycle had the individual remain [sic] registered.[9] The proposed amendment to Rules 2.23(d)(1) and 2.24(d)(1) also provides that if a waiver-eligible person fails to complete the Regulatory Element during the prescribed time frames, he or she would lose waiver eligibility.[10]

Further, the Exchange proposes to amend Rules 2.23(d)(1) and 2.24(d)(1) to provide that any person whose registration has been deemed inactive under the rule may not accept or solicit business or receive any compensation for the purchase or sale of securities. The proposed amendment provides, however, that such person may receive trail or residual commissions resulting from transactions completed before the inactive status, unless the OTP Holder or OTP Firm, or ETP Holder, with which the person is associated has a policy prohibiting such trail or residual commissions.[11]

Additionally, under Rules 2.23(d)(1) and 2.24(d)(1), a registered person is required to retake the Regulatory Element in the event that such person (i) is subject to any statutory disqualification as defined in Section 3(a)(39) of the Exchange Act; (ii) is subject to suspension or to the imposition of a fine of $5,000 or more for violation of any provision of any securities law or regulation, or any agreement with or rule or standard of conduct of any securities governmental agency, securities self-regulatory organization, or as imposed by any such regulatory or self-regulatory organization in connection with a disciplinary proceeding; or (iii) is ordered as a sanction in a disciplinary action to retake the Regulatory Element by any securities governmental agency or self-regulatory organization. The Exchange proposes to amend Rules 2.23(d)(1) and 2.24(d)(1) to provide an exception to a waiver-eligible person from retaking the Regulatory Element and satisfy [sic] all of its requirements.[12]

2. Firm Element

Current Rule 2.23(d)(2)(B)(ii) provides that programs used to implement an OTP Firm's or OTP Holder's training program must be appropriate for the business of the OTP Firm or OTP Holder and, at a minimum must cover specific matters concerning securities products, services, and strategies offered by the OTP Firm or OTP Holder. Current Rule 2.24(d)(2)(B)(ii) also provides that programs used to implement an ETP Holder's training program must be appropriate for the business of the ETP Holder and, at a minimum must cover specific matters concerning securities products, services, and strategies offered by the ETP Holder. The Exchange proposes to amend both Rules 2.23(d)(2)(B)(ii) and 2.24(d)(2)(B)(ii) to expand the minimum standard for such training programs by requiring that, at a minimum, a firm's training program must also cover training in ethics and professional responsibility.[13]

C. Proposed Rule 2.23—Commentary .06 and Proposed Rule 2.24—Commentary .06—Fingerprint Information [14]

The Exchange proposes to adopt Rule 2.23, Commentary .06 and Rule 2.24, Commentary .06, regarding the submission of fingerprint information by OTP Firms or OTP Holders, and ETP Holders, respectively. As proposed, upon filing an electronic Form U4 on behalf of a person applying for registration, an OTP Firm or OTP Holder, or ETP Holder, as applicable, would be required to promptly submit fingerprint information for that person. If the OTP Firm or OTP Holder, or ETP Holder, as applicable, fails to submit the fingerprint information within 30 days after the Exchange receives the electronic Form U4, the person's registration shall be deemed inactive and the person would be required to immediately cease all activities requiring registration and would be

[7] The Exchange proposes to rename the Uniform Registered Representative Examination in Rule 9.27–O, Commentary .01, and in Rule 9.27–E, Commentary .01, as the General Securities Representative Examination to reflect the current name of the Series 7 examination.

[8] For purposes of Rule 2.24, the term ''registered person'' means any ETP Holder, Allied Person thereof, registered representative or other person registered or required to be registered under the Rules of the Exchange. *See* Rule 2.24, Commentary .01.

[9] The proposed change is substantially similar to that contained in FINRA Rule 1240(a)(1).

[10] The proposed change is substantially similar to that contained in FINRA Rule 1240(a)(2).

[11] The proposed change is substantially similar to that contained in FINRA Rule 1240(a)(2).

[12] The proposed change is substantially similar to that contained in FINRA Rule 1240(a)(3).

[13] The proposed change is substantially similar to that contained in FINRA Rule 1240(b)(2).

[14] The proposed rule is substantially similar to FINRA Rule 1010(d).

prohibited from performing any duties and functioning in any capacity requiring registration. The proposed rule further provides [sic] allows the Exchange to administratively terminate a registration that is inactive for a period of two years. However, a person whose registration is administratively terminated may seek to reactivate his or her registration by reapplying for registration and meeting the qualification requirements under Exchange rules.

D. Proposed New Rules 2.1210 Through 2.1230

As a general matter, FINRA administers qualification examinations that are designed to establish that persons associated with ETP Holders, OTP Holders or OTP Firm have attained specified levels of competence and knowledge. Over time, the examination program has increased in complexity to address the introduction of new products and functions, and related regulatory concerns and requirements. As a result, today, there are a large number of examinations, considerable content overlap across the representative-level examinations and requirements for individuals in various segments of the industry to pass multiple examinations. To address these issues, FINRA has formulated a general knowledge examination called the Securities Industry Essential (''SIE'') that all potential representative-level registrants would take.[15] Rule changes related to the adoption of the SIE and other proposed new rules are discussed below.

1. Proposed Rule 2.1210—Registration Requirements [16]

Proposed Rule 2.1210 provides that each person engaged in the investment banking or securities business of an ETP Holder, OTP Holder or OTP Firm must register with the Exchange as a representative or principal in each category of registration appropriate to his or her functions and responsibilities as specified in proposed Rule 2.1220, unless exempt from registration pursuant to proposed Rule 2.1230. Proposed Rule 2.1210 also provides that such person is not qualified to function in any registered capacity other than that for which the person is registered, unless otherwise stated in the rules.

2. Proposed Rule 2.1210, Commentary .01—Permissive Registrations [17]

The Exchange currently does not have a specific rule that provides for permissive registrations. With this proposed rule change, and to conform its rules to the FINRA rules, the Exchange proposes to adopt a specific rule regarding permissive registrations. Proposed Rule 2.1210, Commentary .01, allows any associated person to obtain and maintain any registration permitted by an ETP Holder, OTP Holder or OTP Firm. For instance, an associated person of an ETP Holder, OTP Holder or OTP Firm working solely in a clerical or ministerial capacity, such as in an administrative capacity, would be able to obtain and maintain a General Securities Representative registration with the ETP Holder, OTP Holder or OTP Firm. As another example, an associated person of an ETP Holder, OTP Holder or OTP Firm who is registered, [sic] and functioning solely, as a General Securities Representative would be able to obtain and maintain a General Securities Principal registration with the ETP Holder, OTP Holder or OTP Firm. Further, proposed Rule 2.1210, Commentary .01, allows an individual engaged in the securities business of a foreign securities affiliate or subsidiary of an ETP Holder, OTP Holder or OTP Firm to obtain and maintain any registration permitted by the ETP Holder, OTP Holder or OTP Firm.

The Exchange is proposing to permit the registration of such individuals for several reasons. First, an ETP Holder, OTP Holder or OTP Firm may foresee a need to move a former representative or principal who has not been registered for two or more years back into a position that would require such person to be registered. Currently, such persons are required to requalify (or obtain a waiver of the applicable qualification examinations) and reapply for registration. Second, the proposed rule change would allow ETP Holders, OTP Holder or OTP Firm to develop a depth of associated persons with registrations in the event of unanticipated personnel changes. Finally, allowing registration in additional categories encourages greater regulatory understanding.

Individuals maintaining a permissive registration under the proposed rule change would be considered registered persons and subject to all Exchange rules, to the extent relevant to their activities. Additionally, consistent with the requirements of the Exchange's supervision rules, as proposed, ETP Holders, OTP Holder or OTP Firm would be required to have adequate supervisory systems and procedures reasonably designed to ensure that individuals with permissive registrations do not act outside the scope of their assigned functions. With respect to an individual who solely maintains a permissive registration, such as an individual working exclusively in an administrative capacity, the individual's day-to-day supervisor may be a non-registered person. However, for purposes of compliance with the Exchange's supervision rules, an ETP Holder, OTP Holder or OTP Firm would be required to assign a registered supervisor who would be responsible for periodically contacting such individual's day-to-day supervisor to verify that the individual is not acting outside the scope of his or her assigned functions. If such individual is permissively registered as a representative, the registered supervisor must be registered as a representative or principal. If the individual is permissively registered as a principal, the registered supervisor must be registered as a principal.[18]

3. Proposed Rule 2.1210, Commentary .02—Qualification Examinations and Waivers of Examinations [19]

Proposed Rule 2.1210, Commentary .02, provides that before the registration of a person as a representative can become effective under proposed Rule 2.1210, such person must pass the SIE and an appropriate representative-level qualification examination as specified in proposed Rule 2.1220.[20] Proposed Rule 2.1210, Commentary .02, also provides that before the registration of a person as a principal can become effective under proposed Rule 2.1210, such person must pass an appropriate principal-level qualification

[15] The SIE would assess basic product knowledge; the structure and function of the securities industry markets, regulatory agencies and their functions; and regulated and prohibited practices. In particular, the SIE will cover four major areas. The first, ''Knowledge of Capital Markets,'' focuses on topics such as types of markets and offerings, broker-dealers and depositories, and economic cycles. The second, ''Understanding Products and Their Risks,'' covers securities products at a high level as well as associated investment risks. The third, ''Understanding Trading, Customer Accounts and Prohibited Activities,'' focuses on accounts, orders, settlement and prohibited activities. The final area, ''Overview of the Regulatory Framework,'' encompasses topics such as SROs, registration requirements and specified conduct rules.

[16] The proposed rule is substantially similar to FINRA Rule 1210.

[17] The proposed rule is substantially similar to FINRA Rule 1210.02.

[18] In either case, the registered supervisor of an individual who solely maintains a permissive registration would not be required to be registered in the same representative or principal registration category as the permissively-registered individual.

[19] The proposed rule is substantially similar to FINRA Rule 1210.03.

[20] Proposed Rule 2.1220 sets forth each registration category and applicable qualification examination for ETP Holders, OTP Holder or OTP Firm on the Exchange.

examination as specified in proposed Rule 2.1220.

Further, proposed Rule 2.1210, Commentary .02, provides that if a registered person's job functions change and he or she needs to become registered in another representative-level category, he or she would not need to pass the SIE again. Rather, the registered person would need to pass only the appropriate representative-level qualification examination.

Moreover, proposed Rule 2.1210, Commentary .02, provides that all associated persons, such as associated persons whose functions are solely and exclusively clerical or ministerial, are eligible to take the SIE. Proposed Rule 2.1210, Commentary .02, also provides that individuals who are not associated persons of firms, such as members of the general public, are eligible to take the SIE. The Exchange believes that expanding the pool of individuals who are eligible to take the SIE would enable prospective securities industry professionals to demonstrate to prospective employers a basic level of knowledge prior to submitting a job application. Further, this approach would allow for more flexibility and career mobility within the securities industry. While all associated persons of firms as well as individuals who are not associated persons would be eligible to take the SIE pursuant to the proposed rule, passing the SIE alone would not qualify them for registration with the Exchange. Rather, to be eligible for registration with the Exchange, an individual must pass an applicable representative or principal qualification examination and complete the other requirements of the registration process.

Proposed Rule 2.1210, Commentary .02, also provides that the Exchange may, in exceptional cases and where good cause is shown, pursuant to Rule 2.5(c), waive the applicable qualification examination(s) and accept other standards as evidence of an applicant's qualifications for registration. The proposed rule further provides that the Exchange will only consider examination waiver requests submitted by an ETP Holder, OTP Holder or OTP Firm for individuals associated with the ETP Holder, OTP Holder or OTP Firm who are seeking registration in a representative- or principal-level registration category. Moreover, the proposed rule states that the Exchange will consider waivers of the SIE alone or the SIE and the representative- and principal-level examination(s) for such individuals. The Exchange would not consider a waiver of the SIE for non-associated persons or for associated persons who are not registering as representatives or principals.

4. Proposed Rule 2.1210, Commentary .03—Requirements for Registered Persons Functioning as Principals for a Limited Period [21]

Proposed Rule 2.1210, Commentary .03, provides that an ETP Holder, OTP Holder or OTP Firm may designate any person currently registered, or who becomes registered, with the ETP Holder, OTP Holder or OTP Firm as a representative to function as a principal for a limited period, provided that such person has at least 18 months of experience functioning as a registered representative with the [sic] five-year period immediately preceding the designation. The proposed rule is intended to ensure that representatives designated to function as principals for the limited period under the proposal have an appropriate level of registered representative experience. The proposed rule clarifies that the requirements of the rule apply to designations to any principal category, including those categories that are not subject to a prerequisite representative-level registration requirement, such as the Financial and Operations Principal registration category.[22]

The proposed rule also clarifies that the individual must fulfill all applicable prerequisite registration, fee and examination requirements before his or her designation as a principal. Further, the proposed rule provides that in no event may such person function as a principal beyond the initial 120 calendar days without having successfully passed an appropriate principal qualification examination. The proposed rule also provides an exception to the experience requirement for principals who are designated by an ETP Holder, OTP Holder or OTP Firm to function in other principal categories for a limited period. Specifically, the proposed rule states that an ETP Holder, OTP Holder or OTP Firm may designate any person currently registered, or who becomes registered, with the ETP Holder as a principal to function in another principal category for 120 calendar days before passing any applicable examinations.

5. Proposed Rule 2.1210, Commentary .04—Rules of Conduct for Taking Examinations and Confidentiality of Examinations [23]

Proposed Rule 2.1210, Commentary .04 states that associated persons taking the SIE would be subject to the SIE Rules of Conduct, and associated persons taking a representative or principal examination would be subject to the Rules of Conduct for representative and principal examinations. Pursuant to proposed Rule 2.1210, Commentary .04, a violation of the SIE Rules of Conduct or the Rules of Conduct for representative and principal examinations by an associated person would be deemed to be a violation of Rule 11.1. Moreover, if an associated person is deemed to have violated the SIE Rules of Conduct or the Rules of Conduct for representative and principal examinations, the associated person may forfeit the results of the examination and may be subject to disciplinary action by the Exchange.

Further, the proposed rule states that individuals taking the SIE who are not associated persons must agree to be subject to the SIE Rules of Conduct. Among other things, the SIE Rules of Conduct would require individuals to attest that they are not qualified to engage in the investment banking or securities business based on passing the SIE and would prohibit individuals from cheating on the examination or misrepresenting their qualifications to the public subsequent to passing the SIE. Moreover, non-associated persons may forfeit their SIE results and may be prohibited from retaking the SIE if the Exchange determines that they cheated on the SIE or that they misrepresented their qualifications to the public subsequent to passing the SIE.

The proposed rule further notes that the Exchange considers all qualification examinations [sic] content to be highly confidential and that the removal of examination content from an examination center, reproduction, disclosure, receipt from or passing to any person, or use for study purposes of any portion of such qualification examination or any other use that would compromise the effectiveness of the examinations and the use in any manner and at any time of the questions or answers to the examinations is prohibited and would be deemed a violation of Rule 11.1.

[21] The proposed rule is substantially similar to FINRA Rule 1210.04.

[22] The Exchange notes that qualifying as a registered representative is a prerequisite to qualifying as a principal except with respect to the following principal-level registrations: (1) Compliance Official; (2) Financial and Operations Principal; and (3) Introducing Broker-Dealer Financial and Operations Principal.

[23] The proposed rule is substantially similar to FINRA Rule 1210.05.

6. Proposed Rule 2.1210, Commentary .05—Waiting Periods for Retaking a Failed Examination [24]

Proposed Rule 2.1210, Commentary .05 provides that any person who fails a qualification examination may retake that examination after 30 calendar days from the date of the person's last attempt to pass that examination. The proposed rule further provides that if a person fails an examination three or more times in succession within a two-year period, he or she would be prohibited from retaking the examination either until a period of 180 calendar days from the date of the person's last attempt to pass it [sic]. These waiting periods would apply to the SIE and the representative- and principal-level examinations. Moreover, the proposed rule provides that non-associated persons taking the SIE must agree to be subject to the same waiting periods for retaking the SIE.

7. Proposed Rule 2.1210, Commentary .06—All Registered Persons Must Satisfy the Regulatory Element of Continuing Education [25]

Pursuant to Rules 2.23(d) and 2.24(d), the CE requirements applicable to registered persons consist of a Regulatory Element [26] and a Firm Element.[27] The Regulatory Element applies to registered persons and must be completed within prescribed time frames.[28] The Firm Element consists of annual, ETP Holder-, OTP Holder- or OTP Firm-developed and administered training programs designed to keep covered registered persons current regarding securities products, services and strategies offered by the ETP Holder, OTP Holder or OTP Firm. For purposes of the Firm Element, the term covered registered persons means any registered Securities Trader and any registered person who has direct contact with customers in the conduct of the ETP Holder's, OTP Holder's or OTP Firm's securities sales, trading and investment banking activities and to the immediate supervisors of such persons.

The Exchange believes that all registered persons, regardless of their activities, should be subject to the Regulatory Element of the CE requirements so that they can keep their knowledge of the securities industry current. Therefore, the Exchange proposes to adopt Rule 2.1210, Commentary .06, to clarify that all registered persons, including those who solely maintain a permissive registration, are required to satisfy the Regulatory Element, as specified in Rules 2.23(d)(1) and 2.24(d)(1). The Exchange is making corresponding changes to Rules 2.23(d)(1) and 2.24(d)(1). The Exchange is not proposing any changes to the Firm Element requirement at this time. Individuals who have passed the SIE but not a representative- or principal-level examination and do not hold a registered position would not be subject to any CE requirements.

Proposed Rule 2.1210, Commentary .06, also provides that a registered person of an ETP Holder, OTP Holder or OTP Firm who becomes CE inactive would not be permitted to be registered in another registration category with the ETP Holder, OTP Holder or OTP Firm or be registered in any registration category with another ETP Holder, OTP Holder or OTP Firm, until the person has satisfied the Regulatory Element.

8. Proposed Rule 2.1210, Commentary .07—Lapse of Registration and Expiration of the SIE [29]

Proposed Rule 2.1210, Commentary .07, provides that any person who was last registered as a representative two or more years immediately preceding the date of receipt by the Exchange of a new application for registration as a representative is required to pass a qualification examination for representatives appropriate to the category of registration as specified in proposed Rule 2.1220(b). Proposed Rule 2.1210, Commentary .07, also sets forth that a passing result on the SIE would be valid for up to four years. Therefore, under the proposed rule change, an individual who passes the SIE and is an associated person of an ETP Holder, OTP Holder or OTP Firm at the time would have up to four years from the date he or she passes the SIE to pass a representative-level examination to register as a representative with that ETP Holder, OTP Holder or OTP Firm, or a subsequent ETP Holder, OTP Holder or OTP Firm, without having to retake the SIE. In addition, an individual who passes the SIE and is not an associated person at the time would have up to four years from the date he or she passes the SIE to become an associated person of an ETP Holder, OTP Holder or OTP Firm and pass a representative-level examination and register as a representative without having to retake the SIE.

Moreover, an individual holding a representative-level registration who leaves the industry after the effective date of this proposed rule change would have up to four years to re-associate with an ETP Holder, OTP Holder or OTP Firm and register as a representative without having to retake the SIE. However, the four-year expiration period in the proposed rule change extends only to the SIE, and not the representative- and principal-level registrations. The representative- and principal-level registrations would continue to be subject to a two-year expiration period as is the case today.

Finally, proposed Rule 2.1210, Commentary .07, clarifies that, for purposes of the proposed rule, an application would not be considered to have been received by the Exchange if that application does not result in a registration.

9. Proposed Rule 2.1210, Commentary .08—Waiver of Examinations for Individuals Working for a Financial Services Industry Affiliate of an ETP Holder, OTP Holder or OTP Firm [30]

Proposed Rule 2.1210, Commentary .08, provides the process for individuals working for a financial services industry affiliate of an ETP Holder, OTP Holder or OTP Firm [31] to terminate their registrations with the ETP Holder, OTP Holder or OTP Firm and be granted a waiver of their requalification requirements upon re-registering with an ETP Holder, OTP Holder or OTP Firm, provided the firm that is requesting the waiver and the

[24] The proposed rule is substantially similar to FINRA Rule 1210.06.

[25] The proposed rule is substantially similar to FINRA Rule 1210.07.

[26] *See* Rules 2.23(d)(1) and 2.24(d)(1).

[27] *See* Rules 2.23(d)(2) and 2.24(d)(1).

[28] Pursuant to Rules 2.23(d)(1) and 2.24(d)(1), each specified registered person is required to complete the Regulatory Element initially within 120 days after the person's second registration anniversary date and, thereafter, within 120 days after every third registration anniversary date. A registered person who has not completed the Regulatory Element program within the prescribed time frames will have his or her registrations deemed inactive and designated as ''CE inactive'' on the CRD system until such time as the requirements of the program have been satisfied. A CE inactive person is prohibited from performing, or being compensated for, any activities requiring registration, including supervision. Moreover, if a registered person is CE inactive for a two-year period, the Exchange will administratively terminate the person's registration status. The two-year period would be calculated from the date the person becomes CE inactive. In either case, such person must requalify (or obtain a waiver of the applicable qualification examination(s)) to be re-eligible for registration.

[29] The proposed rule is substantially similar to FINRA Rule 1210.08.

[30] The proposed rule is substantially similar to FINRA Rule 1210.09.

[31] Proposed Rule 2.1210, Commentary .07 [sic], defines a ''financial services industry affiliate of an ETP Holder, OTP Holder or OTP Firm'' as a legal entity that controls, is controlled by or is under common control with an ETP Holder, OTP Holder or OTP Firm and is regulated by the SEC, CFTC, state securities authorities, federal or state banking authorities, state insurance authorities, or substantially equivalent foreign regulatory authorities.

individual satisfy the criteria for a Financial Services Affiliate (''FSA'') waiver.

Under the proposed waiver process, the first time a registered person is designated as eligible for a waiver based on the FSA criteria, the ETP Holder, OTP Holder or OTP Firm with which the individual is registered would notify the Exchange of the FSA designation. The ETP Holder, OTP Holder or OTP Firm would concurrently file a full Form U5 terminating the individual's registration with the firm, which would also terminate the individual's other SRO and state registrations. To be eligible for initial designation as an FSA-eligible person by an ETP Holder, OTP Holder or OTP Firm, an individual must have been registered for a total of five years within the most recent 10-year period prior to the designation, including for the most recent year with that ETP Holder, OTP Holder or OTP Firm. An individual would have to satisfy these preconditions only for purposes of his or her initial designation as an FSA-eligible person, and not for any subsequent FSA designation(s). Thereafter, the individual would be eligible for a waiver for up to seven years from the date of initial designation,[32] provided that the other conditions of the waiver, as described below, have been satisfied. Consequently, an ETP Holder, OTP Holder or OTP Firm other than the ETP Holder, OTP Holder or OTP Firm that initially designated an individual as an FSA-eligible person may request a waiver for the individual and more than one ETP Holder, OTP Holder or OTP Firm may request a waiver for the individual during the seven-year period.[33]

An individual designated as an FSA-eligible person would be subject to the Regulatory Element of CE while working for a financial services industry affiliate of an ETP Holder, OTP Holder or OTP Firm. The individual would be subject to a Regulatory Element program that correlates to his or her most recent registration category, and CE would be based on the same cycle had the individual remained registered. If the individual fails to complete the prescribed Regulatory Element during the 120-day window for taking the session, he or she would lose FSA eligibility (*i.e.,* the individual would have the standard two-year period after termination to re-register without having to retake an examination). The Exchange is making corresponding changes to Rule 2.23(d) and 2.24(d).

Upon registering an FSA-eligible person, a firm would file a Form U4 and request the appropriate registration(s) for the individual. The firm would also submit an examination waiver request to the Exchange,[34] similar to the process used today for waiver requests, and it would represent that the individual is eligible for an FSA waiver based on the conditions set forth below. The Exchange would review the waiver request and make a determination of whether to grant the request within 30 calendar days of receiving the request. The Exchange would summarily grant the request if the following conditions are met:

(1) Prior to the individual's initial designation as an FSA-eligible person, the individual was registered for a total of five years within the most recent 10-year period, including for the most recent year with the ETP Holder, OTP Holder or OTP Firm that initially designated the individual as an FSA-eligible person;

(2) The waiver request is made within seven years of the individual's initial designation as an FSA-eligible person by an ETP Holder, OTP Holder or OTP Firm;

(3) The initial designation and any subsequent designation(s) were made concurrently with the filing of the individual's related Form U5;

(4) The individual continuously worked for the financial services affiliate(s) of an ETP Holder, OTP Holder or OTP Firm since the last Form U5 filing;

(5) The individual has complied with the Regulatory Element of CE; and

(6) The individual does not have any pending or adverse regulatory matters, or terminations, that are reportable on the Form U4, and has not otherwise been subject to a statutory disqualification while the individual was designated as an FSA-eligible person with an ETP Holder, OTP Holder or OTP Firm.

Following the Form U5 filing, an individual could move between the financial services affiliates of an ETP Holder, OTP Holder or OTP Firm so long as the individual is continuously working for an affiliate. Further, an ETP Holder could submit multiple waiver requests for the individual, provided that the waiver requests are made during the course of the seven-year period.[35] An individual who has been designated as an FSA-eligible person by an ETP Holder, OTP Holder or OTP Firm would not be able to take additional examinations to gain additional registrations while working for a financial services affiliate of an ETP Holder.

10. Proposed Rule 2.1210, Commentary .09—Status of Persons Serving in the Armed Forces of the United States[36]

Proposed Rule 2.1210, Commentary .09 provides specific relief to registered persons serving in the Armed Forces of the United States. Among other things, the proposed rule permits a registered person of an ETP Holder, OTP Holder or OTP Firm who volunteers for or is called into active duty in the Armed Forces of the United States to be registered in an inactive status and remain eligible to receive ongoing transaction-related compensation. The proposed rule also includes specific provisions regarding the deferment of the lapse of registration requirements for formerly registered persons serving in

[32] Individuals would be eligible for a single, fixed seven-year period from the date of initial designation, and the period would not be tolled or renewed.

[33] The following examples illustrate this point:

Example 1. Firm A designates an individual as an FSA-eligible person by notifying the Exchange and files a Form U5. The individual joins Firm A's financial services affiliate. Firm A does not submit a waiver request for the individual. After working for Firm A's financial services affiliate for three years, the individual directly joins Firm B's financial services affiliate for three years. Firm B then submits a waiver request to register the individual.

Example 2. Same as Example 1, but the individual directly joins Firm B after working for Firm A's financial services affiliate, and Firm B submits a waiver request to register the individual at that point in time.

Example 3. Firm A designates an individual as an FSA-eligible person by notifying the Exchange and files a Form U5. The individual joins Firm A's financial services affiliate for three years. Firm A then submits a waiver request to re-register the individual. After working for Firm A in a registered capacity for six months, Firm A re-designates the individual as an FSA-eligible person by notifying the Exchange and files a Form U5. The individual rejoins Firm A's financial services affiliate for two years, after which the individual directly joins Firm B's financial services affiliate for one year. Firm B then submits a waiver request to register the individual.

Example 4. Same as Example 3, but the individual directly joins Firm B after the second period of working for Firm A's financial services affiliate, and Firm B submits a waiver request to register the individual at that point in time.

[34] The Exchange would consider a waiver of the representative-level qualification examination(s), the principal-level qualification examination(s) and the SIE, as applicable.

[35] For example, if an ETP Holder, OTP Holder or OTP Firm submits a waiver request for an FSA-eligible person who has been working for a financial services affiliate of the ETP Holder, OTP Holder or OTP Firm for three years and re-registers the individual, the ETP Holder, OTP Holder or OTP Firm could subsequently file a Form U5 and re-designate the individual as an FSA-eligible person. Moreover, if the individual works with a financial services affiliate of the ETP Holder, OTP Holder or OTP Firm for another three years, the ETP Holder, OTP Holder or OTP Firm could submit a second waiver request and re-register the individual upon returning to the ETP Holder, OTP Holder or OTP Firm.

[36] The proposed rule is substantially similar to FINRA Rule 1210.10.

the Armed Forces of the United States. The proposed rule further requires that the ETP Holder, OTP Holder or OTP Firm with which such person is registered promptly notify the Exchange of such person's return to employment with the ETP Holder, OTP Holder or OTP Firm. The proposed rule would require an ETP Holder, OTP Holder or OTP Firm that is a sole proprietor to also similarly notify the Exchange of his or her return to participation in the investment banking or securities business. The proposed rule also provides that the Exchange would defer the lapse of the SIE for formerly registered persons serving in the Armed Forces of the United States.

E. Proposed New Rule 2.1220—Registration Categories [37]

1. Proposed Rule 2.1220(a)(1)—Principal

As set forth in proposed Rule 2.1220(a)(1), for purposes of these registration rules, the term ''Principal'' to mean any Person Associated with an ETP Holder, OTP Holder or OTP Firm actively engaged in the management of the ETP Holder's, OTP Holder's or OTP Firm's securities business, including supervision, solicitation, conduct of the ETP Holder's, OTP Holder's or OTP Firm's business, or the training of Authorized Traders and Persons Associated with an ETP Holder, OTP Holder or OTP Firm for any of these functions. Such Persons include Sole Proprietors, Officers, Partners, and Directors of Corporations.

For purposes of proposed Rule 2.1220(a)(1), the phrase ''actively engaged in the management of the ETP Holder's, OTP Holder's or OTP Firm's securities business'' includes the management of, and the implementation of corporate policies related to, such business. The term also includes managerial decision-making authority with respect to the ETP Holder's, OTP Holder's or OTP Firm's securities business and management-level responsibilities for supervising any aspect of such business, such as serving as a voting member of the ETP Holder's, OTP Holder's or OTP Firm's executive, management or operations committee.

2. Proposed Rule 2.1220(a)(2)—General Securities Principal [38]

Proposed Rule 2.1220(a)(2)(A) states that each principal as defined in proposed Rule 2.1220(a)(1) is required to register with the Exchange as a General Securities Principal, subject to the following exceptions. The proposed rule provides that if a principal's activities include the functions of a Compliance Officer, a Financial and Operations Principal (or an Introducing Broker-Dealer Financial and Operations Principal, as applicable), a Principal Financial Officer, a Principal Operations Officer, a Securities Trader Principal, or a Registered Options Principal then the principal must appropriately register in one or more of these categories.

Proposed Rule 2.1220(a)(2)(A) further provides that if a principal's activities are limited solely to the functions of a General Securities Sales Supervisor, then the principal may appropriately register in that category in lieu of registering as a General Securities Principal.

Proposed Rule 2.1220(a)(2)(B) requires that an individual registering as a General Securities Principal satisfy the General Securities Representative prerequisite registration and pass the General Securities Principal qualification examination. Proposed Rule 2.1220(a)(2)(B) also clarifies that an individual may register as a General Securities Sales Supervisor and pass the General Securities Sales Supervisor qualification examination in lieu of passing the General Securities Principal examination.

As a general matter, the Exchange currently recognizes the Corporate Securities Representative but would no longer recognize this registration category given its elimination by FINRA. Proposed Rule 2.1220(a)(2)(B), however, provides that, subject to the lapse of registration provisions in proposed Rule 2.1210, Commentary .07, each person registered with the Exchange as a Corporate Securities Representative and a General Securities Principal on October 1, 2018 and each person who was registered with the Exchange as a Corporate Securities Representative and a General Securities Principal within two years prior to October 1, 2018 would be qualified to register as a General Securities Principal without having to take any additional qualification examinations, provided that such person's supervisory responsibilities in the investment banking and securities business of an ETP Holder, OTP Holder or OTP Firm are limited to corporate securities activities of the ETP Holder, OTP Holder or OTP Firm. The proposed rule further provides that all other individuals registering as General Securities Principals after October 1, 2018 shall, prior to or concurrent with such registration, become registered as a General Securities Representative and either (1) pass the General Securities Principal qualification examination; or (2) register as a General Securities Sales Supervisor and pass the General Securities Sales Supervisor qualification examination.

3. Proposed Rule 2.1220(a)(3)—Compliance Officer [39]

Proposed Rule 2.1220(a)(3) establishes a Compliance Officer registration category and requires all persons designated as CCOs on Schedule A of Form BD to register as Compliance Officers, subject to an exception for ETP Holders, OTP Holders or OTP Firms engaged in limited investment banking or securities business. The proposed rule only addresses the registration requirements for CCOs. However, consistent with proposed Rule 2.1210, Commentary .01 relating to permissive registrations, a firm may allow other associated persons to register as Compliance Officers. Chief Compliance Officers at OTP Holders or OTP Firms, who are currently not subject to a registration requirement, would be excluded from the requirements of the proposed rule.

In addition, the Exchange is proposing to provide CCOs of firms that engage in limited investment banking or securities business with greater flexibility to satisfy the qualification requirements for CCOs. Specifically, proposed Rule 2.1220(a)(3) set forth the following qualification requirements for Compliance Officer registration:

• Subject to the lapse of registration provisions in proposed Rule 2.1210, Commentary .07, each person registered with the Exchange as a General Securities Representative and a General Securities Principal on October 1, 2018 and each person who was registered with the Exchange as a General Securities Representative and a General

[37] The Exchange is not adopting the following categories from the FINRA Filing because ETP Holders, OTP Holders or OTP Firms do not engage in the type of business that would require registration with the Exchange: Investment Banking Principal, Research Principal, Government Securities Principal, Investment Company and Variable Contracts Products Principal, Direct Participation Programs Principal, Private Securities Offerings Principal, Supervisory Analyst, Operations Professional, Investment Banking Representative, Research Analyst, Investment Company and Variable Contracts Products Representative, Direct Participation Programs Representative, and Private Securities Offering Representative. The Exchange is also not adopting the following categories because the FINRA Filing eliminated them: Order Processing Assistant Representative, United Kingdom Securities Representative, Canadian Securities Representative, Options Representative, Corporate Securities Representative and Government Securities Representative.

[38] The proposed rule is substantially similar to FINRA Rule 1220(a)(2).

[39] The proposed rule is substantially similar to FINRA Rule 1220(a)(3).

Securities Principal within two years prior to October 1, 2018 would be qualified to register as Compliance Officers without having to take any additional examinations. In addition, subject to the lapse of registration provisions in proposed Rule 2.1210, Commentary .07, individuals registered as Compliance Officials in the CRD system on October 1, 2018 and individuals who were registered as such within two years prior to October 1, 2018 would also be qualified to register as Compliance Officers without having to take any additional examinations; [sic]

- All other individuals registering as Compliance Officers after October 1, 2018 would have to: (1) Satisfy the General Securities Representative prerequisite registration and pass the General Securities Principal qualification examination; or (2) pass the Compliance Official qualification examination.
- An individual designated as a CCO on Schedule A of Form BD of an ETP Holder, OTP Holder or OTP Firm that is engaged in limited investment banking or securities business may be registered in a principal category under proposed Rule 2.1220(a) that corresponds to the limited scope of the ETP Holder's, OTP Holder's or OTP Firm's business.

4. Proposed Rule 2.1220(a)(4)—Financial and Operation Principal and Introducing Broker-Dealer Financial and Operations Principal [40]

Proposed Rule 2.1220(a)(4) provides that each principal who is responsible for the financial and operational management of an ETP Holder, OTP Holder or OTP Firm that has a minimum net capital requirement of $250,000 under SEA Rules 15c3–1(a)(1)(ii) and 15c3–1(a)(2)(i), or an ETP Holder, OTP Holder or OTP Firm that has a minimum net capital requirement of $150,000 under SEA Rule 15c3–1(a)(8) must be designated as a Financial and Operations Principal. In addition, proposed Rule 2.1220(a)(4) provides that a principal who is responsible for the financial and operational management of an ETP Holder, OTP Holder or OTP Firm that is subject to the net capital requirements of SEA Rule 15c3–1, other than an ETP Holder, OTP Holder or OTP Firm that is subject to the net capital requirements of SEA Rules 15c3–1(a)(1)(ii), (a)(2)(i) or (a)(8), must be designated and registered as either a Financial and Operations Principal or an Introducing Broker-Dealer Financial and Operations Principal. Financial and Operations Principals and Introducing Broker-Dealer Financial and Operation Principals are not subject to a prerequisite representative registration, but they must pass the Financial and Operations Principal or Introducing Broker-Dealer Financial and Operations Principal examination, as applicable.

Additionally, proposed Rule 2.1220(a)(4)(B) requires an ETP Holder, OTP Holder or OTP Firm to designate a Principal Financial Officer with primary responsibility for the day-to-day operations of the business, including overseeing the receipt and delivery of securities and funds, safeguarding customer and firm assets, calculation and collection of margin from customers and processing dividend receivable and payables and reorganization redemptions and those books and records related to such activities. Further, the proposed rule requires that a firm's Principal Financial Officer and Principal Operations Officer qualify and register as Financial and Operations Principals or Introducing Broker-Dealer Financial and Operations Principals, as applicable.

Because the financial and operational activities of ETP Holders, OTP Holders or OTP Firms that neither self-clear nor provide clearing services are more limited, such ETP Holders, OTP Holders or OTP Firms may designate the same person as the Principal Financial Officer, Principal Operations Officer and Financial and Operations Principal or Introducing Broker-Dealer Financial and Operations Principal (that is, such ETP Holders, OTP Holders or OTP Firms are not required to designate different persons to function in these capacities).

Given the level of financial and operational responsibility at clearing and self-clearing members, the Exchange believes that it is necessary for such ETP Holders, OTP Holders or OTP Firms to designate separate persons to function as Principal Financial Officer and Principal Operations Officer. Such persons may also carry out the other responsibilities of a Financial and Operations Principal, such as supervision of individuals engaged in financial and operational activities. In addition, the proposed rule provides that a clearing or self-clearing ETP Holder, OTP Holder or OTP Firm that is limited in size and resources may request a waiver of the requirement to designate separate persons to function as Principal Financial Officer and Principal Operations Officer.

5. Proposed Rule 2.1220(a)(5)—Securities Trader Principal [41]

Proposed Rule 2.1220(a)(5) requires that a principal responsible for supervising the securities trading activities specified in proposed Rule 2.1220(b)(3) register as a Securities Trader Principal. The proposed rule requires that individuals registering as Securities Trader Principals must be registered as Securities Traders and pass the General Securities Principal qualification examination.

6. Proposed Rule 2.1220(a)(6)—General Securities Sales Supervisor [42]

Proposed Rule 2.1220(a)(6) provides that a principal may register with the Exchange as a General Securities Sales Supervisor if his or her supervisory responsibilities in the investment banking or securities business of an ETP Holder, OTP Holder or OTP Firm are limited to the securities sales activities of the ETP Holder, OTP Holder or OTP Firm, including the approval of customer accounts, training of sales and sales supervisory personnel and the maintenance of records of original entry or ledger accounts of the ETP Holder, OTP Holder or OTP Firm required to be maintained in branch offices by Exchange Act record-keeping rules.

A person registering as a General Securities Sales Supervisor must satisfy the General Securities Representative prerequisite registration and pass the General Securities Sales Supervisor examinations.[43] Moreover, a General Securities Sales Supervisor is precluded from performing any of the following activities: (1) Supervision of the origination and structuring of underwritings; (2) supervision of market-making commitments; (3) supervision of the custody of firm or customer funds or securities for purposes of SEA Rule 15c3–3; or (4) supervision of overall compliance with financial responsibility rules.

7. Proposed Rule 2.1220(a)(7)—Registered Options Principal [44]

Proposed Rule 2.1220(a)(7) provides that each OTP Holder or OTP Firm engaged in options transactions with the public have at least one Registered Options Principal. The proposed rule further requires that a principal responsible for supervising an OTP

[40] The proposed rule is substantially similar to FINRA Rule 1220(a)(4).

[41] The proposed rule is substantially similar to FINRA Rule 1220(a)(7).

[42] The proposed rule is substantially similar to FINRA Rule 1220(a)(10).

[43] An individual may also register as a General Securities Sales Supervisor by passing a combination of other principal-level examinations.

[44] The proposed rule is substantially similar to FINRA Rule 1220(a)(8).

Holder or OTP Firm's options sales practices with the public, including a person designated pursuant to Rule 11.18(b)(2) register with the Exchange as a Registered Options Principal, unless such principal's options activities are limited solely to those activities that may be supervised by a General Securities Sales Supervisor, in which case, such person may register as a General Securities Sales Supervisor in lieu of registering as a Registered Options Principal.

Proposed Rule 2.1220(a)(7)(B) further provides that, subject to the lapse of registration provisions in proposed Rule 2.1210, Commentary .07, each person registered with the Exchange as a Registered Options Principal on October 1, 2018 and each person who was registered with the Exchange as a Registered Options Principal within two years prior to October 1, 2018 would be qualified to register as a Registered Options Principal without having to pass any additional qualification examinations. The proposed rule further provides that all other individuals registering as Registered Options Principals after October 1, 2018 shall, prior to or concurrent with such registration, become registered as a General Securities Representative and pass the Registered Options Principal qualification examination.

8. Proposed Rule 2.1220(b)(1)—Representative [45]

Proposed Rule 2.1220(b)(1) defines a representative as any person associated with an ETP Holder, OTP Holder or OTP Firm, including assistant officers other than principals, who is engaged in the ETP Holder's, OTP Holder's or OTP Firm's investment banking or securities business, such as supervision, solicitation, conduct of business in securities or the training of persons associated with an ETP Holder, OTP Holder or OTP Firm for any of these functions.

9. Proposed Rule 2.1220(b)(2)—General Securities Representative [46]

Proposed Rule 2.1220(b)(2)(A) states that each representative as defined in proposed Rule 2.1220(b)(1) is required to register with the Exchange as a General Securities Representative, subject to the following exceptions. The proposed rule provides that if a representative's activities include the function of a Securities Trader, then the representative must appropriately register in that category.

The proposed rule further provides that, subject to the lapse of registration provisions in proposed Rule 2.1210, Commentary .07, each person registered with the Exchange as a General Securities Representative on October 1, 2018 and each person who was registered with the Exchange as a General Securities Representative within two years prior to October 1, 2018 would be qualified to register as a General Securities Representative without having to take any additional qualification examinations. Additionally, the proposed rule would require that individuals registering as General Securities Representatives after October 1, 2018 shall, prior to or concurrent with such registration, pass the SIE and the General Securities Representative examination.

10. Proposed Rule 2.1220(b)(3)—Securities Trader [47]

Proposed Rule 2.1220(b)(3) provides that each representative as defined in proposed Rule 2.1220(b)(1) is required to register as a Securities Trader if, with respect to transactions in equity (including equity options), preferred or convertible debt securities, such person is engaged in proprietary trading, the execution of transactions on an agency basis, or the direct supervision of such activities. The proposed rule provides an exception from the registration requirement for any associated person of an ETP Holder, OTP Holder or OTP Firm whose trading activities are conducted primarily on behalf of an investment company that is registered with the SEC pursuant to the Investment Company Act and that controls, is controlled by, or is under common control with an ETP Holder, OTP Holder or OTP Firm. The Exchange proposes to adopt FINRA's definition of Securities Trader in proposed Rule 2.1220(b)(3) in order to align the text of the rule to that adopted by FINRA and other exchanges.[48]

The proposed rule also requires that associated persons primarily responsible for the design, development or significant modification of algorithmic trading strategies (or responsible for the day-to-day supervision or direction of such activities) register as Securities Traders. Individuals registering as Securities Traders must pass the SIE and the Securities Trader examination.

Finally, the proposed rule provides that, subject to the lapse of registration provisions in proposed Rule 2.1210, Commentary .07, each person registered with the Exchange as a Securities Trader on October 1, 2018 and each person who was registered with the Exchange as a Securities Trader within two years prior to October 1, 2018 would be qualified to register as a Securities Trader without having to take any additional qualification examinations. Additionally, the proposed rule would require that individuals registering as Securities Traders after October 1, 2018 shall, prior to or concurrent with such registration, pass the SIE and the Securities Trader qualification examination.

11. Proposed Rule 2.1220, Commentary .01—Foreign Registrations [49]

Proposed Rule 2.1220, Commentary .01, states that individuals who are in good standing as representatives with the Financial Conduct Authority in the United Kingdom or with a Canadian stock exchange or securities regulator would be exempt from the requirement to pass the SIE, and thus would be required only to pass a specialized knowledge examination to register with the Exchange as a representative. The proposed approach would provide individuals with a United Kingdom or Canadian qualification more flexibility to obtain a representative-level registration. Additionally, proposed Rule 2.1220, Commentary .01, provides that, subject to the lapse of registration provisions in Rule 2.1210, Commentary .07, each person who is registered with the Exchange as a United Kingdom Securities Representative or a Canada Securities Representative on October 1, 2018 and each person who was registered with the Exchange in such categories within two years prior to October 1, 2018 would be eligible to maintain such registrations with the Exchange. However, if persons registered in such categories subsequently terminate such registration(s) with the Exchange and the registration remains terminated for two or more years, they would not be eligible to re-register in such categories.

12. Proposed Rule 2.1220, Commentary .02—Additional Qualification Requirements for Persons Engaged in Security Futures [50]

Proposed Rule 2.1220, Commentary .02, states that each person who is

[45] The proposed rule is substantially similar to FINRA Rule 1220(b)(1).

[46] The proposed rule is substantially similar to FINRA Rule 1220(b)(2).

[47] The proposed rule is substantially similar to FINRA Rule 1220(b)(4).

[48] *See e.g.,* MIAX International Stock Exchange, LLC Rule 203(d).

[49] The proposed rule is substantially similar to FINRA Rule 1220.01 and 1220.06.

[50] The proposed rule is substantially similar to FINRA Rule 1220.02.

registered with the Exchange as a General Securities Representative, United Kingdom Securities Representative, Canada Securities Representative, Options Representative, Registered Options Principal or General Securities Sales Supervisor shall be eligible to engage in security futures activities as a representative or principal, as applicable, provided that such individual completes a Firm Element program as set forth in Rule 2.23(d)(2) for ETP Holders and in Rule 2.24(d)(2) for OTP Holders or OTP Firms that addresses security futures products before such person engages in security futures activities.

13. Proposed Rule 2.1220, Commentary .03—Scope of General Securities Sales Supervisor Registration Category [51]

Proposed Rule 2.1220, Commentary .03, explains the purpose of the General Securities Sales Supervisor registration category. The General Securities Sales Supervisor category is an alternate category of registration designed to lessen the qualification burdens on principals of general securities firms who supervise sales. Without this category of limited registration, such principals would be required to separately qualify pursuant to the rules of FINRA, the MSRB, the NYSE and the options exchanges. While persons may continue to separately qualify with all relevant self-regulatory organizations, the General Securities Sales Supervisor examination permits qualification as a supervisor of sales of all securities through one registration category. Persons registered as General Securities Sales Supervisors may also qualify in any other category of principal registration. Persons who are already qualified in one or more categories of principal registration may supervise sales activities of all securities by also qualifying as General Securities Sales Supervisors.

The proposed rule further provides that any person required to be registered as a principal who supervises sales activities in corporate, municipal and option securities, investment company products, variable contracts, and security futures (subject to the requirements of Rule 2.1220, Commentary .02) may be registered solely as a General Securities Sales Supervisor. In addition to branch office managers, other persons such as regional and national sales managers may also be registered solely as General Securities Sales Supervisors as long as they supervise only sales activities.

14. Proposed Rule 2.1220, Commentary .04—OTP Holders and OTP Firms With One Registered Options Principal [52]

Proposed Rule 2.1220, Commentary .03, requires that an OTP Holder or OTP Firm that have one Registered Options Principal promptly notify the Exchange and agree to specified conditions if such person is terminated, resigns, becomes incapacitated or is otherwise unable to perform his or her duties.

F. Proposed New Rule 2.1230—Associated Persons Exempt From Registration [53]

Proposed Rule 2.1230 provides an exemption from registration with the Exchange for certain associated persons. Specifically, the proposed rule provides that persons associated with an ETP Holder, OTP Holder or OTP Firm whose functions are solely and exclusively clerical or ministerial would be exempt from registration.[54]

1. Proposed Rule 2.1230, Commentary .01—Registration Requirements for Associated Persons Who Accept Customer Orders [55]

Proposed Rule 2.1230, Commentary .01, clarifies that the function of accepting customer orders is not considered clerical or ministerial and that associated persons who accept customer orders under any circumstances are required to be appropriately registered. However, the proposed rule provides that an associated person is not accepting a customer order where occasionally, when an appropriately registered person is unavailable, the associated person transcribes the order details and the registered person contacts the customer to confirm the order details before entering the order.

2. Statutory Basis

The proposed rule change is consistent with Section 6(b) of the Securities Exchange Act of 1934 (the ''Act''),[56] in general, and furthers the objectives of Section 6(b)(5),[57] 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 rule change will streamline, and bring consistency and uniformity to, the registration rules, which will, in turn, assist ETP Holders, OTP Holders or OTP Firms and their associated persons in complying with these rules and improve regulatory efficiency. The proposed rule change will also improve the efficiency of the examination program, without compromising the qualification standards. In addition, the proposed rule change will expand the scope of permissive registrations, which, among other things, will allow ETP Holders, OTP Holders or OTP Firms to develop a depth of associated persons with registrations to respond to unanticipated personnel changes and will encourage greater regulatory understanding. Further, the proposed rule change will provide a more streamlined and effective waiver process for individuals working for a financial services industry affiliate of an ETP Holder, OTP Holder or OTP Firm, and it will require such individuals to maintain specified levels of competence and knowledge while working in areas ancillary to the investment banking and securities business.

Finally, the Exchange believes that, with the introduction of the SIE and expansion of the pool of individuals who are eligible to take the SIE, the proposed rule change has the potential of enhancing the pool of prospective securities industry professionals by introducing them to securities laws, rules and regulations and appropriate conduct before they join the industry in a registered capacity.

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

[51] The proposed rule is substantially similar to FINRA Rule 1220.04.

[52] The proposed rule is substantially similar to FINRA Rule 1220.03.

[53] The proposed rule is substantially similar to FINRA Rule 1230.

[54] FINRA Rule 1230 provides an exemption from registration with FINRA to persons associated with a FINRA member whose functions are solely and exclusively clerical or ministerial and persons associated with a FINRA member whose functions are related solely and exclusively to (i) effecting transactions on the floor of a national securities exchange and who are appropriately registered with such exchange; (ii) effecting transactions in municipal securities; (iii) effecting transactions in commodities; or (iv) effecting transactions in security futures, provided that any such person is registered with a registered futures association. ETP Holders, OTP Holder or OTP Firms do not solely and exclusively engage in any of the foregoing transactions and therefore the Exchange is not adopting that portion of FINRA Rule 1230.

[55] The proposed rule is substantially similar to FINRA Rule 1230.01.

[56] 15 U.S.C. 78f(b).

[57] 15 U.S.C. 78f(b)(5).

necessary or appropriate in furtherance of the purposes of the Act. The proposed amendments are intended to promote transparency in the Exchange's rules, and consistency with the rules of other SROs with respect to the examination, qualification, and continuing education requirements applicable to ETP Holders, OTP Holders or OTP Firms and their registered personnel. The Exchange believes that in that regard that any burden on competition would be clearly outweighed by the important regulatory goal of ensuring clear and consistent requirements applicable across SROs, avoiding duplication, and mitigating any risk of SROs implementing different standards in these important areas.

Further, the Exchange does not believe that the proposed amendments will affect competition among securities markets since all SROs are expected to adopt similar rules with uniform standards for qualification, registration and continuing education requirements.

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. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Because the foregoing proposed rule change does not: (i) Significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A) of the Act[58] and Rule 19b–4(f)(6) thereunder.

A proposed rule change filed under Rule 19b–4(f)(6) normally does not become operative for 30 days from the date of filing. However, Rule 19b–4(f)(6)(iii)[59] permits the Commission to designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange has asked the Commission to waive the 30-day operative delay so that the proposal may become operative on October 1, 2018 to coincide with the effective date of FINRA's proposed rule change on which the proposal is based.[60] The waiver of the operative delay would make the Exchange's qualification requirements consistent with those of FINRA, as of October 1, 2018. Therefore, the Commission believes that the waiver of the 30-day operative delay is consistent with the protection of investors and the public interest and hereby waives the 30-day operative delay and designates the proposal operative on October 1, 2018.[61]

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's internet comment form (*http://www.sec.gov/rules/sro.shtml*); or
- Send an email to *rule-comments@sec.gov.* Please include File Number SR–NYSEARCA–2018–71 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–2018–71. 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–2018–71 and should be submitted on or before November 6,2018.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[62]

Eduardo A. Aleman,

Assistant Secretary.

[FR Doc. 2018–22430 Filed 10–15–18; 8:45 am]

BILLING CODE 8011–01–P

[58] 15 U.S.C. 78s(b)(3)(A).

[59] 17 CFR 240.19b–4(f)(6)(iii).

[60] *See supra* note 5.

[61] For purposes only of waiving the 30-day operative delay, the Commission has also considered the proposed rule's impact on efficiency, competition, and capital formation. *See* 15 U.S.C. 78c(f).

[62] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–84391; File No. SR–BOX–2018–34]

Self-Regulatory Organizations; BOX Exchange LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend the Fee Schedule on the BOX Options Market LLC (''BOX'') Facility To Adopt a New Rebate for Certain Manual Transactions Initiated From the Trading Floor

October 10, 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 September 27, 2018, BOX Exchange LLC (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 filed the proposed rule change pursuant to Section 19(b)(3)(A)(ii) of the Act,[3] and Rule 19b–4(f)(2) thereunder,[4] which renders the proposal effective upon filing with the Commission. The Commission is publishing this notice to

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] 15 U.S.C. 78s(b)(3)(A)(ii).

[4] 17 CFR 240.19b–4(f)(2).

solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of the Substance of the Proposed Rule Change

The Exchange is filing with the Securities and Exchange Commission (''Commission'') a proposed rule change to amend the Fee Schedule to amend the Fee Schedule on the BOX Options Market LLC (''BOX'') facility. While changes to the fee schedule pursuant to this proposal will be effective upon filing, the changes will become operative on October 1, 2018. The text of the proposed rule change is available from the principal office of the Exchange, at the Commission's Public Reference Room and also on the Exchange's internet website at *http://boxexchange.com.*

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 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 Exchange proposes to amend the Fee Schedule for trading on BOX to adopt a new rebate for manual transactions initiated from the Trading Floor. Specifically, the Exchange proposes that on each trading day, Floor Brokers will be eligible to receive a $500 rebate for presenting certain Strategy QOO Orders on the Trading Floor.[5] The rebate will be applied once the current $1,000 Fee Cap for all reversal, conversion, jelly roll, and box spread strategies[6] is met.[7]

2. Statutory Basis

The Exchange believes that the proposal is consistent with the requirements of Section 6(b) of the Act, in general, and Section 6(b)(4) and 6(b)(5)of the Act,[8] in particular, in that it provides for the equitable allocation of reasonable dues, fees, and other charges among BOX Participants and other persons using its facilities and does not unfairly discriminate between customers, issuers, brokers or dealers.

The Exchange believes that the proposed Strategy QOO Order Rebate is reasonable, equitable and not unfairly discriminatory. The Exchange believes the proposed rebate is reasonable when compared to rebates assessed at another options exchange.[9] Further, the Exchange believes that offering the proposed rebate will allow Floor Brokers to price their services at a level that would enable them to attract this Strategy QOO order flow to the BOX Trading Floor. As such, the Exchange believes that the proposed rebate is reasonable.

The Exchange believes that the proposed rebate is equitable and not unfairly discriminatory as the rebate is available to all Floor Brokers. Further, the Exchange believes that applying the proposed rebate to Floor Brokers and not to Floor Market Makers is equitable and not unfairly discriminatory as Floor Market Makers only represent their own interest on the Trading Floor and therefore do not need a similar incentive. The Exchange believes that applying the rebate to Floor Brokers and not to the Floor Broker's customers is equitable and not unfairly discriminatory.[10] As discussed herein, Floor Brokers serve an important function in facilitating the execution of orders via open outcry for customers who do not have their own technology, systems and personnel to participate on the BOX Trading Floor. As such, the Exchange believes that offering the proposed rebate will allow Floor Brokers to price their services at a level that would enable them to attract Strategy QOO order flow from participants who would otherwise utilize other front-end order entry mechanisms offered by the Exchange's competitors instead of incurring the cost in time and resources to install and develop their own internal systems to deliver Strategy QOO orders directly to the Exchange's system.

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. The

[5] Eligibility to receive the $500 rebate relies on the Floor Broker's customer reaching the $1,000 Strategy Order Fee Cap each trading day.

[6] A ''reversal strategy'' is established by combining a short security position with a short put and a long call position that shares the same strike and expiration. A ''conversion strategy'' is established by combining a long position in the underlying security with a long put and a short call position that shares the same strike and expiration. A ''jelly roll strategy'' is created by entering into two separate positions simultaneously. One position involves buying a put and selling a call with the same strike price and expiration. The second position involves selling a put and buying a call, with the same strike price, but with a different expiration from the first position. A ''box spread strategy'' is a strategy that synthesizes long and short stock positions to create a profit. Specifically, a long call and short put at one strike is combined with a short call and long put at a different strike to create synthetic long and synthetic short stock positions, respectively.

[7] The $1,000 Fee Cap is applied to customer orders sent to a Floor Broker on the BOX Trading Floor. For example, when Customer A sends certain Strategy QOO Orders to Floor Broker 1 on the Trading Floor, Customer A's fees for these orders will be capped at $1,000 per day. If Customer A reaches the $1,000 Fee Cap, Floor Broker 1, who entered these orders on behalf of Customer A into the BOX system, will receive the $500 rebate. Customer B may also send certain Strategy QOO Orders to Floor Broker 1 for execution on the BOX Trading Floor. Customer B's fees for these orders will also be capped at $1,000 per day and Floor Broker 1, who entered these orders, will receive the $500 rebate if Customer B reaches the $1,000 daily Fee Cap.

[8] 15 U.S.C. 78f(b)(4) and (5).

[9] *See* Cboe Exchange Inc. (''Cboe'') Fee Schedule Footnote 25. At Cboe, Floor Brokers that execute an average of 15,000 customer and/or professional customer and voluntary professional open-outcry contracts per day over the course of a calendar month in certain underlying symbols will receive a rebate of $9,000 on the Floor Broker's Trading Permit Fees. The Exchange believes that the proposed rebate is similar as Floor Brokers on the BOX Trading Floor may only receive the proposed $500 rebate once its customer sends enough Strategy QOO volume to reach the $1,000 Fee Cap. For example, if Floor Broker 1 executes 4,000 Strategy QOO Order contracts per day for Customer A discussed above, Customer A will meet the $1,000 Fee Cap and Floor Broker 1 will receive the $500 rebate. If instead, Floor Broker 1 only executes 2,000 Strategy QOO Order contracts on behalf of Customer A, Customer A will not reach the $1,000 Fee Cap and Floor Broker 1 will not receive the $500 rebate. In other words, the rebate ultimately relies on Strategy QOO order volume submitted by Floor Brokers on the Trading Floor much like the rebate at Cboe discussed above. The Exchange notes that the proposed rebate will go directly to the Floor Broker and not offset their Floor Broker fees like the rebate at Cboe. The Exchange believes that this difference is minor, as the Floor Broker is receiving a rebate based on customer volume in both circumstances.

[10] The Exchange notes that it currently offers a rebate to Floor Brokers who present QOO Orders on the BOX Trading Floor on behalf of their customers. The Exchange believes that like the QOO Order Rebate, the proposed rebate is appropriate as the Floor Broker is offering a service to its customers in facilitating the execution of orders via open outcry. The Exchange notes that executions subject to the Strategy QOO Order Fee Cap, and therefore the proposed Strategy QOO Order Floor Broker rebate, are not eligible for the QOO Order Rebate.

Exchange notes that it operates in a highly competitive market in which market participants can readily favor competing venues if they deem rebate opportunities available at other venues to be more favorable. In such an environment, the Exchange must continually adjust its rebates to remain competitive with other exchanges. Because competitors are free to modify their own rebates in response, the Exchange believes that the degree to which rebate changes in this market may impose any burden on competition is limited. For the reasons discussed above, the Exchange believes that the proposed changes do not impose an undue burden on competition.

Further, the Exchange does not believe that offering a rebate to Floor Brokers will impose an undue burden on intra-market competition because all Floor Brokers are eligible to transact Strategy QOO Orders and receive a rebate. Further, as discussed above, the Exchange believes that applying the proposed rebate to Floor Brokers and not to Floor Market Makers is appropriate as Floor Market Makers only represent their own interest on the Trading Floor and therefore do not need a similar incentive. Lastly, the Exchange believes that the rebate will promote competition by allowing Floor Brokers to competitively price their services and for the Exchange to remain competitive with other exchanges with trading floors.

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.

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 Exchange Act [11] and Rule 19b–4(f)(2) thereunder,[12] because it establishes or changes a due, or fee.

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend the rule change if it appears to the Commission that the action is necessary or appropriate in the public interest, for the protection of investors, or would otherwise further 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–BOX–2018–34 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–BOX–2018–34. 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 such filing also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change. 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–BOX–2018–34, and should be submitted on or before November 6, 2018.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[13]

Eduardo A. Aleman,

Assistant Secretary.

[FR Doc. 2018–22424 Filed 10–15–18; 8:45 am]

BILLING CODE 8011–01–P

[11] 15 U.S.C. 78s(b)(3)(A)(ii).

[12] 17 CFR 240.19b–4(f)(2).

[13] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–84395; File No. SR–CBOE–2018–065]

Self-Regulatory Organizations; Cboe Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend Its Fees Schedule

October 10, 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 September 28, 2018, Cboe Exchange, Inc. (the ''Exchange'' or ''Cboe Options'') filed with the Securities and Exchange Commission (the ''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

Cboe Exchange, Inc. (the ''Exchange'' or ''Cboe Options'') proposes to amend its fees schedule. The text of the proposed rule change is also available on the Exchange's website (*http://www.cboe.com/AboutCBOE/CBOELegalRegulatoryHome.aspx*), at the Exchange's Office of the Secretary, and at the Commission's Public Reference Room.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

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 Exchange proposes to amend its Fees Schedule, effective October 1, 2018 to amend its fee incentive program for Lead Market-Makers (''LMM'') in VIX during Global Trading Hours (''GTH''). By way of background, pursuant to Footnote 38 of the Fees Schedule, if a LMM in VIX options during GTH (1) provides continuous electronic quotes in at least the lesser of 99% of the non-adjusted series or 100% of the non-adjusted series minus one call-put pair in an GTH allocated class (excluding intra-day add-on series on the day during which such series are added for trading) and (2) enters opening quotes within five minutes of the initiation of an opening rotation in any series that is not open due to the lack of a quote, provided that the LMM will not be required to enter opening quotes in more than the same percentage of series set forth in clause (1) for at least 90% of the trading days during GTH in a given month, the LMM will receive a rebate for that month in the amount of a pro-rata share of a compensation pool equal to $15,000 times the number of LMMs in that class [3] (or pro-rated if an appointment begins after the first trading day of the month or ends prior to the last trading day of the month). The Exchange proposes to amend Footnote 38 to increase the compensation pool for VIX LMMs to $20,000 per LMM. The Exchange also proposes to update the example of how the compensation pool works for the Fees Schedule. The Exchange notes that GTH LMMs are not obligated to satisfy the heightened quoting standards described in the Fees Schedule. Rather, the LMMs are eligible to receive a rebate if they satisfy the heightened standards, which the Exchange believes will encourage LMMs to provide liquidity during GTH. Additionally, the Exchange notes that LMMs may have to undertake other expenses to be able to quote at the heightened standard during GTH, such as purchase additional bandwidth.

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Securities Exchange Act of 1934 (the ''Act'') and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.[4] Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5) [5] requirements that the rules of an exchange be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest. Additionally, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5) [6] requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

In particular, the Exchange believes it is reasonable, equitable and not unfairly discriminatory to offer LMMs in VIX during GTH a rebate if they meet a certain heightened quoting standard (described above) to encourage LMMs in VIX to provide increased liquidity. More specifically, the Exchange believes the amount of the amended rebate ($20,000) is reasonable because it provides an increased rebate for meeting the heightened quoting standard and takes into consideration additional costs an LMM may incur. Particularly, the Exchange believes the proposed amount is such that it will incentivize an appointed LMM to meet the GTH quoting standards for VIX. The Exchange notes the proposed amount is also in line with incentives given to LMMs for other products.[7] Additionally, if a LMM does not satisfy the heightened quoting standard, then it will not receive the rebate. The Exchange believes it is equitable and not unfairly discriminatory to only offer the rebate to LMMs because it benefits all market participants in GTH to encourage LMMs to satisfy the heightened quoting standards, which may increase liquidity during those hours and provide more trading opportunities and tighter spreads.

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 Exchange does not believe that the proposed rule change will impose any burden on intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act, because the amended rebate is intended to encourage LMMs to bring liquidity in VIX during GTH, which benefits all market participants. Furthermore, the Exchange does not believe that the proposed rule changes will impose any burden on intermarket competition that is not necessary or appropriate in furtherance of the purposes of the Act because VIX is a proprietary product that will only be traded on Cboe Options. To the extent that the proposed changes make Cboe Options a more attractive marketplace for market participants at other exchanges, such market participants are welcome to become Cboe Options market participants.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

The Exchange neither solicited nor received comments on the proposed rule change.

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) of the Act [8] and paragraph (f) of Rule 19b–4 [9] thereunder. At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission will institute proceedings to determine whether the proposed rule change should be approved or disapproved.

[3] For example, if there is one LMM appointed in VIX, a compensation pool will be established each month totaling $20,000. If that LMM meets the heightened continuous quoting standard in VIX in a month, that LMM will receive $20,000. If there are two LMMs appointed in VIX, a compensation pool will be established each month totaling $40,000. If each LMM meets the heightened continuous quoting standard in VIX during a month, each will receive $20,000. If only one LMM meets the heightened continuous quoting standard in VIX during a month, that LMM would receive $40,000 and the other one would receive nothing.

[4] 15 U.S.C. 78f(b).

[5] 15 U.S.C. 78f(b)(5).

[6] *Id.*

[7] *See e.g.,* Cboe Options Fees Schedule, MSCI LMM Incentive Program.

[8] 15 U.S.C. 78s(b)(3)(A).

[9] 17 CFR 240.19b–4(f).

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–CBOE–2018–065 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–CBOE–2018–065. 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–CBOE–2018–065 and should be submitted on or before November 6, 2018.

[10] 17 CFR 200.30–3(a)(12).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[10]

Eduardo A. Aleman,

Assistant Secretary.

[FR Doc. 2018–22425 Filed 10–15–18; 8:45 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–84388; File No. SR–NYSEAMER–2018–46]

Self-Regulatory Organizations; NYSE American LLC; Notice of Filing and Immediate Effectiveness of Amendments to Rules Regarding Qualification, Registration and Continuing Education Applicable to Member Organizations, Equity Trading Permit Holders, and American Trading Permit Holders

October 10, 2018.

Pursuant to Section 19(b)(1) [1] of the Securities Exchange Act of 1934 (the ''Act'') [2] and Rule 19b–4 thereunder,[3] notice is hereby given that on September 27, 2018, NYSE American LLC (the ''Exchange'' or ''NYSE American'') filed with the Securities and Exchange Commission (the ''Commission'') the proposed rule change as described in Items I and II below, which Items have been prepared by the self-regulatory organization. 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 amendments to the Exchange's rules regarding qualification, registration and continuing education requirements applicable to member organizations, Equity Trading Permit (''ETP'') Holders, and American Trading Permit (''ATP'') Holders. The Exchange's rule proposal is intended to harmonize its rules with Financial Regulatory Authority, Inc. (''FINRA'') rules and thus promote consistency within the securities industry, and therefore the Exchange is only adopting rules that are relevant to the Exchange's members and member organization and ETP Holders. The Exchange is not adopting registration categories that are not applicable to members and member organizations and ETP Holders because they do not engage in the type of business that would require such registration. As such, the Exchange is amending current Rules 341 and 341A of the Office Rules and Rules 2.4E and 2.21E of the Equities Rules regarding continuing education requirements to reflect the FINRA rule; adopting Commentary .06 to current Rule 341A regarding fingerprint information; adopting new Rule 2.1210 regarding registration requirements and related Commentary to new Rule 2.1210; adopting new Rule 2.1220 regarding registration categories [4] and related Commentary to new Rule 2.1220; and adopting new Rule 2.1230 regarding associated persons exempt from registration and related Commentary to new Rule 2.1230. Each of these rule changes, which are [sic] described in more detail below, would become operative on October 1, 2018. The proposed rule change is available on the Exchange's website at *www.nyse.com,* at the principal office of the Exchange, and at the Commission's Public Reference Room.

[1] 15 U.S.C. 78s(b)(1).

[2] 15 U.S.C. 78a.

[3] 17 CFR 240.19b–4.

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 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 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 the Statutory Basis for, the Proposed Rule Change

1. Purpose

The Exchange proposes to amend its qualification, registration, and continuing education requirements applicable to members and member organizations and ETP Holders. The proposed amendments are intended to: (i) Provide transparency and clarity with respect to the Exchange's registration, qualification and examination

[4] The relevant principal registration categories the Exchange proposes to adopt are (1) Principal; (2) General Securities Principal; (3) Compliance Officer; (4) Financial and Operations Principal and Introducing Broker-Dealer Financial and Operations Principal; (5) Securities Trader Principal; (6) General Securities Sales Supervisor; and (7) Registered Options Principal. The relevant representative registration categories the Exchange proposes to adopt are (1) Representative; (2) General Securities Representative; and (3) Securities Trader.

requirements; (ii) amend its rules relating to categories of registration and respective qualification examinations required for member organizations and ETP Holders that engage in trading activities on the Exchange; (iii) harmonize the Exchange's qualification, registration and examination rules with those of FINRA [5] so as to promote uniform standards across the securities industry; and (iv) add new definitions of terms and make other conforming changes to enhance the comprehensiveness and clarity of the Exchange's rules.[6] The proposed changes are discussed below.

A. Amendments to Current Rule 341 of the Office Rules and Rule 2.4E of the Equities Rules [7]

Current Rule 341 of the Office Rules requires registration, qualification and approval by the Exchange of registered representatives, securities lending representatives, Securities Traders, and a direct supervisor. Commentary .01(c) of current Rule 341 provides the definition of a Securities Trader as any person engaged in the purchase or sale of securities or other similar instruments for the account of a member or member organization with which he is associated, as an employee or otherwise, and who does not transact any business with the public.

The Exchange proposes to adopt FINRA's definition of Securities Trader (as described below) and, therefore, proposes to add a reference to Rule 2.1220(b)(3) as the appropriate rule in the Exchange's Rulebook where the definition of Securities Trader can be found. The Exchange also proposes to adopt rule text within the current rule that provides that a person registered as a Securities Trader would not be qualified to function in any other registration category unless he or she is also qualified and registered in such other registration category.[8]

Current Commentary .01(d) of Rule 341 provides that a supervisor of registered representatives may satisfy the registration requirements under Commentary .01 by registering and qualifying as a General Securities Principal by passing the Series 7 and Series 24 examinations. Consistent with the proposed restructuring of the representative-level examination proposed in the FINRA Filing, the Exchange proposes to amend current Commentary .01(d) to require such persons to also complete the Securities Industry Essentials (''SIE'') examination.

Rule 2.4E of the Equities Rules currently requires traders of ETP Holders for which the Exchange is the Designated Examining Authority (''DEA'') to successfully complete the Series 7 Examination. The Exchange proposes to amend Rules 2.4E to require traders of ETP Holders for which the Exchange is the DEA to successfully complete the SIE examination in addition to the Series 7 Examination in order to satisfy the Exchange's registration requirement, consistent with the proposed restructuring of the representative-level examinations proposed in the FINRA Filing.

B. Amendments to Rule 341A of the Office Rules and Rule 2.21E—Continuing Education Requirements

Rule 341A of the Office Rules and Rule 2.21E provide the continuing education requirements of registered persons [9] of a member or member organization or ETP Holder, respectively, subsequent to their initial qualification and registration with the Exchange, and includes a Regulatory Element and a Firm Element. The Regulatory Element applies to registered persons and consists of periodic computer-based training on regulatory, compliance, ethical, supervisory subjects and sales practice standards. The Firm Element consists of at least an annual, member-developed and administered training programs designed to keep registered persons current regarding securities products, services and strategies offered by the member.

1. Regulatory Element

The Exchange proposes to amend Rules 341A(a) and 2.21E(d)(1) to provide, consistent with proposed Rule 2.1210, Commentary .08, that a waiver-eligible person would be subject to a Regulatory Element program that correlates to his or her most recent registration category, and that the content of the Regulatory Element would be based on the same cycle had the individual remain [sic] registered.[10] The proposed amendment to Rules 341A(a) and 2.21E(d)(1) also provides that if a waiver-eligible person fails to complete the Regulatory Element during the prescribed time frames, he or she would lose waiver eligibility.[11]

Further, the Exchange proposes to amend Rules 341A(a)(2) and 2.21E(d)(1)(B) to provide that any person whose registration has been deemed inactive under the rule may not accept or solicit business or receive any compensation for the purchase or sale of securities. The proposed amendment provides, however, that such person may receive trail or residual commissions resulting from transactions completed before the inactive status, unless the member organization or ETP Holder, respectively, with which the person is associated has a policy prohibiting such trail or residual commissions.[12]

Additionally, under Rules 341A(a)(3) and 2.21E(d)(1)(C), a registered person is required to retake the Regulatory Element in the event that such person (i) is subject to any statutory disqualification as defined in Section 3(a)(39) of the Exchange Act; (ii) is subject to suspension or to the imposition of a fine of $5,000 or more for violation of any provision of any securities law or regulation, or any agreement with or rule or standard of conduct of any securities governmental agency, securities self-regulatory organization, or as imposed by any such regulatory or self-regulatory organization in connection with a disciplinary proceeding; or (iii) is

[5] *See* Securities Exchange Act Release No. 81098 (July 7, 2017), 82 FR 32419 (July 13, 2017) (SR–FINRA–2017–007) (Approval Order) (the ''FINRA Filing''). The Exchange notes that in order to maintain consistency with the FINRA Filing, the Exchange proposes to incorporate certain terms from the relevant FINRA rule into the Exchange's rule that may not be applicable to all member organizations or ETP Holders. For example, while member organizations or ETP Holders may not be engaged in ''investment banking'' activity, the Exchange proposes to adopt that term within these registration rules to conform them to the FINRA rules.

[6] The conforming changes the Exchange proposes would substitute the term ''member organization,'' ''ETP Holder'' or ''ATP Holder'' as applicable for ''member'' and the term ''Exchange'' for ''FINRA.'' References to ''member organization'' as used in Exchange rules include ATP Holders, which are registered brokers or dealers approved to effect transactions on the Exchange's options marketplace. Under the Exchange's rules, an ATP Holder has the status as a ''member'' of the Exchange as that term is defined in Section 3 of the Act. *See* Rule 900.2NY(4) & (5).

[7] The registration requirements set forth in the Office Rules are applicable to the NYSE Amex options market. The registration requirements for the NYSE equities market are set forth in the Equities Rules.

[8] The Exchange proposes the same changes to Commentary .03 of current Rule 2.21E, which provides the definition of a Securities Trader.

[9] For purposes of Rule 341A, the term ''registered person'' means any member, allied member, registered representative or other person registered or required to be registered under Exchange rules, but does not include any such person whose activities are limited solely to the transaction of business on the Floor with members or registered broker-dealers. *See* Rule 341A, Commentary .01. For purposes of Rule 2.21E, the term ''registered person'' means any ETP Holder, Allied Person thereof, registered representative or other person registered or required to be registered under the Rules of the Exchange. *See* Rule 2.21E, Commentary .01.

[10] The proposed change is substantially similar to that contained in FINRA Rule 1240(a)(1).

[11] The proposed change is substantially similar to that contained in FINRA Rule 1240(a)(2).

[12] The proposed change is substantially similar to that contained in FINRA Rule 1240(a)(2).

ordered as a sanction in a disciplinary action to retake the Regulatory Element by any securities governmental agency or self-regulatory organization. The Exchange proposes to amend Rules 341A(a)(3) and 2.21E(d)(1)(C) to provide an exception to a waiver-eligible person from retaking the Regulatory Element and satisfy [sic] all of its requirements.[13]

2. Firm Element

Current Rules 341A(b)(2)(ii) and 2.21E(d)(2)(B) provides that programs used to implement a training program must be appropriate for the business of the member or member organization or ETP Holder and, at a minimum must cover specific matters concerning securities products, services, and strategies offered by the member organization or ETP Holder. Current Rules 341A(b)(2)(ii) and 2.21E(d)(2)(B) also provides that programs used to implement a member organization's or ETP Holder's training program must be appropriate for the business of the member organization or ETP Holder and, at a minimum must cover specific matters concerning securities products, services, and strategies offered by the member organization or ETP Holder. The Exchange proposes to amend both Rules 341A(b)(2)(ii) and 2.21E(d)(2)(B) to expand the minimum standard for such training programs by requiring that, at a minimum, a firm's training program must also cover training in ethics and professional responsibility.[14]

C. Additional Amendments to Current Rule 2.21E

Rule 2.21E(b)(iii) provides that employees of ETP Holders seeking limited registration as Securities Traders must pass the Series 57 examination. Given the formulation of the SIE examination which all potential representative-level registrants would be required to pass, the Exchange proposes to amend the current rule to require that a Securities Trader must register as such on Web CRD and must pass both the SIE examination and the Series 57 examination. The Exchange proposes the same change for Rule 2.4E, Commentary 03. Finally, Rule 2.2E(c) provides that the Exchange may exempt an individual from the examination requirements if such individual has successfully completed comparable examinations such as the Series 7 Examination. Consistent with the proposed restructuring of the representative-level examinations proposed in the FINRA Filing, the Exchange proposes to add ''and the Securities Industry Essentials Examination'' after the reference to the Series 7 Examination.

D. Proposed New Commentary .05 to Rule 341A [15]

The Exchange proposes to adopt a new Commentary .05 to Rule 341A regarding the submission of fingerprint information by member organizations or ETP Holders, respectively.[16]

As proposed, upon filing an electronic Form U4 on behalf of a person applying for registration, a member organization or ETP Holder, as applicable, would be required to promptly submit fingerprint information for that person. If the member organization or ETP Holder, as applicable, fails to submit the fingerprint information within 30 days after the Exchange receives the electronic Form U4, the person's registration shall be deemed inactive and the person would be required to immediately cease all activities requiring registration and would be prohibited from performing any duties and functioning in any capacity requiring registration. The proposed rule further provides allows [sic] the Exchange to administratively terminate a registration that is inactive for a period of two years. However, a person whose registration is administratively terminated may seek to reactivate his or her registration by reapplying for registration and meeting the qualification requirements under Exchange rules.

E. Proposed New Rules 2.1210 Through 2.1230

As a general matter, FINRA administers qualification examinations that are designed to establish that persons associated with member organizations and ETP Holders have attained specified levels of competence and knowledge. Over time, the examination program has increased in complexity to address the introduction of new products and functions, and related regulatory concerns and requirements. As a result, today, there are a large number of examinations, considerable content overlap across the representative-level examinations and requirements for individuals in various segments of the industry to pass multiple examinations. To address these issues, FINRA formulated the SIE as a general knowledge examination that all potential representative-level registrants would take.[17]

The Exchange proposes to create a new Section 4A titled ''Registration'' in its Office Rules to contain proposed Rules 2.1210 through 2.1230. Each proposed rule is discussed below.

1. Proposed Rule 2.1210—Registration Requirements [18]

Proposed Rule 2.1210 provides that each person engaged in the investment banking or securities business of a member organization or ETP Holder must register with the Exchange as a representative or principal in each category of registration appropriate to his or her functions and responsibilities as specified in proposed Rule 2.1220, unless exempt from registration pursuant to proposed Rule 2.1230. Proposed Rule 2.1210 also provides that such person is not qualified to function in any registered capacity other than that for which the person is registered, unless otherwise stated in the rules.

2. Proposed Rule 2.1210, Commentary .01—Permissive Registrations [19]

The Exchange currently does not have a specific rule that provides for permissive registrations. With this proposed rule change, and to conform its rules to the FINRA rules, the Exchange proposes to adopt a specific rule regarding permissive registrations. Proposed Rule 2.1210, Commentary .01, allows any associated person to obtain and maintain any registration permitted by a member organization or ETP Holder. For instance, an associated person of an ETP Holder working solely in a clerical or ministerial capacity, such as in an administrative capacity, would be able to obtain and maintain a General Securities Representative registration with the ETP Holder. As another example, an associated person

[13] The proposed change is substantially similar to that contained in FINRA Rule 1240(a)(3).

[14] The proposed change is substantially similar to that contained in FINRA Rule 1240(b)(2).

[15] The proposed rule is substantially similar to FINRA Rule 1010(d).

[16] Given its placement in the General Rules, the proposed fingerprinting requirements would apply to both the Exchange's options and equities marketplace. As noted, the term member organization includes ATP Holders.

[17] The SIE would assess basic product knowledge; the structure and function of the securities industry markets, regulatory agencies and their functions; and regulated and prohibited practices. In particular, the SIE will cover four major areas. The first, ''Knowledge of Capital Markets,'' focuses on topics such as types of markets and offerings, broker-dealers and depositories, and economic cycles. The second, ''Understanding Products and Their Risks,'' covers securities products at a high level as well as associated investment risks. The third, ''Understanding Trading, Customer Accounts and Prohibited Activities,'' focuses on accounts, orders, settlement and prohibited activities. The final area, ''Overview of the Regulatory Framework,'' encompasses topics such as SROs, registration requirements and specified conduct rules.

[18] The proposed rule is substantially similar to FINRA Rule 1210.

[19] The proposed rule is substantially similar to FINRA Rule 1210.02.

of an ETP Holder who is registered and functioning solely as a General Securities Representative would be able to obtain and maintain a General Securities Principal registration with the ETP Holder. Proposed Rule 2.1210, Commentary .01, would further allow an individual engaged in the securities business of a foreign securities affiliate or subsidiary of an ETP Holder to obtain and maintain any registration permitted by the ETP Holder.

The Exchange is proposing to permit the registration of such individuals for several reasons. First, a member organization or ETP Holder may foresee a need to move a former representative or principal who has not been registered for two or more years back into a position that would require such person to be registered. Currently, such persons are required to requalify (or obtain a waiver of the applicable qualification examinations) and reapply for registration. Second, the proposed rule change would allow a member organization or ETP Holder to develop a depth of associated persons with registrations in the event of unanticipated personnel changes. Finally, allowing registration in additional categories encourages greater regulatory understanding.

Individuals maintaining a permissive registration under the proposed rule change would be considered registered persons and subject to all Exchange rules, to the extent relevant to their activities. Additionally, consistent with the requirements of the Exchange's supervision rules, as proposed, a member organization or ETP Holder would be required to have adequate supervisory systems and procedures reasonably designed to ensure that individuals with permissive registrations do not act outside the scope of their assigned functions. With respect to an individual who solely maintains a permissive registration, such as an individual working exclusively in an administrative capacity, the individual's day-to-day supervisor may be a non-registered person. However, for purposes of compliance with the Exchange's supervision rules, a member organization or ETP Holder would be required to assign a registered supervisor who would be responsible for periodically contacting such individual's day-to-day supervisor to verify that the individual is not acting outside the scope of his or her assigned functions. If such individual is permissively registered as a representative, the registered supervisor must be registered as a representative or principal. If the individual is permissively registered as a principal, the registered supervisor must be registered as a principal.[20]

3. Proposed Rule 2.1210, Commentary .02—Qualification Examinations and Waivers of Examinations [21]

Proposed Rule 2.1210, Commentary .02, provides that before the registration of a person as a representative can become effective under proposed Rule 2.1210, such person must pass the SIE and an appropriate representative-level qualification examination as specified in proposed Rule 2.1220.[22] Proposed Rule 2.1210, Commentary .02, also provides that before the registration of a person as a principal can become effective under proposed Rule 2.1210, such person must pass an appropriate principal-level qualification examination as specified in proposed Rule 2.1220.

Further, proposed Rule 2.1210, Commentary .02, provides that if a registered person's job functions change and he or she needs to become registered in another representative-level category, he or she would not need to pass the SIE again. Rather, the registered person would need to pass only the appropriate representative-level qualification examination.

Moreover, proposed Rule 2.1210, Commentary .02, provides that all associated persons, such as associated persons whose functions are solely and exclusively clerical or ministerial, are eligible to take the SIE. Proposed Rule 2.1210, Commentary .02, also provides that individuals who are not associated persons of firms, such as members of the general public, are eligible to take the SIE. The Exchange believes that expanding the pool of individuals who are eligible to take the SIE would enable prospective securities industry professionals to demonstrate to prospective employers a basic level of knowledge prior to submitting a job application. Further, this approach would allow for more flexibility and career mobility within the securities industry. While all associated persons of firms as well as individuals who are not associated persons would be eligible to take the SIE pursuant to the proposed rule, passing the SIE alone would not qualify them for registration with the Exchange. Rather, to be eligible for registration with the Exchange, an individual must pass an applicable representative or principal qualification examination and complete the other requirements of the registration process.

Proposed Rule 2.1210, Commentary .02, also provides that the Exchange may, in exceptional cases and where good cause is shown, pursuant to the Rule 9600 Series, waive the applicable qualification examination(s) and accept other standards as evidence of an applicant's qualifications for registration. The proposed rule further provides that the Exchange will only consider examination waiver requests submitted by a member organization or ETP Holder for individuals associated with the a member organization or ETP Holder who are seeking registration in a representative- or principal-level registration category. Moreover, the proposed rule states that the Exchange will consider waivers of the SIE alone or the SIE and the representative- and principal-level examination(s) for such individuals. The Exchange would not consider a waiver of the SIE for non-associated persons or for associated persons who are not registering as representatives or principals.

4. Persons Functioning as Principals for a Limited Period [23] Proposed Rule 2.1210, Commentary .03—Requirements for Registered

Proposed Rule 2.1210, Commentary .03, provides that a member organization or ETP Holder may designate any person currently registered, or who becomes registered, with the member organization or ETP Holder as a representative to function as a principal for a limited period, provided that such person has at least 18 months of experience functioning as a registered representative with [sic] the five-year period immediately preceding the designation. The proposed rule is intended to ensure that representatives designated to function as principals for the limited period under the proposal have an appropriate level of registered representative experience. The proposed rule clarifies that the requirements of the rule apply to designations to any principal category, including those categories that are not subject to a prerequisite representative-level registration requirement, such as the Financial and Operations Principal registration category.[24]

[20] In either case, the registered supervisor of an individual who solely maintains a permissive registration would not be required to be registered in the same representative or principal registration category as the permissively-registered individual.

[21] The proposed rule is substantially similar to FINRA Rule 1210.03.

[22] Proposed Rule 2.1220 sets forth each registration category and applicable qualification examination on the Exchange.

[23] The proposed rule is substantially similar to FINRA Rule 1210.04.

[24] The Exchange notes that qualifying as a registered representative is a prerequisite to qualifying as a principal except with respect to the following principal-level registrations: (1)

The proposed rule also clarifies that the individual must fulfill all applicable prerequisite registration, fee and examination requirements before his or her designation as a principal. Further, the proposed rule provides that in no event may such person function as a principal beyond the initial 120 calendar days without having successfully passed an appropriate principal qualification examination. The proposed rule also provides an exception to the experience requirement for principals who are designated by a member organization or ETP Holder to function in other principal categories for a limited period. Specifically, the proposed rule states that a member organization or ETP Holder may designate any person currently registered, or who becomes registered, with the ETP Holder as a principal to function in another principal category for 120 calendar days before passing any applicable examinations.

5. Proposed Rule 2.1210, Commentary .04—Rules of Conduct for Taking Examinations and Confidentiality of Examinations [25]

Proposed Rule 2.1210, Commentary .04 states that associated persons taking the SIE would be subject to the SIE Rules of Conduct, and associated persons taking a representative or principal examination would be subject to the Rules of Conduct for representative and principal examinations. Pursuant to proposed Rule 2.1210, Commentary .04, a violation of the SIE Rules of Conduct or the Rules of Conduct for representative and principal examinations by an associated person would be deemed to be a violation of Rules 16 and 2010—Equities. Moreover, if an associated person is deemed to have violated the SIE Rules of Conduct or the Rules of Conduct for representative and principal examinations, the associated person may forfeit the results of the examination and may be subject to disciplinary action by the Exchange.

Further, the proposed rule states that individuals taking the SIE who are not associated persons must agree to be subject to the SIE Rules of Conduct. Among other things, the SIE Rules of Conduct would require individuals to attest that they are not qualified to engage in the investment banking or securities business based on passing the SIE and would prohibit individuals from cheating on the examination or misrepresenting their qualifications to the public subsequent to passing the SIE. Moreover, non-associated persons may forfeit their SIE results and may be prohibited from retaking the SIE if the Exchange determines that they cheated on the SIE or that they misrepresented their qualifications to the public subsequent to passing the SIE.

The proposed rule further notes that the Exchange considers all qualification examinations [sic] content to be highly confidential and that the removal of examination content from an examination center, reproduction, disclosure, receipt from or passing to any person, or use for study purposes of any portion of such qualification examination or any other use that would compromise the effectiveness of the examinations and the use in any manner and at any time of the questions or answers to the examinations is prohibited and would be deemed a violation of Rules 16 and 2010—Equities.

6. Proposed Rule 2.1210, Commentary .05—Waiting Periods for Retaking a Failed Examination [26]

Proposed Rule 2.1210, Commentary .05 provides that any person who fails a qualification examination may retake that examination after 30 calendar days from the date of the person's last attempt to pass that examination. The proposed rule further provides that if a person fails an examination three or more times in succession within a two-year period, he or she would be prohibited from retaking the examination either until a period of 180 calendar days from the date of the person's last attempt to pass it [sic]. These waiting periods would apply to the SIE and the representative- and principal-level examinations. Moreover, the proposed rule provides that non-associated persons taking the SIE must agree to be subject to the same waiting periods for retaking the SIE.

7. Proposed Rule 2.1210, Commentary .06—All Registered Persons Must Satisfy the Regulatory Element of Continuing Education [27]

Pursuant to Rule 341A of the Office Rules and Rule 2.21E, the CE requirements applicable to registered persons consist of a Regulatory Element [28] and a Firm Element.[29] The Regulatory Element applies to registered persons and must be completed within prescribed time frames.[30] The Firm Element consists of annual, a member organization or ETP Holder-developed and administered training programs designed to keep covered registered persons current regarding securities products, services and strategies offered by the member organization or ETP Holder. For purposes of the Firm Element, the term covered registered persons means any registered Securities Trader and any registered person who has direct contact with customers in the conduct of the a member organization's or ETP Holder's securities sales, trading and investment banking activities and to the immediate supervisors of such persons.

The Exchange believes that all registered persons, regardless of their activities, should be subject to the Regulatory Element of the CE requirements so that they can keep their knowledge of the securities industry current. Therefore, the Exchange proposes to adopt Rule 2.1210, Commentary .06, to clarify that all registered persons, including those who solely maintain a permissive registration, are required to satisfy the Regulatory Element, as specified in Rules 341A(a) and 2.21E(d)(1). The Exchange is making corresponding changes to Rule 341A and Rule 2.21E. The Exchange is not proposing any changes to the Firm Element requirement at this time. Individuals who have passed the SIE but not a representative- or principal-level examination and do not hold a registered position would not be subject to any CE requirements.

Proposed Rule 2.1210, Commentary .06, also provides that a registered person of a member organization or ETP Holder who becomes CE inactive would not be permitted to be registered in another registration category with the a member organization or ETP Holder or be registered in any registration category

Compliance Official; (2) Financial and Operations Principal; and (3) Introducing Broker-Dealer Financial and Operations Principal.

[25] The proposed rule is substantially similar to FINRA Rule 1210.05.

[26] The proposed rule is substantially similar to FINRA Rule 1210.06.

[27] The proposed rule is substantially similar to FINRA Rule 1210.07.

[28] *See* Rules 341A(a) and 2.21E(d)(1).

[29] *See* Rules 341A(b) and 2.21E(d)(2).

[30] Pursuant to 341A(a) and 2.21E(d)(1), each specified registered person is required to complete the Regulatory Element initially within 120 days after the person's second registration anniversary date and, thereafter, within 120 days after every third registration anniversary date. A registered person who has not completed the Regulatory Element program within the prescribed time frames will have his or her registrations deemed inactive and designated as ''CE inactive'' on the CRD system until such time as the requirements of the program have been satisfied. A CE inactive person is prohibited from performing, or being compensated for, any activities requiring registration, including supervision. Moreover, if a registered person is CE inactive for a two-year period, the Exchange will administratively terminate the person's registration status. The two-year period would be calculated from the date the person becomes CE inactive. In either case, such person must requalify (or obtain a waiver of the applicable qualification examination(s)) to be re-eligible for registration.

with another a member organization or ETP Holder, until the person has satisfied the Regulatory Element.

8. Proposed Rule 2.1210, Commentary .07—Lapse of Registration and Expiration of the SIE [31]

Proposed Rule 2.1210, Commentary .07, provides that any person who was last registered as a representative two or more years immediately preceding the date of receipt by the Exchange of a new application for registration as a representative is required to pass a qualification examination for representatives appropriate to the category of registration as specified in proposed Rule 2.1220(b). Proposed Rule 2.1210, Commentary .07, also sets forth that a passing result on the SIE would be valid for up to four years. Therefore, under the proposed rule change, an individual who passes the SIE and is an associated person of a member organization or ETP Holder at the time would have up to four years from the date he or she passes the SIE to pass a representative-level examination to register as a representative with that member organization or ETP Holder, or a subsequent member organization or ETP Holder, without having to retake the SIE. In addition, an individual who passes the SIE and is not an associated person at the time would have up to four years from the date he or she passes the SIE to become an associated person of a member organization or ETP Holder and pass a representative-level examination and register as a representative without having to retake the SIE.

Moreover, an individual holding a representative-level registration who leaves the industry after the effective date of this proposed rule change would have up to four years to reassociate with a member organization or ETP Holder and register as a representative without having to retake the SIE. However, the four-year expiration period in the proposed rule change extends only to the SIE, and not the representative- and principal-level registrations. The representative- and principal-level registrations would continue to be subject to a two-year expiration period as is the case today.

Finally, proposed Rule 2.1210, Commentary .07, clarifies that, for purposes of the proposed rule, an application would not be considered to have been received by the Exchange if that application does not result in a registration.

9. Proposed Rule 2.1210, Commentary .08—Waiver of Examinations for Individuals Working for a Financial Services Industry Affiliate of a Member Organization or ETP Holder [32]

Proposed Rule 2.1210, Commentary .08, provides the process for individuals working for a financial services industry affiliate of a member organization or ETP Holder [33] to terminate their registrations with the member organization or ETP Holder and be granted a waiver of their requalification requirements upon re-registering with a member organization or ETP Holder, provided the firm that is requesting the waiver and the individual satisfy the criteria for a Financial Services Affiliate (''FSA'') waiver.

Under the proposed waiver process, the first time a registered person is designated as eligible for a waiver based on the FSA criteria, the member organization or ETP Holder with which the individual is registered would notify the Exchange of the FSA designation. The member organization or ETP Holder would concurrently file a full Form U5 terminating the individual's registration with the firm, which would also terminate the individual's other SRO and state registrations. To be eligible for initial designation as an FSA-eligible person by a member organization or ETP Holder, an individual must have been registered for a total of five years within the most recent 10-year period prior to the designation, including for the most recent year with that member organization or ETP Holder. An individual would have to satisfy these preconditions only for purposes of his or her initial designation as an FSA-eligible person, and not for any subsequent FSA designation(s). Thereafter, the individual would be eligible for a waiver for up to seven years from the date of initial designation,[34] provided that the other conditions of the waiver, as described below, have been satisfied. Consequently, a member organization or ETP Holder other than the member organization or ETP Holder that initially designated an individual as an FSA-eligible person may request a waiver for the individual and more than one member organization or ETP Holder may request a waiver for the individual during the seven-year period.[35]

An individual designated as an FSA-eligible person would be subject to the Regulatory Element of CE while working for a financial services industry affiliate of a member organization or ETP Holder. The individual would be subject to a Regulatory Element program that correlates to his or her most recent registration category, and CE would be based on the same cycle had the individual remained registered. If the individual fails to complete the prescribed Regulatory Element during the 120-day window for taking the session, he or she would lose FSA eligibility (*i.e.,* the individual would have the standard two-year period after termination to re-register without having to retake an examination). The Exchange is making corresponding changes to Rules 341A and 2.21E.

Upon registering an FSA-eligible person, a firm would file a Form U4 and request the appropriate registration(s) for the individual. The firm would also submit an examination waiver request to the Exchange,[36] similar to the process used today for waiver requests, and it would represent that the individual is eligible for an FSA waiver based on the conditions set forth below. The Exchange would review the waiver

[31] The proposed rule is substantially similar to FINRA Rule 1210.08.

[32] The proposed rule is substantially similar to FINRA Rule 1210.09.

[33] Proposed Rule 2.1210, Commentary .07 [sic], defines a ''financial services industry affiliate of a member organization or ETP Holder'' as a legal entity that controls, is controlled by or is under common control with a member organization or ETP Holder and is regulated by the SEC, CFTC, state securities authorities, federal or state banking authorities, state insurance authorities, or substantially equivalent foreign regulatory authorities.

[34] Individuals would be eligible for a single, fixed seven-year period from the date of initial designation, and the period would not be tolled or renewed.

[35] The following examples illustrate this point: *Example 1.* Firm A designates an individual as an FSA-eligible person by notifying the Exchange and files a Form U5. The individual joins Firm A's financial services affiliate. Firm A does not submit a waiver request for the individual. After working for Firm A's financial services affiliate for three years, the individual directly joins Firm B's financial services affiliate for three years. Firm B then submits a waiver request to register the individual. *Example 2.* Same as Example 1, but the individual directly joins Firm B after working for Firm A's financial services affiliate, and Firm B submits a waiver request to register the individual at that point in time. *Example 3.* Firm A designates an individual as an FSA-eligible person by notifying the Exchange and files a Form U5. The individual joins Firm A's financial services affiliate for three years. Firm A then submits a waiver request to re-register the individual. After working for Firm A in a registered capacity for six months, Firm A re-designates the individual as an FSA-eligible person by notifying the Exchange and files a Form U5. The individual rejoins Firm A's financial services affiliate for two years, after which the individual directly joins Firm B's financial services affiliate for one year. Firm B then submits a waiver request to register the individual. *Example 4.* Same as Example 3, but the individual directly joins Firm B after the second period of working for Firm A's financial services affiliate, and Firm B submits a waiver request to register the individual at that point in time.

[36] The Exchange would consider a waiver of the representative-level qualification examination(s), the principal-level qualification examination(s) and the SIE, as applicable.

request and make a determination of whether to grant the request within 30 calendar days of receiving the request. The Exchange would summarily grant the request if the following conditions are met:

(1) Prior to the individual's initial designation as an FSA-eligible person, the individual was registered for a total of five years within the most recent 10-year period, including for the most recent year with the member organization or ETP Holder that initially designated the individual as an FSA-eligible person;

(2) The waiver request is made within seven years of the individual's initial designation as an FSA-eligible person by a member organization or ETP Holder;

(3) The initial designation and any subsequent designation(s) were made concurrently with the filing of the individual's related Form U5;

(4) The individual continuously worked for the financial services affiliate(s) of a member organization or ETP Holder since the last Form U5 filing;

(5) The individual has complied with the Regulatory Element of CE; and

(6) The individual does not have any pending or adverse regulatory matters, or terminations, that are reportable on the Form U4, and has not otherwise been subject to a statutory disqualification while the individual was designated as an FSA-eligible person with a member organization or ETP Holder.

Following the Form U5 filing, an individual could move between the financial services affiliates of a member organization or ETP Holder so long as the individual is continuously working for an affiliate. Further, an ETP Holder could submit multiple waiver requests for the individual, provided that the waiver requests are made during the course of the seven-year period.[37] An individual who has been designated as an FSA-eligible person by a member organization or ETP Holder would not be able to take additional examinations to gain additional registrations while working for a financial services affiliate of a member organization or ETP Holder.

10. Proposed Rule 2.1210, Commentary .09—Status of Persons Serving in the Armed Forces of the United States[38]

Proposed Rule 2.1210, Commentary .09 provides specific relief to registered persons serving in the Armed Forces of the United States. Among other things, the proposed rule permits a registered person of a member organization or ETP Holder who volunteers for or is called into active duty in the Armed Forces of the United States to be registered in an inactive status and remain eligible to receive ongoing transaction-related compensation. The proposed rule also includes specific provisions regarding the deferment of the lapse of registration requirements for formerly registered persons serving in the Armed Forces of the United States. The proposed rule further requires that a member organization or ETP Holder with which such person is registered promptly notify the Exchange of such person's return to employment with a member organization or ETP Holder. The proposed rule would require a member organization or ETP Holder that is a sole proprietor to also similarly notify the Exchange of his or her return to participation in the investment banking or securities business. The proposed rule also provides that the Exchange would defer the lapse of the SIE for formerly registered persons serving in the Armed Forces of the United States.

F. Proposed New Rule 2.1220—Registration Categories[39]

1. Proposed Rule 2.1220(a)(1)—Principal

As set forth in proposed Rule 2.1220(a)(1), for purposes of these registration rules, the term ''Principal'' means any Person Associated with a member organization or ETP Holder actively engaged in the management of the member organization's or ETP Holder's securities business, including supervision, solicitation, conduct of the member organization's or ETP Holder's business, or the training of Authorized Traders and Persons Associated with a member organization or ETP Holder for any of these functions. Such Persons include, among other, Sole Proprietors, Officers, Partners, and Directors of Corporations.

For purposes of proposed Rule 1220(a)(1), the phrase ''actively engaged in the management of the member organization's or ETP Holder's securities business'' includes the management of, and the implementation of corporate policies related to, such business. The term also includes managerial decision-making authority with respect to a member organization's or ETP Holder's securities business and management-level responsibilities for supervising any aspect of such business, such as serving as a voting member of the a member organization's or ETP Holder's executive, management or operations committee.

2. Proposed Rule 2.1220(a)(2)—General Securities Principal[40]

Proposed Rule 2.1220(a)(2)(A) states that each principal as defined in proposed Rule 2.1220(a)(1) is required to register with the Exchange as a General Securities Principal, subject to the following exceptions. The proposed rule provides that if a principal's activities include the functions of a Compliance Officer, a Financial and Operations Principal (or an Introducing Broker-Dealer Financial and Operations Principal, as applicable), a Principal Financial Officer, a Principal Operations Officer, a Securities Trader Principal, or a Registered Options Principal then the principal must appropriately register in one or more of these categories.

Proposed Rule 2.1220(a)(2)(A) further provides that if a principal's activities are limited solely to the functions of a General Securities Sales Supervisor, then the principal may appropriately register in that category in lieu of registering as a General Securities Principal.

Proposed Rule 2.1220(a)(2)(B) requires that an individual registering as a General Securities Principal satisfy the General Securities Representative prerequisite registration and pass the General Securities Principal qualification examination. Proposed Rule 2.1220(a)(2)(B) also clarifies that an

[37] For example, if a member organization or ETP Holder submits a waiver request for an FSA-eligible person who has been working for a financial services affiliate of the member organization or ETP Holder for three years and re-registers the individual, the member organization or ETP Holder could subsequently file a Form U5 and re-designate the individual as an FSA-eligible person. Moreover, if the individual works with a financial services affiliate of the member organization or ETP Holder for another three years, the member organization or ETP Holder could submit a second waiver request and re-register the individual upon returning to the member organization or ETP Holder.

[38] The proposed rule is substantially similar to FINRA Rule 1210.10.

[39] The Exchange is not adopting the following categories from the FINRA Filing because member organizations or ETP Holders do not engage in the type of business that would require registration with the Exchange: Investment Banking Principal, Research Principal, Government Securities Principal, Investment Company and Variable Contracts Products Principal, Direct Participation Programs Principal, Private Securities Offerings Principal, Supervisory Analyst, Operations Professional, Investment Banking Representative, Research Analyst, Investment Company and Variable Contracts Products Representative, Direct Participation Programs Representative, and Private Securities Offering Representative. The Exchange is also not adopting the following categories because the FINRA Filing eliminated them: Order Processing Assistant Representative, United Kingdom Securities Representative, Canadian Securities Representative, Options Representative, Corporate Securities Representative and Government Securities Representative.

[40] The proposed rule is substantially similar to FINRA Rule 1220(a)(2).

individual may register as a General Securities Sales Supervisor and pass the General Securities Sales Supervisor qualification examination in lieu of passing the General Securities Principal examination.

As a general matter, the Exchange currently recognizes the Corporate Securities Representative but would no longer recognize this registration category given its elimination by FINRA. Proposed Rule 2.1220(a)(2)(B), however, provides that, subject to the lapse of registration provisions in proposed Rule 2.1210, Commentary .07, each person registered with the Exchange as a Corporate Securities Representative and a General Securities Principal on October 1, 2018 and each person who was registered with the Exchange as a Corporate Securities Representative and a General Securities Principal within two years prior to October 1, 2018 would be qualified to register as a General Securities Principal without having to take any additional qualification examinations, provided that such person's supervisory responsibilities in the investment banking and securities business of a member organization or ETP Holder are limited to corporate securities activities of a member organization or ETP Holder. The proposed rule further provides that all other individuals registering as General Securities Principals after October 1, 2018 shall, prior to or concurrent with such registration, become registered as a General Securities Representative and either (1) pass the General Securities Principal qualification examination; or (2) register as a General Securities Sales Supervisor and pass the General Securities Sales Supervisor qualification examination.

3. Proposed Rule 2.1220(a)(3)—Compliance Officer [41]

Proposed Rule 2.1220(a)(3) establishes a Compliance Officer registration category and requires all persons designated as CCOs on Schedule A of Form BD to register as Compliance Officers, subject to an exception for member organizations or ETP Holders engaged in limited investment banking or securities business. The proposed rule only addresses the registration requirements for CCOs. However, consistent with proposed Rule 2.1210, Commentary .01 relating to permissive registrations, a firm may allow other associated persons to register as Compliance Officers. Chief Compliance Officers at ATP Holders, who are currently not subject to a registration requirement, would be excluded from the requirements of the proposed rule.

In addition, the Exchange is proposing to provide CCOs of firms that engage in limited investment banking or securities business with greater flexibility to satisfy the qualification requirements for CCOs. Specifically, proposed Rule 2.1220(a)(3) set forth the following qualification requirements for Compliance Officer registration:

- Subject to the lapse of registration provisions in proposed Rule 2.1210, Commentary .07, each person registered with the Exchange as a General Securities Representative and a General Securities Principal on October 1, 2018 and each person who was registered with the Exchange as a General Securities Representative and a General Securities Principal within two years prior to October 1, 2018 would be qualified to register as Compliance Officers without having to take any additional examinations. In addition, subject to the lapse of registration provisions in proposed Rule 2.1210, Commentary .07, individuals registered as Compliance Officials in the CRD system on October 1, 2018 and individuals who were registered as such within two years prior to October 1, 2018 would also be qualified to register as Compliance Officers without having to take any additional examinations; [sic]
- All other individuals registering as Compliance Officers after October 1, 2018 would have to: (1) Satisfy the General Securities Representative prerequisite registration and pass the General Securities Principal qualification examination; or (2) pass the Compliance Official qualification examination.
- An individual designated as a CCO on Schedule A of Form BD of a member organization or ETP Holder that is engaged in limited investment banking or securities business may be registered in a principal category under proposed Rule 2.1220(a) that corresponds to the limited scope of the A member organization's or ETP Holder's business.

4. Proposed Rule 2.1220(a)(4)—Financial and Operation Principal and Introducing Broker-Dealer Financial and Operations Principal [42]

Proposed Rule 2.1220(a)(4) provides that each principal who is responsible for the financial and operational management of a member organization or ETP Holder that has a minimum net capital requirement of $250,000 under SEA Rules 15c3–1(a)(1)(ii) and 15c3–1(a)(2)(i), or a member organization or ETP Holder that has a minimum net capital requirement of $150,000 under SEA Rule 15c–3–1(a)(8) must be designated as a Financial and Operations Principal. In addition, proposed Rule 2.1220(a)(4) provides that a principal who is responsible for the financial and operational management of a member organization or ETP Holder that is subject to the net capital requirements of SEA Rule 15c3–1, other than a member organization or ETP Holder that is subject to the net capital requirements of SEA Rules 15c3–1(a)(1)(ii), (a)(2)(i) or (a)(8), must be designated and registered as either a Financial and Operations Principal or an Introducing Broker-Dealer Financial and Operations Principal. Financial and Operations Principals and Introducing Broker-Dealer Financial and Operation Principals are not subject to a prerequisite representative registration, but they must pass the Financial and Operations Principal or Introducing Broker-Dealer Financial and Operations Principal examination, as applicable.

Additionally, proposed Rule 2.1220(a)(4)(B) requires a member organization or ETP Holder to designate a Principal Financial Officer with primary responsibility for the day-to-day operations of the business, including overseeing the receipt and delivery of securities and funds, safeguarding customer and firm assets, calculation and collection of margin from customers and processing dividend receivable and payables and reorganization redemptions and those books and records related to such activities. Further, the proposed rule requires that a firm's Principal Financial Officer and Principal Operations Officer qualify and register as Financial and Operations Principals or Introducing Broker-Dealer Financial and Operations Principals, as applicable.

Because the financial and operational activities of member organizations or ETP Holders that neither self-clear nor provide clearing services are more limited, such member organizations or ETP Holders may designate the same person as the Principal Financial Officer, Principal Operations Officer and Financial and Operations Principal or Introducing Broker-Dealer Financial and Operations Principal (that is, such member organizations or ETP Holders are not required to designate different persons to function in these capacities).

Given the level of financial and operational responsibility at clearing and self-clearing members, the Exchange believes that it is necessary for such member organizations or ETP

[41] The proposed rule is substantially similar to FINRA Rule 1220(a)(3).

[42] The proposed rule is substantially similar to FINRA Rule 1220(a)(4).

Holders to designate separate persons to function as Principal Financial Officer and Principal Operations Officer. Such persons may also carry out the other responsibilities of a Financial and Operations Principal, such as supervision of individuals engaged in financial and operational activities. In addition, the proposed rule provides that a clearing or self-clearing member organization or ETP Holder that is limited in size and resources may request a waiver of the requirement to designate separate persons to function as Principal Financial Officer and Principal Operations Officer.

5. Proposed Rule 2.1220(a)(5)—Securities Trader Principal [43]

Proposed Rule 2.1220(a)(5) requires that a principal responsible for supervising the securities trading activities specified in proposed Rule 2.1220(b)(3) register as a Securities Trader Principal. The proposed rule requires that individuals registering as Securities Trader Principals must be registered as Securities Traders and pass the General Securities Principal qualification examination.

6. Proposed Rule 2.1220(a)(6)—General Securities Sales Supervisor [44]

Proposed Rule 2.1220(a)(6) provides that a principal may register with the Exchange as a General Securities Sales Supervisor if his or her supervisory responsibilities in the investment banking or securities business of a member organization or ETP Holder are limited to the securities sales activities of a member organization or ETP Holder, including the approval of customer accounts, training of sales and sales supervisory personnel and the maintenance of records of original entry or ledger accounts of a member organization or ETP Holder required to be maintained in branch offices by Exchange Act record-keeping rules.

A person registering as a General Securities Sales Supervisor must satisfy the General Securities Representative prerequisite registration and pass the General Securities Sales Supervisor examinations.[45] Moreover, a General Securities Sales Supervisor is precluded from performing any of the following activities: (1) Supervision of the origination and structuring of underwritings; (2) supervision of market-making commitments; (3) supervision of the custody of firm or customer funds or securities for purposes of SEA Rule 15c3–3; or (4) supervision of overall compliance with financial responsibility rules.

7. Proposed Rule 2.1220(a)(7)—Registered Options Principal [46]

Proposed Rule 2.1220(a)(7) provides that each ATP Holder engaged in options transactions with the public have at least one Registered Options Principal. The proposed rule further requires that a principal responsible for supervising an ATP Holder's options sales practices with the public, including a person designated pursuant to Rule 11.18(b)(2) register with the Exchange as a Registered Options Principal, unless such principal's options activities are limited solely to those activities that may be supervised by a General Securities Sales Supervisor, in which case, such person may register as a General Securities Sales Supervisor in lieu of registering as a Registered Options Principal.

Proposed Rule 2.1220(a)(7)(B) further provides that, subject to the lapse of registration provisions in proposed Rule 2.1210, Commentary .07, each person registered with the Exchange as a Registered Options Principal on October 1, 2018 and each person who was registered with the Exchange as a Registered Options Principal within two years prior to October 1, 2018 would be qualified to register as a Registered Options Principal without having to pass any additional qualification examinations. The proposed rule further provides that all other individuals registering as Registered Options Principals after October 1, 2018 shall, prior to or concurrent with such registration, become registered as a General Securities Representative and pass the Registered Options Principal qualification examination.

8. Proposed Rule 2.1220(b)(1)—Representative [47]

Proposed Rule 2.1220(b)(1) defines a representative as any person associated with a member organization or ETP Holder, including assistant officers other than principals, who is engaged in the a member organization's or ETP Holder's investment banking or securities business, such as supervision, solicitation, conduct of business in securities or the training of persons associated with a member organization or ETP Holder for any of these functions.

9. Proposed Rule 2.1220(b)(2)—General Securities Representative [48]

Proposed Rule 2.1220(b)(2)(A) states that each representative as defined in proposed Rule 2.1220(b)(1) is required to register with the Exchange as a General Securities Representative, subject to the following exceptions. The proposed rule provides that if a representative's activities include the function of a Securities Trader, then the representative must appropriately register in that category.

The proposed rule further provides that, subject to the lapse of registration provisions in proposed Rule 2.1210, Commentary .07, each person registered with the Exchange as a General Securities Representative on October 1, 2018 and each person who was registered with the Exchange as a General Securities Representative within two years prior to October 1, 2018 would be qualified to register as a General Securities Representative without having to take any additional qualification examinations. Additionally, the proposed rule would require that individuals registering as General Securities Representatives after October 1, 2018 shall, prior to or concurrent with such registration, pass the SIE and the General Securities Representative examination.

10. Proposed Rule 2.1220(b)(3)—Securities Trader [49]

Proposed Rule 2.1220(b)(3) provides that each representative as defined in proposed Rule 2.1220(b)(1) is required to register as a Securities Trader if, with respect to transactions in equity (including equity options), preferred or convertible debt securities, such person is engaged in proprietary trading, the execution of transactions on an agency basis, or the direct supervision of such activities. The proposed rule provides an exception from the registration requirement for any associated person of a member organization or ETP Holder whose trading activities are conducted primarily on behalf of an investment company that is registered with the SEC pursuant to the Investment Company Act and that controls, is controlled by, or is under common control with a member organization or ETP Holder. The Exchange proposes to adopt FINRA's definition of Securities Trader in proposed Rule 2.1220(b)(3) in order

[43] The proposed rule is substantially similar to FINRA Rule 1220(a)(7).

[44] The proposed rule is substantially similar to FINRA Rule 1220(a)(10).

[45] An individual may also register as a General Securities Sales Supervisor by passing a combination of other principal-level examinations.

[46] The proposed rule is substantially similar to FINRA Rule 1220(a)(8).

[47] The proposed rule is substantially similar to FINRA Rule 1220(b)(1).

[48] The proposed rule is substantially similar to FINRA Rule 1220(b)(2).

[49] The proposed rule is substantially similar to FINRA Rule 1220(b)(4).

to align the text of the rule to that adopted by FINRA and other exchanges.[50]

The proposed rule also requires that associated persons primarily responsible for the design, development or significant modification of algorithmic trading strategies (or responsible for the day-to-day supervision or direction of such activities) register as Securities Traders. Individuals registering as Securities Traders must pass the SIE and the Securities Trader examination.

Finally, the proposed rule provides that, subject to the lapse of registration provisions in proposed Rule 2.1210, Commentary .07, each person registered with the Exchange as a Securities Trader on October 1, 2018 and each person who was registered with the Exchange as a Securities Trader within two years prior to October 1, 2018 would be qualified to register as a Securities Trader without having to take any additional qualification examinations. Additionally, the proposed rule would require that individuals registering as Securities Traders after October 1, 2018 shall, prior to or concurrent with such registration, pass the SIE and the Securities Trader qualification examination.

11. Proposed Rule 2.1220, Commentary .01—Foreign Registrations [51]

Proposed Rule 2.1220, Commentary .01, states that individuals who are in good standing as representatives with the Financial Conduct Authority in the United Kingdom or with a Canadian stock exchange or securities regulator would be exempt from the requirement to pass the SIE, and thus would be required only to pass a specialized knowledge examination to register with the Exchange as a representative. The proposed approach would provide individuals with a United Kingdom or Canadian qualification more flexibility to obtain a representative-level registration. Additionally, proposed Rule 2.1220, Commentary .01, provides that, subject to the lapse of registration provisions in Rule 2.1210, Commentary .07, each person who is registered with the Exchange as a United Kingdom Securities Representative or a Canada Securities Representative on October 1, 2018 and each person who was registered with the Exchange in such categories within two years prior to October 1, 2018 would be eligible to maintain such registrations with the Exchange. However, if persons registered in such categories subsequently terminate such registration(s) with the Exchange and the registration remains terminated for two or more years, they would not be eligible to re-register in such categories.

12. Proposed Rule 2.1220, Commentary .02—Additional Qualification Requirements for Persons Engaged in Security Futures [52]

Proposed Rule 2.1220, Commentary .02, states that each person who is registered with the Exchange as a General Securities Representative, United Kingdom Securities Representative, Canada Securities Representative, Options Representative, Registered Options Principal or General Securities Sales Supervisor shall be eligible to engage in security futures activities as a representative or principal, as applicable, provided that such individual completes a Firm Element program as set forth in Rule 341A(b) for member organizations and Rule 2.21E(d)(2) for ETP Holders that addresses security futures products before such person engages in security futures activities.

13. Proposed Rule 2.1220, Commentary .03—Scope of General Securities Sales Supervisor Registration Category [53]

Proposed Rule 2.1220, Commentary .03, explains the purpose of the General Securities Sales Supervisor registration category. The General Securities Sales Supervisor category is an alternate category of registration designed to lessen the qualification burdens on principals of general securities firms who supervise sales. Without this category of limited registration, such principals would be required to separately qualify pursuant to the rules of FINRA, the MSRB, the NYSE and the options exchanges. While persons may continue to separately qualify with all relevant self-regulatory organizations, the General Securities Sales Supervisor examination permits qualification as a supervisor of sales of all securities through one registration category. Persons registered as General Securities Sales Supervisors may also qualify in any other category of principal registration. Persons who are already qualified in one or more categories of principal registration may supervise sales activities of all securities by also qualifying as General Securities Sales Supervisors.

The proposed rule further provides that any person required to be registered as a principal who supervises sales activities in corporate, municipal and option securities, investment company products, variable contracts, and security futures (subject to the requirements of Rule 2.1220, Commentary .02) may be registered solely as a General Securities Sales Supervisor. In addition to branch office managers, other persons such as regional and national sales managers may also be registered solely as General Securities Sales Supervisors as long as they supervise only sales activities.

14. Proposed Rule 2.1220, Commentary .04—ATP Holders With One Registered Options Principal [54]

Proposed Rule 2.1220, Commentary .03, requires that an ATP Holder that has one Registered Options Principal promptly notify the Exchange and agree to specified conditions if such person is terminated, resigns, becomes incapacitated or is otherwise unable to perform his or her duties.

G. Proposed New Rule 2.1230—Associated Persons Exempt From Registration [55]

Proposed Rule 2.1230 provides an exemption from registration with the Exchange for certain associated persons. Specifically, the proposed rule provides that persons associated with a member organization or ETP Holder whose functions are solely and exclusively clerical or ministerial would be exempt from registration.[56]

1. Proposed Rule 2.1230, Commentary .01—Registration Requirements for Associated Persons Who Accept Customer Orders [57]

Proposed Rule 2.1230, Commentary .01, clarifies that the function of accepting customer orders is not

[50] *See e.g.,* MIAX International Stock Exchange, LLC Rule 203(d).

[51] The proposed rule is substantially similar to FINRA Rule 1220.01 and 1220.06.

[52] The proposed rule is substantially similar to FINRA Rule 1220.02.

[53] The proposed rule is substantially similar to FINRA Rule 1220.04.

[54] The proposed rule is substantially similar to FINRA Rule 1220.03.

[55] The proposed rule is substantially similar to FINRA Rule 1230.

[56] FINRA Rule 1230 also provides an exemption from registration with FINRA to persons associated with a FINRA member whose functions are solely and exclusively clerical or ministerial and persons associated with a FINRA member whose functions are related solely and exclusively to (i) effecting transactions on the floor of a national securities exchange and who are appropriately registered with such exchange; (ii) effecting transactions in municipal securities; (iii) effecting transactions in commodities; or (iv) effecting transactions in security futures, provided that any such person is registered with a registered futures association. Member organizations or ETP Holders do not solely and exclusively engage in any of the foregoing transactions and therefore the Exchange is not adopting that portion of FINRA Rule 1230.

[57] The proposed rule is substantially similar to FINRA Rule 1230.01.

considered clerical or ministerial and that associated persons who accept customer orders under any circumstances are required to be appropriately registered. However, the proposed rule provides that an associated person is not accepting a customer order where occasionally, when an appropriately registered person is unavailable, the associated person transcribes the order details and the registered person contacts the customer to confirm the order details before entering the order.

F. Proposed Amendments to Rules 920, 921NY, 921.1NY, 930NY and 931NY of the Options Rules

Finally, consistent with the proposed restructuring of the representative-level examinations proposed in the FINRA Filing, the Exchange proposes to add ''and the Securities Industry Essentials Examination'' following the reference to the Series 7 Examination in Commentary .06 to Rules 920 and in 930NY(b)(1)(A) of the Options Rules and following the reference to the Series 57 Examination in Rules 921NY(a), 921.1NY(b)(2) and 931NY(a) of the Options Rules.

2. Statutory Basis

The proposed rule change is consistent with Section 6(b) of the Securities Exchange Act of 1934 (the ''Act''),[58] in general, and furthers the objectives of Section 6(b)(5),[59] 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 rule change will streamline, and bring consistency and uniformity to, the registration rules, which will, in turn, assist member organizations or ETP Holders and their associated persons in complying with these rules and improve regulatory efficiency. The proposed rule change will also improve the efficiency of the examination program, without compromising the qualification standards. In addition, the proposed rule change will expand the scope of permissive registrations, which, among other things, will allow member organizations or ETP Holders to develop a depth of associated persons with registrations to respond to unanticipated personnel changes and will encourage greater regulatory understanding. Further, the proposed rule change will provide a more streamlined and effective waiver process for individuals working for a financial services industry affiliate of a member organization or ETP Holder, and it will require such individuals to maintain specified levels of competence and knowledge while working in areas ancillary to the investment banking and securities business.

Finally, the Exchange believes that, with the introduction of the SIE and expansion of the pool of individuals who are eligible to take the SIE, the proposed rule change has the potential of enhancing the pool of prospective securities industry professionals by introducing them to securities laws, rules and regulations and appropriate conduct before they join the industry in a registered capacity.

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 amendments are intended to promote transparency in the Exchange's rules, and consistency with the rules of other SROs with respect to the examination, qualification, and continuing education requirements applicable to member organizations or ETP Holders and their registered personnel. The Exchange believes that in that regard that any burden on competition would be clearly outweighed by the important regulatory goal of ensuring clear and consistent requirements applicable across SROs, avoiding duplication, and mitigating any risk of SROs implementing different standards in these important areas.

Further, the Exchange does not believe that the proposed amendments will affect competition among securities markets since all SROs are expected to adopt similar rules with uniform standards for qualification, registration and continuing education requirements.

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. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Because the foregoing proposed rule change does not: (i) Significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A) of the Act[60] and Rule 19b–4(f)(6) thereunder.

A proposed rule change filed under Rule 19b–4(f)(6) normally does not become operative for 30 days from the date of filing. However, Rule 19b–4(f)(6)(iii)[61] permits the Commission to designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange has asked the Commission to waive the 30-day operative delay so that the proposal may become operative on October 1, 2018 to coincide with the effective date of FINRA's proposed rule change on which the proposal is based.[62] The waiver of the operative delay would make the Exchange's qualification requirements consistent with those of FINRA, as of October 1, 2018. Therefore, the Commission believes that the waiver of the 30-day operative delay is consistent with the protection of investors and the public interest and hereby waives the 30-day operative delay and designates the proposal operative on October 1, 2018.[63]

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

[58] 15 U.S.C. 78f(b).

[59] 15 U.S.C. 78f(b)(5).

[60] 15 U.S.C. 78s(b)(3)(A).

[61] 17 CFR 240.19b–4(f)(6)(iii).

[62] *See supra* note 5.

[63] For purposes only of waiving the 30-day operative delay, the Commission has also considered the proposed rule's impact on efficiency, competition, and capital formation. *See* 15 U.S.C. 78c(f).

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–NYSEAMER–2018–46 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–NYSEAMER–2018–46. 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–NYSEAMER–2018–46 and should be submitted on or before November 6, 2018.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[64]

Eduardo A. Aleman,

Assistant Secretary.

[FR Doc. 2018–22432 Filed 10–15–18; 8:45 am]

BILLING CODE 8011–01–P

[64] 17 CFR 200.30–3(a)(12).

SOCIAL SECURITY ADMINISTRATION

[Docket No. SSA–2018–0045]

Agreement on Social Security Between the United States and the Federative Republic of Brazil; Entry Into Force

AGENCY: Social Security Administration (SSA).

ACTION: Notice.

SUMMARY: We are giving notice of an agreement coordinating the United States (U.S.) and Brazilian social security programs effective on October 1, 2018. The Agreement with Brazil, which was signed on June 30, 2015, is similar to U.S. social security agreements already in force with 26 other countries—Australia, Austria, Belgium, Canada, Chile, the Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Japan, Korea (South), Luxembourg, the Netherlands, Norway, Poland, Portugal, the Slovak Republic, Spain, Sweden, Switzerland and the United Kingdom. Section 233 of the Social Security Act authorizes agreements of this type.

Like the other agreements, the U.S.-Brazilian Agreement eliminates dual social security coverage. This situation exists when a worker from one country works in the other country and has coverage under the social security systems of both countries for the same work. Without such agreements in force, when dual coverage occurs, the worker, the worker's employer, or both may be required to pay social security contributions to the two countries simultaneously. Under the U.S.-Brazilian Agreement, a worker who is sent by an employer in one country to work in the other country for 5 or fewer years remains covered only by the sending country. The Agreement includes additional rules that eliminate dual U.S. and Brazilian coverage in other work situations.

The Agreement also helps eliminate situations where workers suffer a loss of benefit rights because they have divided their careers between the two countries. Under the Agreement, workers may qualify for partial U.S. benefits or partial Brazilian benefits based on combined (totalized) work credits from both countries.

Persons who wish to obtain copies of the Agreement or want more information about its provisions may write to the Social Security Administration, Office of International Programs, Post Office Box 17741, Baltimore, MD 21235–7741 or visit the Social Security website at *www.socialsecurity.gov/international.* The full text of the Agreement and its accompanying Administrative Arrangement is available at *https://www.ssa.gov/international/Agreement_Texts/brazil.html.*

Nancy A. Berryhill,

Acting Commissioner of Social Security.

[FR Doc. 2018–22509 Filed 10–15–18; 8:45 am]

BILLING CODE 4191–02–P

DEPARTMENT OF STATE

[Public Notice: 10547]

60-Day Notice of Proposed Information Collection: Brokering Prior Approval (License)

ACTION: Notice of request for public comment.

SUMMARY: The Department of State is seeking Office of Management and Budget (OMB) approval for the information collection described below. In accordance with the Paperwork Reduction Act of 1995, we are requesting comments on this collection from all interested individuals and organizations. The purpose of this notice is to allow 60 days for public comment preceding submission of the collection to OMB.

DATES: The Department will accept comments from the public up to December 17, 2018.

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

- *Web:* Persons with access to the internet may comment on this notice by going to *www.Regulations.gov*. You can search for the document by entering ''Docket Number: DOS–2018–0043'' in the Search field. Then click the ''Comment Now'' button and complete the comment form.
- *Email: DDTCPublicComments@state.gov.*
- *Regular Mail:* Send written comments to: Directorate of Defense Trade Controls, Attn: Andrea Battista, 2401 E St. NW, Suite H–1205, Washington, DC 20522–0112.

You must include the subject (PRA 60 Day Comment), information collection title Brokering Prior Approval (License), and OMB control number (1405–0142) in any correspondence.

FOR FURTHER INFORMATION CONTACT: Direct requests for additional information regarding this collection to Andrea Battista, who may be reached at *BattistaAL@state.gov* or 202–663–3136.

SUPPLEMENTARY INFORMATION:

- *Title of Information Collection:* Brokering Prior Approval.
- *OMB Control Number:* 1405–0142.

• *Type of Request:* Extension of a Currently Approved Collection.
• *Originating Office:* Directorate of Defense Trade Controls (DDTC).
• *Form Number:* DS–4294.
• *Respondents:* Respondents are U.S. and foreign persons who wish to engage in International Traffic in Arms Regulations (ITAR)-controlled brokering of defense articles and defense services.
• *Estimated Number of Respondents:* 170.
• *Estimated Number of Responses:* 170.
• *Average Time per Response:* 2 hours.
• *Total Estimated Burden Time:* 340 hours.
• *Frequency:* On occasion.
• *Obligation to Respond:* Required to Obtain Benefit.

We are soliciting public comments to permit the Department to:
• Evaluate whether the proposed information collection is necessary for the proper functions of the Department.
• Evaluate the accuracy of our estimate of the time and cost burden for this proposed collection, including the validity of the methodology and assumptions used.
• Enhance the quality, utility, and clarity of the information to be collected.
• Minimize the reporting burden on those who are to respond, including the use of automated collection techniques or other forms of information technology.

Please note that comments submitted in response to this Notice are public record. Before including any detailed personal information, you should be aware that your comments as submitted, including your personal information, will be available for public review.

Abstract of Proposed Collection

In accordance with part 129 of the International Traffic in Arms Regulations (ITAR), U.S. and foreign persons who wish to engage in ITAR-controlled brokering activity of defense articles and defense services must first register with DDTC. Brokers must then submit a written request for approval to DDTC and must receive DDTC's consent prior to engaging in such activities unless exempted. This information is currently used in the review of the brokering request submitted for approval and to ensure compliance with defense trade statutes and regulations. It is also used to monitor and control the transfer of sensitive U.S. technology.

Methodology

Currently submissions are made via hardcopy documentation. Applicants are referred to ITAR part 129 for guidance on information to submit regarding proposed brokering activity. Upon implementation of DDTC's new case management system, the Defense Export Control and Compliance System (DECCS), a DS–4294 may be submitted electronically.

Anthony M. Dearth,

Chief of Staff, Directorate of Defense Trade Controls, U.S. Department of State.

[FR Doc. 2018–22447 Filed 10–15–18; 8:45 am]

BILLING CODE 4710–25–P

SURFACE TRANSPORTATION BOARD

[Docket No. FD 36222]

BNSF Railway Company—Lease Exemption—Union Pacific Railroad Company

On September 6, 2018, BNSF Railway Company (BNSF) filed a petition under 49 U.S.C. 10502 seeking exemption from the prior approval requirements under 49 U.S.C. 11323–25 for BNSF to lease from Union Pacific Railroad Company (UP) an approximately 13.62-mile rail line (Line) in Pueblo County, Colo., between milepost 591.66 at NA Junction and milepost 605.28 at Avondale (Nyberg).

BNSF explains that, its predecessor, The Atchison, Topeka and Santa Fe Railway Company (ATSF), and UP's predecessor, Missouri Pacific Railroad Company (Missouri Pacific), entered into an agreement in 1967 relating to ownership and operation, maintenance, and joint use of ATSF's and Missouri Pacific's railroad tracks and facilities between NA Junction and Pueblo, which includes the Line. Pursuant to this agreement, BNSF and UP have jointly operated over the Line for the last 50 years, and UP has been responsible for maintaining the Line. BNSF has been the primary user of the Line and currently dispatches it.

BNSF and UP have recently entered into a lease agreement that would modify certain roles and responsibilities set forth in the 1967 agreement. BNSF would ''non-exclusively lease the Line in order [] to maintain, construct, repair and renew the Line's track and appurtenant structures and facilities.'' (Pet. 2.)[1] BNSF states that the lease would align track and signal maintenance with BNSF's current dispatching responsibilities and is intended to streamline maintenance activity and improve planning processes in coordination with BNSF's maintenance of contiguous lines on either side of the Line. BNSF states that these changes would reduce the number and frequency of maintenance windows and outages, resulting in improved operations for customers along the route. According to BNSF, beyond this enhancement of operational efficiency, no other impacts to commercial or operational access to customers, either locally or in through service, would result from the transaction.[2]

BNSF asks for expedited consideration of its petition so that the exemption can become effective by November 1, 2018. BNSF explains that this would allow it to plan for and commence maintenance work necessary to remove slow orders and improve track conditions before winter weather makes maintenance difficult.

Discussion and Conclusions

Under 49 U.S.C. 11323(a)(2), prior Board approval is required for a rail carrier to lease the property of another rail carrier. Under 49 U.S.C. 10502, however, the Board must exempt a transaction or service from regulation when it finds that: (1) Regulation is not necessary to carry out the rail transportation policy of 49 U.S.C. 10101; and (2) either (a) the transaction or service is of limited scope, or (b) regulation is not needed to protect shippers from the abuse of market power.

Detailed scrutiny of the proposed transaction through an application for review and approval under 49 U.S.C. 11323–25 is not necessary here to carry out the rail transportation policy. The proposed transaction would align track and signal maintenance with dispatching and further align maintenance of the Line with BNSF's maintenance activities on contiguous lines, which would result in improved operations along the route. As such, the proposed transaction would, among other things, promote a safe and efficient rail transportation system (49 U.S.C. 10101(3)), ensure continuation of a sound rail transportation system with effective competition among rail carriers (49 U.S.C. 10101(4)), foster sound economic conditions in transportation and ensure effective competition (49 U.S.C. 10101(5)), and encourage honest

[1] BNSF's reference to ''construction'' is in connection with the planned repair and maintenance of the existing Line. *See* Pet. 1. Therefore, the Board does not construe that reference as involving any new line of railroad for which construction authority would be needed pursuant to 49 U.S.C. 10901, and this decision does not grant any such authority.

[2] Pursuant to 49 CFR 1121.3(d), BNSF certifies that the lease does not contain a provision or agreement that may limit future interchange with a third-party connecting carrier.

and efficient management (49 U.S.C. 10101(9)). Further, an exemption from the application process would expedite regulatory action (49 U.S.C. 10101(2)). Other aspects of the rail transportation policy would not be adversely affected.

Regulation of the proposed transaction is also not necessary to protect shippers from the abuse of market power.[3] Nothing in the record indicates that any shipper would lose an existing rail service option as a result of the proposed lease transaction. According to BNSF, the lease will not affect the routings available to customers on the Line or customers whose traffic is routed over the Line. The record indicates that the transaction would not result in any material change in UP's or BNSF's operations or commercial access to customers and that no customers would experience any degradation of, or competitive change in, rail service. Indeed, the lease transaction should benefit shippers by allowing BNSF and UP to move traffic more efficiently following improved maintenance. Moreover, no shippers or other parties have filed any objections to the proposed transaction.

Under 49 U.S.C. 10502(g), the Board may not use its exemption authority to relieve a carrier of its statutory obligation to protect the interests of employees. Accordingly, as a condition to granting this exemption, the Board will impose the standard employee protective conditions in *Norfolk & Western Railway—Trackage Rights—Burlington Northern, Inc.,* 354 I.C.C. 605 (1978), as modified in *Mendocino Coast Railway—Lease & Operate—California Western Railroad,* 360 I.C.C. 653 (1980).

The proposed lease is exempt from both the environmental reporting requirements under 49 CFR 1105.6(c) and the historic reporting requirements under 49 CFR 1105.8(b).

As noted above, BNSF seeks an expedited effective date so that it can commence maintenance improvements as soon as possible to avoid complications from winter weather conditions. For that reason, the exemption will be effective October 31, 2018, and petitions to stay, petitions for reconsideration, and petitions to reopen will be due by October 24, 2018.

It is ordered:

1. Under 49 U.S.C. 10502, the Board exempts from the prior approval requirements of 49 U.S.C. 11323–25 BNSF's lease of the Line, subject to the employee protective conditions in *Norfolk & Western Railway—Trackage Rights—Burlington Northern, Inc.,* 354 I.C.C. 605 (1978), as modified in *Mendocino Coast Railway—Lease & Operate—California Western Railroad,* 360 I.C.C. 653 (1980).

2. Notice of the exemption will be published in the **Federal Register** on October 16, 2018.

3. The exemption will become effective on October 31, 2018.

4. Petitions to stay, petitions for reconsideration, and petitions to reopen must be filed by October 24, 2018.

Decided: October 10, 2018.

By the Board, Board Members Begeman and Miller.

Aretha Laws-Byrum,

Clearance Clerk.

[FR Doc. 2018–22463 Filed 10–15–18; 8:45 am]

BILLING CODE 4915–01–P

[3] Because the Board concludes that regulation is not needed to protect shippers from the abuse of market power, it is unnecessary to determine whether the transaction is limited in scope. *See* 49 U.S.C. 10502(a).

DEPARTMENT OF TRANSPORTATION

Pipeline and Hazardous Materials Safety Administration

[Docket No. PHMSA–2018–0100; Notice No. 2018–17]

Hazardous Materials: Emergency Waiver No. 7

AGENCY: Pipeline and Hazardous Materials Safety Administration (PHMSA), DOT.

ACTION: Notice of emergency waiver order.

SUMMARY: PHMSA is issuing an emergency waiver order to persons conducting operations under the direction of Environmental Protection Agency (EPA) Region 4 or United States Coast Guard (USCG) Seventh or Eighth Districts within the Hurricane Michael emergency area of Florida. The Waiver is granted to support the EPA and USCG in taking appropriate actions to prepare for, respond to, and recover from a threat to public health, welfare, or the environment caused by actual or potential oil and hazardous materials incidents resulting from Hurricane Michael. This Waiver Order is effective immediately and shall remain in effect for 30 days from the date of issuance.

FOR FURTHER INFORMATION CONTACT: Adam Horsley, Deputy Assistant Chief Counsel for Hazardous Materials Safety, Pipeline and Hazardous Materials Safety Administration, telephone: (202) 366–4400.

SUPPLEMENTARY INFORMATION: In accordance with the provisions of 49 U.S.C. 5103(c), the Administrator for PHMSA, hereby declares that an emergency exists that warrants issuance of a Waiver of the Hazardous Materials Regulations (HMR, 49 CFR parts 171–180) to persons conducting operations under the direction of EPA Region 4 or USCG Seventh or Eighth Districts within the Hurricane Michael emergency area of Florida. The Waiver is granted to support the EPA and USCG in taking appropriate actions to prepare for, respond to, and recover from a threat to public health, welfare, or the environment caused by actual or potential oil and hazardous materials incidents resulting from Hurricane Michael.

On October 9, 2018, the President issued an Emergency Declaration for Hurricane Michael for 35 Florida counties (EM 3405). This Waiver Order covers all areas identified in the declaration, as amended. Pursuant to 49 U.S.C. 5103(c), PHMSA has authority delegated by the Secretary (49 CFR 1.97(b)(3)) to waive compliance with any part of the HMR provided that the grant of the waiver is: (1) In the public interest; (2) not inconsistent with the safety of transporting hazardous materials; and (3) necessary to facilitate the safe movement of hazardous materials into, from, and within an area of a major disaster or emergency that has been declared under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 *et seq.*).

Given the continuing impacts caused by Hurricane Michael, PHMSA's Administrator has determined that regulatory relief is in the public interest and necessary to ensure the safe transportation in commerce of hazardous materials while the EPA and USCG execute their recovery and cleanup efforts in Florida. Specifically, PHMSA's Administrator finds that issuing this Waiver Order will allow the EPA and USCG to conduct their Emergency Support Function #10 response activities under the National Response Framework to safely remove, transport, and dispose of hazardous materials. By execution of this Waiver Order, persons conducting operations under the direction of EPA Region 4 or USCG Seventh or Eighth Districts within the Hurricane Michael emergency areas of Florida are authorized to offer and transport non-radioactive hazardous materials under alternative safety requirements imposed by EPA Region 4 or USCG Seventh or Eighth Districts when compliance with the HMR is not practicable. Under this Waiver Order, non-radioactive hazardous materials may be transported to staging areas within 50 miles of the point of origin. Further transportation of the hazardous materials from staging

areas must be in full compliance with the HMR.

This Waiver Order is effective immediately and shall remain in effect for 30 days from the date of issuance.

Issued in Washington, DC, on October 10, 2018.

Howard R. Elliott,

Administrator, Pipeline and Hazardous Materials Safety Administration.

[FR Doc. 2018–22423 Filed 10–15–18; 8:45 am]

BILLING CODE 4910–60–P

DEPARTMENT OF TRANSPORTATION

Pipeline and Hazardous Materials Safety Administration

[Docket No. PHMSA–2018–0100; Notice No. 2018–18]

Hazardous Materials: Emergency Waiver No. 8

AGENCY: Pipeline and Hazardous Materials Safety Administration (PHMSA), DOT.

ACTION: Notice of emergency waiver order.

SUMMARY: PHMSA is issuing an emergency waiver order to persons conducting operations under the direction of Environmental Protection Agency (EPA) Region 4 or United States Coast Guard (USCG) Seventh or Eighth Districts within the Hurricane Michael emergency area of Georgia. The Waiver is granted to support the EPA and USCG in taking appropriate actions to prepare for, respond to, and recover from a threat to public health, welfare, or the environment caused by actual or potential oil and hazardous materials incidents resulting from Hurricane Michael. This Waiver Order is effective immediately and shall remain in effect for 30 days from the date of issuance.

FOR FURTHER INFORMATION CONTACT: Adam Horsley, Deputy Assistant Chief Counsel for Hazardous Materials Safety, Pipeline and Hazardous Materials Safety Administration, telephone: (202) 366–4400.

SUPPLEMENTARY INFORMATION: In accordance with the provisions of 49 U.S.C. 5103(c), the Administrator for PHMSA, hereby declares that an emergency exists that warrants issuance of a Waiver of the Hazardous Materials Regulations (HMR, 49 CFR parts 171–180) to persons conducting operations under the direction of EPA Region 4 or USCG Seventh or Eighth Districts within the Hurricane Michael emergency area of Georgia. The Waiver is granted to support the EPA and USCG in taking appropriate actions to prepare for, respond to, and recover from a threat to public health, welfare, or the environment caused by actual or potential oil and hazardous materials incidents resulting from Hurricane Michael.

On October 10, 2018, the President issued an Emergency Declaration for Hurricane Michael for Georgia for the counties of Appling, Atkinson, Bacon, Baker, Baldwin, Ben Hill, Berrien, Bibb, Bleckley, Brantley, Brooks, Bryan, Bulloch, Burke, Butts, Calhoun, Camden, Candler, Charlton, Chatham, Chattahoochee, Clarke, Clay, Clinch, Coffee, Colquitt, Columbia, Cook, Crawford, Crisp, Decatur, Dodge, Dooly, Dougherty, Early, Echols, Effingham, Elbert, Emanuel, Evans, Glascock, Glynn, Grady, Greene, Hancock, Houston, Irwin, Jasper, Jeff Davis, Jefferson, Jenkins, Johnson, Jones, Lamar, Lanier, Laurens, Lee, Liberty, Lincoln, Long, Lowndes, Macon, Marion, McDuffie, McIntosh, Miller, Mitchell, Monroe, Montgomery, Morgan, Muscogee, Oconee, Oglethorpe, Peach, Pierce, Pulaski, Putnam, Quitman, Randolph, Richmond, Schley, Screven, Seminole, Stewart, Sumter, Talbot, Taliaferro, Tattnall, Taylor, Telfair, Terrell, Thomas, Tift, Toombs, Treutlen, Turner, Twiggs, Upson, Ware, Warren, Washington, Wayne, Webster, Wheeler, Wilcox, Wilkes, Wilkinson, and Worth (EM–3406).

This Waiver Order covers all areas identified in the declaration, as amended. Pursuant to 49 U.S.C. 5103(c), PHMSA has authority delegated by the Secretary (49 CFR 1.97(b)(3)) to waive compliance with any part of the HMR provided that the grant of the waiver is: (1) In the public interest; (2) not inconsistent with the safety of transporting hazardous materials; and (3) necessary to facilitate the safe movement of hazardous materials into, from, and within an area of a major disaster or emergency that has been declared under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 *et seq.*).

Given the continuing impacts caused by Hurricane Michael, PHMSA's Administrator has determined that regulatory relief is in the public interest and necessary to ensure the safe transportation in commerce of hazardous materials while the EPA and USCG execute their recovery and cleanup efforts in Georgia. Specifically, PHMSA's Administrator finds that issuing this Waiver Order will allow the EPA and USCG to conduct their Emergency Support Function #10 response activities under the National Response Framework to safely remove, transport, and dispose of hazardous materials. By execution of this Waiver Order, persons conducting operations under the direction of EPA Region 4 or USCG Seventh or Eighth Districts within the Hurricane Michael emergency area of Georgia are authorized to offer and transport non-radioactive hazardous materials under alternative safety requirements imposed by EPA Region 4 or USCG Seventh or Eighth Districts when compliance with the HMR is not practicable. Under this Waiver Order, non-radioactive hazardous materials may be transported to staging areas within 50 miles of the point of origin. Further transportation of the hazardous materials from staging areas must be in full compliance with the HMR.

This Waiver Order is effective immediately and shall remain in effect for 30 days from the date of issuance.

Issued in Washington, DC, on October 11, 2018.

Howard R. Elliott,

Administrator, Pipeline and Hazardous Materials Safety Administration.

[FR Doc. 2018–22496 Filed 10–15–18; 8:45 am]

BILLING CODE 4910–60–P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

Proposed Extension of Information Collection Request Submitted for Public Comment; Section 6708 Failure To Maintain List of Advisees With Respect to Reportable Transactions

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice and request for comments.

SUMMARY: The Internal Revenue Service, as part of its continuing effort to reduce paperwork and respondent burden, invites the public and other Federal agencies to take this opportunity to comment on proposed and/or continuing information collections, as required by the Paperwork Reduction Act of 1995. Currently, the IRS is soliciting comments concerning guidance under section 6708, failure to maintain list of advisees with respect to reportable transactions.

DATES: Written comments should be received on or before December 17, 2018 to be assured of consideration.

ADDRESSES: Direct all written comments to Carolyn Brown, Internal Revenue Service, Room 6236, 1111 Constitution Avenue NW, Washington, DC 20224. Requests for additional information or copies of the regulations should be

directed to R. Joseph Durbala, at Internal Revenue Service, Room 6129, 1111 Constitution Avenue NW, Washington, DC 20224, or through the internet, at *RJoseph.Durbala@irs.gov.*

SUPPLEMENTARY INFORMATION:

Title: Section 6708 Failure to Maintain List of Advisees with Respect to Reportable Transactions.

OMB Number: 1545–2245.

Regulation Project Number: TD 9764.

Abstract: This document contains final regulations relating to the penalty under section 6708 of the Internal Revenue Code for failing to make available lists of advisees with respect to reportable transactions. Section 6708 imposes a penalty upon material advisors for failing to make available to the Secretary, upon written request, the list required to be maintained by section 6112 of the Internal Revenue Code within 20 business days after the date of such request. The final regulations primarily affect individuals and entities who are material advisors, as defined in section 6111 of the Internal Revenue Code.

Current Actions: There is no change to the burden previously approved.

Type of Review: Extension of a currently approved collection.

Affected Public: Business or other for-profit organizations.

Estimated Number of Respondents: 25.

Estimated Time per Respondent: 8 hours.

Estimated Total Annual Burden Hours: 200.

The following paragraph applies to all the collections of information covered by this notice:

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

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

Desired Focus of Comments: The Internal Revenue Service (IRS) is particularly interested in comments that:

- Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;
- Evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;
- Enhance the quality, utility, and clarity of the information to be collected; and
- Minimize the burden of the collection of information on those who are to respond, including using appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, *e.g.,* by permitting electronic submissions of responses.

Comments submitted in response to this notice will be summarized and/or included in the ICR for OMB approval of the extension of the information collection; they will also become a matter of public record.

Approved: October 10, 2018.

R. Joseph Durbala,

Tax Analyst, IRS.

[FR Doc. 2018–22515 Filed 10–15–18; 8:45 am]

BILLING CODE 4830–01–P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

Advisory Committee to the Internal Revenue Service; Meeting

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice of meeting.

SUMMARY: The Information Reporting Program Advisory Committee (IRPAC) will hold a public meeting on Wednesday, October 24, 2018.

FOR FURTHER INFORMATION CONTACT: Ms. Tonjua Menefee, National Public Liaison, CL:NPL: BSRM, Rm. 7559, 1111 Constitution Avenue NW, Washington, DC 20224.

Phone: 202–317–6851 (not a toll-free number). Email address: *PublicLiaison@irs.gov.*

SUPPLEMENTARY INFORMATION: Notice is hereby given pursuant to section 10(a)(2) of the Federal Advisory Committee Act, 5 U.S.C. App. (1988), that a public meeting of the IRPAC will be held on Wednesday, October 24, 2018 from 9:00 a.m. to 1:00 p.m. at the Melrose Georgetown Hotel, 2430 Pennsylvania Ave. NW, Washington, DC 20037. Report recommendations on issues that may be discussed include: FIRE System Latency, IRC § 6050S and Form 1098–T Reporting; Business Master File Entity Addresses; Form W–9 Enhancements; Form W–4 2018 & 2019 versions; Expansion of IRS Direct Pay Program for Estimated Individual Income Tax Payments; Inclusion of Adjusted Gross Amount for Reporting on Form 1099–K; Tax Identification Number Identity Theft Resulting in False Forms 1099; Validity period of documentary evidence and treaty statement under the Qualified Intermediary (QI) Agreement; Foreign Account Tax Compliance Act including Section 871(m).

Last minute agenda changes may preclude notice. Due to limited seating and security requirements, please call or email Tonjua Menefee to confirm your attendance. Ms. Menefee can be reached at 202–317–6851 or *PublicLiaison@irs.gov.* Should you wish the IRPAC to consider a written statement, please call 202–317–6851, or write to: Internal Revenue Service, Office of National Public Liaison, CL:NPL:SRM, Room 7559, 1111 Constitution Avenue NW, Washington, DC 20224 or email: *PublicLiaison@irs.gov.*

Dated: October 10,2018.

Melvin Hardy,

Director, National Public Liaison.

[FR Doc. 2018–22514 Filed 10–15–18; 8:45 am]

BILLING CODE 4830–01–P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

Proposed Collection; Comment Request for Revenue Procedure

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice and request for comments.

SUMMARY: The Internal Revenue Service, as part of its continuing effort to reduce paperwork and respondent burden, invites the general public and other Federal agencies to take this opportunity to comment on proposed and/or continuing information collections, as required by the Paperwork Reduction Act of 1995. The IRS is soliciting comments concerning information collection requirements related to guidance for qualification as an acceptance agent, and execution of an agreement between an acceptance agent and the Internal Revenue Service relating to the issuance of certain taxpayer identifying numbers.

DATES: Written comments should be received on or before December 17, 2018 to be assured of consideration.

ADDRESSES: Direct all written comments to Laurie Brimmer, Internal Revenue Service, Room 6529, 1111 Constitution Avenue NW, Washington, DC 20224.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or

copies of the form(s) and instructions should be directed to Charles G. Daniel at (202) 317–5754, at Internal Revenue Service, Room 6529, 1111 Constitution Avenue NW, Washington, DC 20224, or through the internet at *Charles.G.Daniel@irs.gov.*

SUPPLEMENTARY INFORMATION:

Title: Guidance for qualification as an acceptance agent, and execution of an agreement between an acceptance agent and the Internal Revenue Service relating to the issuance of certain taxpayer identifying numbers.

OMB Number: 1545–1499.

Revenue Procedure Number: Revenue Procedure 2006–10.

Abstract: Revenue Procedure 2006–10 describes application procedures for becoming an acceptance agent and the requisite agreement that an agent must execute with the Internal Revenue Service.

Current Actions: There are no changes being made to the revenue procedure at this time.

Type of Review: Extension of a currently approved collection.

Affected Public: Individuals, business or other for-profit organizations, not-for-profit institutions, Federal Government, and state, local or tribal governments.

Estimated Number of Respondents: 8,000.

Estimated Time per Respondent: 3 hrs., 7 minutes.

Estimated Total Annual Burden Hours: 24,960.

The following paragraph applies to all of the collections of information covered by this notice:

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection of information displays a valid OMB control number. Books or records relating to a collection of information must be retained as long as their contents may become material in the administration of any internal revenue law. Generally, tax returns and tax return information are confidential, as required by 26 U.S.C. 6103.

Request for Comments: Comments submitted in response to this notice will be summarized and/or included in the request for OMB approval. All comments will become a matter of public record. Comments are invited on: (a) Whether the collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden of the collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology; and (e) estimates of capital or start-up costs and costs of operation, maintenance, and purchase of services to provide information.

Approved: October 10, 2018.

Laurie Brimmer,

Senior Tax Analyst.

[FR Doc. 2018–22444 Filed 10–15–18; 8:45 am]

BILLING CODE 4830–01–P

U.S.-CHINA ECONOMIC AND SECURITY REVIEW COMMISSION

Notice of Open Public Event

AGENCY: U.S.-China Economic and Security Review Commission.

ACTION: Notice of open public event.

SUMMARY: Notice is hereby given of the following open public event of the U.S.-China Economic and Security Review Commission. The Commission is mandated by Congress to investigate, assess, and report to Congress annually on ''the national security implications of the economic relationship between the United States and the People's Republic of China.'' Pursuant to this mandate, the Commission will hold a public release of its 2018 Annual Report to Congress in Washington, DC on November 14, 2018.

DATES: The release is scheduled for Wednesday, November 14, 2018 from 10:30 a.m. to 11:30 a.m.

ADDRESSES: Hart Senate Office Building, Room 902, Washington, DC. Please check the Commission's website at *www.uscc.gov* for possible changes to the event schedule. *Reservations are not required to attend.*

FOR FURTHER INFORMATION CONTACT: Any member of the public seeking further information concerning the event should contact Leslie Tisdale, 444 North Capitol Street NW, Suite 602, Washington DC 20001; telephone: 202–624–1496, or via email at *ltisdale@uscc.gov. Reservations are not required to attend.*

SUPPLEMENTARY INFORMATION:

Topics to Be Discussed: The Commission's 2018 Annual Report to Congress addresses the following topics:

- U.S.-China Economic and Trade Relations, including: Year in Review: Economics and Trade; Tools to Address U.S.-China Economic Challenges; and China's Agricultural Policies: Trade, Investment, Safety, and Innovation.
- U.S.-China Security Relations, including: Year in Review: Security and Foreign Affairs; and China's Military Reorganization and Modernization: Implications for the United States.
- China and the World, including: Belt and Road Initiative; China's Relations with U.S. Allies and Partners; China and Taiwan; China and Hong Kong; and China's Evolving North Korea Strategy.
- China's High-Tech Development, including Next Generation Connectivity.

Authority: Congress created the U.S.-China Economic and Security Review Commission in 2000 in the National Defense Authorization Act (Public Law 106–398), as amended by Division P of the Consolidated Appropriations Resolution, 2003 (Public Law 108–7), as amended by Public Law 109–108 (November 22, 2005), as amended by Public Law 113–291 (December 19, 2014).

Dated: October 11, 2018.

Daniel W. Peck,

Executive Director, U.S.-China Economic and Security Review Commission.

[FR Doc. 2018–22498 Filed 10–15–18; 8:45 am]

BILLING CODE 1137–00–P

DEPARTMENT OF VETERANS AFFAIRS

[OMB Control No. 2900–0609]

Agency Information Collection Activity Under OMB Review: Survey of Veteran Enrollees' Health and Use of Health Care

AGENCY: Veterans Health Administration, Department of Veterans Affairs.

ACTION: Notice.

SUMMARY: In compliance with the Paperwork Reduction Act (PRA) of 1995, this notice announces that the Veterans Health Administration, Department of Veterans Affairs, will submit the collection of information abstracted below to the Office of Management and Budget (OMB) for review and comment. The PRA submission describes the nature of the information collection and its expected cost and burden and it includes the actual data collection instrument.

DATES: Comments must be submitted on or before November 15, 2018.

ADDRESSES: Submit written comments on the collection of information through *www.Regulations.gov,* or to Office of Information and Regulatory Affairs, Office of Management and Budget, Attn: VA Desk Officer; 725 17th St. NW, Washington, DC 20503 or sent through electronic mail to *oira_submission@omb.eop.gov.* Please refer to ''OMB

Control No. 2900–0609'' in any correspondence.

FOR FURTHER INFORMATION CONTACT: Brian McCarthy, VHA National Policy, Department of Veterans Affairs, 810 Vermont Avenue NW, Washington, DC 20420, (202) 615–9241 or email *Brian.McCarty4@va.gov.* Please refer to ''OMB Control No. 2900–0609'' in any correspondence.

SUPPLEMENTARY INFORMATION:

Authority: 44 U.S.C. 3501–3521.

Title: Survey of Veteran Enrollees' Health and Use of Health Care.

OMB Control Number: 2900–0609.

Type of Review: Renewal currently approved collection.

Abstract: The VA Survey of Enrollees gathers information from Veterans enrolled in the VA Health Care System about factors which influence their health care utilization choices. Data collected are used to gain insights into Veteran preferences and to provide VA and Veterans Health Administration (VHA) management guidance in preparing for future Veteran needs. In addition to factors influencing health care choices, the data collected include enrollees' perceived health status and need for assistance, available insurances, self-reported utilization of VA services versus other health care services, reasons for using VA, barriers to seeking care, ability and comfort level with accessing virtual care, as well as general demographics and family characteristics that may influence utilization but cannot be accessed elsewhere.

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 **Federal Register** Notice with a 60-day comment period soliciting comments on this collection of information was published at 83 FR 32953 on July 16, 2018, pages 32953 and 32954.

Affected Public: Individuals and households.

Estimated Annual Burden: 14,000 hours.

Estimated Average Burden per Respondent: 20 minutes.

Frequency of Response: Annually.

Estimated Number of Respondents: 42,000.

By direction of the Secretary.

Cynthia D. Harvey-Pryor,

Government Information Specialist, Department of Veterans Affairs.

[FR Doc. 2018–22418 Filed 10–15–18; 8:45 am]

BILLING CODE 8320–01–P

DEPARTMENT OF VETERANS AFFAIRS

[OMB Control No. 2900–0016]

Agency Information Collection Activity Under OMB Review: Claim for Disability Insurance Benefits, Government Life Insurance

AGENCY: Veterans Benefits Administration, Department of Veterans Affairs.

ACTION: Notice.

SUMMARY: In compliance with the Paperwork Reduction Act (PRA) of 1995, this notice announces that the Veterans Benefits Administration, Department of Veterans Affairs, will submit the collection of information abstracted below to the Office of Management and Budget (OMB) for review and comment. The PRA submission describes the nature of the information collection and its expected cost and burden and it includes the actual data collection instrument.

DATES: Comments must be submitted on or before November 15, 2018.

ADDRESSES: Submit written comments on the collection of information through *www.Regulations.gov,* or to Office of Information and Regulatory Affairs, Office of Management and Budget, Attn: VA Desk Officer; 725 17th St. NW, Washington, DC 20503 or sent through electronic mail to *oira_submission@omb.eop.gov.* Please refer to ''OMB Control No. 2900–0016'' in any correspondence.

FOR FURTHER INFORMATION CONTACT: Nancy Kessinger, Administration & Facilities (20M3), Department of Veterans Affairs, 810 Vermont Avenue NW, Washington, DC 20420, (202) 632–8924 or email *nancy.kessinger@va.gov.* Please refer to ''OMB Control No. 2900–0016'' in any correspondence.

SUPPLEMENTARY INFORMATION:

Authority: 44 U.S.C. 3501–21.

Title: Claim for Disability Insurance Benefits, Government Life Insurance (VA Form 29–357).

OMB Control Number: 2900–0016.

Type of Review: Extension without change of a currently approved collection.

Abstract: VA Forms 29–357 is used by the policyholder to claim disability insurance benefits on S–DVI, NSLI and USGLI policies. The information requested is authorized by law, 38 U.S.C. 1912, 1915, 1922, 1942 and 1948.

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 **Federal Register** Notice with a 60-day comment period soliciting comments on this collection of information was published at 83 FR 12328 on June 8, 2018, page 26748.

Affected Public: Individuals or Households.

Estimated Annual Burden: $340,200.

Estimated Average Burden per Respondent: 1 Hour and 45 minutes.

Frequency of Response: Once.

Estimated Number of Respondents: 8,100.

By direction of the Secretary.

Cynthia D. Harvey-Pryor,

Government Information Specialist, Office of Quality, Privacy and Risk, Department of Veterans Affairs.

[FR Doc. 2018–22419 Filed 10–15–18; 8:45 am]

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